

Wednesday 15th July 2026 at 7pm

**Council Chamber, Civic Centre
Chelmsford**

Membership

The Mayor – L Foster
The Deputy Mayor – J Frascona

and Councillors

C Adutwim, J Armstrong, H Ayres, G Bonnett, V Canning
N Chambers, D Clark, H Clark, P Clark, P Davey
A Davidson, C Davidson, S Davis, J Deakin, S. Dobson, N Dudley,
D Eley, K Franks, I Fuller, S Goldman, S Hall, J Hawkins, R Hyland,
J Jeapes, A John, B Knight, J Lardge, R Lee, S Manley, L Mascot,
B. Massey, R Moore, M O'Brien, V Pappa, J Potter, S Rajesh, J
Raven, S Robinson, E Sampson, S Scott, S Shah T Sherlock, M
Sismey, A Sosin, J Sosin, M Steel, S Sullivan, M Taylor, A
Thompson, A Thorpe-Apps, C Tron, N Walsh, R Whitehead, P
Wilson and S. Young

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or phone (01245) 606480

MEETING OF CHELMSFORD CITY COUNCIL

15 July 2026

AGENDA

1. Apologies for Absence

2. Mayor's Announcements

3. Declarations of Interest

Members are reminded that they must disclose any interests they know they have in items of business on the meeting's agenda and that they must do so at this point on the agenda or as soon as they become aware of the interest. If the interest is a Disclosable Pecuniary Interest they are also obliged to notify the Monitoring Officer within 28 days of the meeting.

4. Minutes

Minutes of meeting on 2nd June 2026.

5. Public Questions

To receive questions from members of the public in accordance with Council Rules 10.1 to 10.6.

Any member of the public who wishes to submit a question or statement to this meeting should email it to committees@chelmsford.gov.uk 24 hours before the start time of the meeting. All valid questions and statements will be published with the agenda on the website at least six hours before the start time and will be responded to at the meeting. Those who have submitted a valid question or statement will be entitled to put it in person at the meeting.

6. Cabinet Question Time

The Leader and Members of the Cabinet to answer questions submitted by Members of the Council in accordance with Council Rules 10.18 to 10.22.

7. Proposed changes to the Constitution

To consider the attached report from the Governance Committee on 24th June 2026
Cabinet on 14th July 2026

8. Treasury Outturn 2025/26

To consider the attached report from the Treasury Management and Investment Sub Committee on 15th June 2026 and Cabinet on 14th July 2026

9. Annual Report of the Audit and Risk Committee

To consider the attached report from the Audit and Risk Committee on 24th June 2026

10. Annual Report of the Governance Committee

To consider the attached report from the Governance Committee on 24th June 2026

11. Annual Report of the Overview and Scrutiny Committee

To consider the attached report from the Overview and Scrutiny Committee on 29th June 2026

12. Report from the Governance Committee – Proposed Censure of City Councillor

To consider the attached report from the Governance Committee

13. Community Governance Review

To consider the attached report from the Chief Executive

14. Notice of Motion

In accordance with notice duly given, Councillor Jeapes to move:

Most of our Public Parks are accessible without the need to use a car. However, Hylands which has so much capacity and such excellent facilities is an exception to this for most of our residents. Specifically, those with young families.

In 2021 despite over 7,500 people signing a petition objecting to parking charge being introduced and many more residents opposing it this council voted to introduce them.

We are now in the midst of a 'cost of living Crisis', where many of our residents are having to count every penny just to get by. The school summer holidays are now coming up but a day out can be very expensive, particularly for families.

Council believes that:

For the summer holidays from 18th of July until 30th of August 2026 parking at Hylands Park should be free. This is a small gesture but may help more of our residents to enjoy the facilities in a park that was originally purchased by the council to 'secure the vast green space for local public use'.

Removing parking charges would promote access to outdoor recreation and help ensure that the park is affordable and welcoming to all.

That the loss of income for this period, approximately £77,000 can be offset by the £1.24million that was obtained over the initial income expectations when residents were charged for the disposal of garden waste.

In addition, Chelmsford City Council also received an improved financial Government settlement which Cllr Davidson stated would allow the council to support worthy initiatives.

It should be noted that Basildon Council has just approved free weekend parking in several areas based on supporting their town centres, local businesses and communities which may be an additional consideration for Chelmsford City Council.

Council therefore resolves to:

Request that the cabinet member responsible and the relevant officers instigate a Summer (18.7.26.- 30.8.26.) of free parking at Hylands Park

That the viability of similar schemes for free or discounted parking is considered to support Chelmsford town centre and local businesses.

15. Freedom of the City

A presentation will be made in relation to the conferring of the honorary title of Freeman of the City upon Cllr Whitehead.

CHELMSFORD CITY COUNCIL

MINUTES OF THE EXTRAORDINARY MEETING OF THE COUNCIL

held on 2 June 2026 at 7pm

PRESENT:

The Mayor, L Foster
The Deputy Mayor, J Frascona

Councillors C Adutwim, J Armstrong, H Ayres, G Bonnett, D Clark, H Clark, P Clark, P Davey, A Davidson, C Davidson, S Davis, J Deakin, N Dudley, D Eley, K Franks, J Frascona, L Foster, I Fuller, S Goldman, S Hall, J Hawkins, R Hyland, J Lardge, R Lee, S Manley, L Mascot, B. Massey, R Moore, V Pappa, J. Potter, S Rajesh, S Robinson, S Scott, T Sherlock, J Sosin, A Sosin, M Steel, S Sullivan, A Thompson, N Walsh, R Whitehead, P Wilson, and S Young.

1. Apologies for Absence

Apologies for absence had been received from Councillors Canning, Chambers, Dobson, Knight, Jeapes, Raven, Sampson, Sismey, Taylor, Thorpe-Apps and Tron.

2. Declarations of Interest

Members were reminded to declare at the appropriate time, any interests in the business on the meeting's agenda. None were made.

3. Minutes

The minutes of the three meetings held on 13 May 2026 were confirmed as a correct record.

4. Public Questions

In accordance with Council Rules 10.1 to 10.6 questions could only relate to Item 5 on the agenda. [Four had been submitted which can be viewed via this link](#), responses were given during item 5. The first question queried a lack of reference to equestrians, bridleways, public rights of way and other multi user routes in the Local Plan and asked for an explanation as to why these had been omitted from the evidence base and what assessment had been made of the Plan's impact on equestrian safety and rural connectivity. The second question asked about the impact of the change of political control at Essex County Council on the Local Plan. The third and fourth questions raised concerns about Site 20 at Rettendon Place, regarding the amount of housing proposed, the impact on the green area and wildlife habitats and the impacts on the local community and relevant infrastructure.

5. Chelmsford Local Plan – Submission to Secretary of State for independent examination

The Council considered a report which had been recommended to them via the Chelmsford Policy Board and Cabinet, which sought their approval to submit the Chelmsford Local Plan to the Secretary of State for independent examination and to approve the relevant delegations for the submission and examination processes.

In response to the first public question, the Council were informed that the Local Plan did include direct references to active and sustainable travel as well as specific references to bridleways, Public Rights of Way and multi user routes and crossings. The Council heard that Strategic Policy S10 made provision to secure infrastructure in the Local Plan, including policies to secure improvements to new or existing bridleways where appropriate. The Council were also informed of new bridleway routes, for example in Zone 2 of the Chelmsford Garden Community and that this clearly demonstrated there were mechanisms within the Local Plan which would deliver bridleway improvements to the Chelmsford area. It was also noted that at Masterplanning and planning application stages, full details of any improvements to infrastructure would be required. In response to the second public question, the Council heard that the submission of the Local Plan was not impacted by the change of administration at Essex County Council and that the decision rested solely with Chelmsford City Council. The Council heard that partnership working had taken place with Essex County Council, who had been fully consulted throughout the preparation of the Local Plan, including the agreement of a statement of common ground. In response to the third and fourth questions regarding Site 20 in Rettendon, the Council were informed that the site was for 350 new homes, not 700 and that the site allocation policy required the necessary infrastructure to be delivered as part of the development, including highway and education improvements. The Council heard that new sites had to be put forward to meet the increased housing target from the Government and that they had to be built within five years, hence why specific sites had been chosen that met that timeframe. The Council also heard that the wider development management policies would improve the environment at all development sites, with higher than required biodiversity net gain requirements, along with suitable wildlife and habitat surveys. The Council heard that for Site 20, this would include retaining and strengthening wherever possible the landscaping, trees and hedgerows within the site. The Council also noted that all submitted comments to the consultations, would be passed on to the appointed Inspector to be examined.

The Council heard from the Cabinet Member, who highlighted the importance of a strong Local Plan being in place, to be a solid and sound foundation for decision making on planning applications. They stated that this was an important stage in the process and if approved by Council, the inspector would then consider it and make any modifications before a final vote at Full Council to formally adopt the Local Plan, making it a material planning consideration, to assist with defending against inappropriate development. The Council heard that if the Local Plan didn't progress to the examination stage, it would mean the new NPPF system for plan-making being applied instead, leading to increased costs, a wholly untested system and higher housing numbers. Alternatively, the Council could choose to support the motion and the positive work from planning officers who had a track record of delivering Local Plans that stood up to scrutiny and delivered award winning developments. It was noted that a quality Local Plan, would allow the correct levels of infrastructure to be pushed for, local targets for affordable housing needs to be met and green initiatives to help address climate change. The Cabinet Member also highlighted the significant CIL contributions that development would bring, providing funding to parish tier Council's, and the 35% affordable housing requirement at any site of more than ten homes, to help tackle the housing crisis in Chelmsford. The Council also heard that the plan had been considered at various member briefings and public meetings, in addition to an extensive consultation

process and that despite moving targets and the cancellation of the A12 DCO, a positive plan was now before members to submit to the inspector. It was noted that approval would extend the current Local Plan by five years, until 2041 and assist in meeting the five year housing land supply, alongside offering enhanced protections to the environment.

The Council also heard from Councillors speaking against the submission of the Local Plan, with concerns raised regarding, build out rates by developers affecting the delivery of housing targets, Site 20 at Rettendon Place being unsuitable for 350 homes due to a lack of infrastructure and issues being passed to the planning inspector instead of being dealt with, homes at Hammonds Farm being proposed that would have significant impacts on the surrounding area, especially traffic levels on the A12 and concerns that building either side of the A12, would prevent it from being the bypass that the City needs. Concerns were also raised about unreasonable government housing targets, a failure to develop City Centre brownfield sites instead concentrating on building in rural areas, and what mitigations could be put in place to ensure build out rates were met by developers.

The Council also heard from other Cabinet members who spoke in support of submitting the Local Plan, with points raised including thanking the officers involved for their continued hard work, the greater emphasis on environmental matters throughout, increased affordable housing, higher job targets and employment areas and significant CIL revenue. The Council also heard that the plan set out a robust framework for housing in the area, prioritising a sense of wellbeing and long term resilience and that many of the brownfield sites in the City Centre are allocated in the Local Plan. It was noted that the plan was evidence based and the Chelmsford Policy Board were thanked for their contributions to assist with the plan reaching this stage.

In response to the concerns raised the Cabinet Member stated that, build out rates were a concern but largely out of the control of the Council and the Local Plan was an important safeguard to ensure houses were only delivered in the correct areas, that the inspector would consider all of the evidence for Site 20 in Rettendon that had been submitted, all major applications would come before the Planning Committee to be considered in detail and that there were mechanisms in place to ensure appropriate infrastructure would also be delivered. It was also noted that there were previous bypasses in Chelmsford, before the A12, such as New London Road and Princes Road and that development had taken place both inside and outside of those bypasses and would continue to take place. The importance of having a Local Plan against not having one was also highlighted, with examples of the lack of infrastructure in areas that did not have a Local Plan.

A recorded vote was requested by more than ten members. On being put to the vote, the motion proposed in the report to the meeting were approved, with the voting being as follows:

For the motion: Cllrs Adutwim, Ayres, D Clark, H Clark, Davey, A Davidson, C Davidson, Deakin, Dudley, Eley, Franks, Fuller, Goldman, Hall, Hawkins, Lardge, Lee, Manley, Mascot, Moore, Rajesh, Robinson, Sherlock, A Sosin, J Sosin, Thompson, Walsh and Young

Against the motion: Cllrs Armstrong, Bonnett, P Clark, Davis, Hyland, Massey, Pappa, Potter, Scott, Shah, Steel, Sullivan, Whitehead and Wilson

Abstained: Cllrs Foster and Frascona

RESOLVED that;

1. the Chelmsford Local Plan attached at Appendices 1 and 2 be submitted to the Secretary of State for Independent Examination in accordance with Regulation 22 of the Town and Country Planning (Local Development) (England) Regulations 2012 (as amended).
2. the person appointed to carry out the Independent Examination recommends modifications to the Chelmsford Local Plan as part of the Examination process, in accordance with Section 20(7C) of the Planning and Compulsory Purchase Act 2004 (as amended).
3. the Assistant Director – Planning and Place Shaping be authorised, in consultation with the appropriate Cabinet Member, to prepare all necessary documentation to support the submission of the Local Plan for independent examination.
4. the Assistant Director – Planning and Place Shaping, relevant Council Officers and consultants be authorised, to act on behalf of the Council at the Independent Examination in respect of the Chelmsford Local Plan including submitting written statements and making oral representations at the Hearing Sessions.

The meeting closed at 8:08pm

Mayor



Chelmsford City Council

15 July 2026

Proposed Changes to the Constitution

Report by:

Leader of the Council

Officer Contact:

Lorraine Browne, Legal & Democratic Services Manager and Monitoring Officer, 01245 606560, lorraine.browne@chelmsford.gov.uk

Purpose

To consider proposed changes to the constitution as set out in Appendices 1-2, the detail of which are set out in the report.

Recommendations

It is recommended that:

1. Council approves the proposed changes to the Constitution as set out in Appendices 1-2 of the report.

1. Background

- 1.1. The Council's Constitution is reviewed regularly and at least annually to ensure that it remains complete, up to date and reflects current practice and legislation. Reviews are normally initiated by officers although can be requested by members. Any recommendations are submitted in the first

instance to the Constitutional Working Group. Its recommendations are passed to the Governance Committee, the Cabinet and Full Council which takes the decision whether to approve the changes or not.

- 1.2. The proposed changes to the employee Code of Conduct can be found at appendix 1 (see paragraphs 7.1, 8.2, 8.3, 9.3, 9.5, 10 & 13.3) and have arisen due to officer register of interests and declarations now being made online in a similar way to city councillors. The proposed changes to the Mayoralty Rules can be found in Appendix 2 (see paragraphs 5.4.7.3, 5.4.7.4 & 5.4.10.2) have arisen from changes in day-to-day practice.
- 1.3. The proposals from the annual review of the constitution relating to the Mayoralty Rules have been considered by the Mayoral Working Group which supports the proposals. Both sets of proposed changes have also been considered by the Constitutional Working Group which supports proposals. Governance Committee considered the proposals on 24th June 2026. Cabinet is also a consultee and will be considering this on 14th July. A verbal update will be provided in relation to Cabinet consideration.

2. Conclusion

- 2.1. Council is asked to consider whether to approve the amendments to the Constitution set out in Appendices 1-2.

List of appendices:

Appendix 1 – Employee Code of Conduct

Appendix 2 – Mayoralty Rules

Background papers:

None

Corporate Implications

Legal/Constitutional: These are set out in the report. Full Council determines whether changes are made to the constitution.

Financial: None

Potential impact on climate change and the environment: None

Personnel: None

Risk Management: None

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

Consultees:

Constitution Working Group

Mayoral Working Group

Governance Committee

Cabinet

Relevant Policies and Strategies:

Constitution

Human Resources

Code of Conduct for Employees/Workers

I

*references to employees also includes workers

Chelmsford City Council

Code of conduct for employees/workers

Table of contents

1. Explanatory introduction.....	5
1.1. Application.....	5
1.2. Principles of Public Life	4
1.3. Purpose behind the Code.....	5
1.4. Status of the Code.....	6
1.5. Non-Observance of the Code.....	7
1.6. Interpretation.....	7
2. Values and Behaviours	7
3. Customer Service and Standards	7
3.1. General.....	7
3.2. Standards of Dress	8
3.3. Consumption of Alcohol and Drugs.....	8
3.4. Comments, compliments and complaints.....	8
3.5. Hours and Attendance	8
3.6. Disciplinary Standards	9
4. Disclosure and use of confidential information	9
4.1. Information Security	9
4.2. Disclosure of Criminal Convictions during employment	10
4.3. Use of Information by Employees	10
5. Equality, Diversity and Inclusion.....	10
6. Political neutrality	11

6.1.	When Carrying Out Work.....	11
6.2.	Dealings with Elected Members	11
6.3.	Political Assistants.....	11
7.	Acceptance of gifts & hospitality.....	11
7.1.	General.....	11
7.2.	Accepting Hospitality	11
7.3.	Giving of Hospitality.....	12
8.	Personal interests - disclosure etc	12
8.1.	The Underlying Principle	12
8.2.	Disclosure Generally.....	12
8.3.	Statutory Duty to Disclose any Financial Interest in Contract	13
9.	Relations with outside contractors and proposed contractors	13
9.1.	Familiarity with Contract Rules etc	13
9.2.	Awarding of Contracts and Orders.....	13
9.3.	Disclosure of Private Work Carried out by Contractors - The General Principle	14
9.4.	Exceptions	14
9.5.	Employees Who Supervise Contracts.....	15
10.	Outside commitments	15
11.	Separation of roles during tendering.....	16
11.1.	Separation of Roles	16
11.2.	Fairness and Impartiality	16
12.	Use of resources and council property etc	16
12.1.	Use of Resources	16
12.2.	Commitment to the environment	16
12.3.	Use of Council Property Etc	16

12.4. Security, health and safety.....	16
13. Close Personal Relationships at Work	
13.1. Recruitment.....	17
13.2. Other Employment Matters	17
13.3. Relations with other employees	17
14. Social media. Communications and working with the media	17
14.1. Social media.....	17
14.2. Communications and publications	18
14.3. Working and contact with the media	18
15. Safeguarding	17
16. Generally	18

Appendix I — Registration of Officer interests

I. Introduction

I.1. Application

This Code of Conduct applies to all Chelmsford City Council employees* and workers irrespective of the job that they do or the grade that they are on.

I.2 Principles of public life

The 7 principles of public life apply to anyone who works as a public office holder. <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

These principles underpin the Council's policies, procedures and processes set out in this Code of Conduct and elsewhere.

This includes people who are elected or appointed to public office, nationally and locally, and all people appointed to work in:

- the civil service
- local government
- the police
- the courts and probation services
- non-departmental public bodies
- health, education, social and care services

The principles also apply to all those in other sectors that deliver public services.

They were first set out by Lord Nolan in 1995 and they are included in the Ministerial code.

1. Selflessness

Holders of public office should act solely in terms of the public interest and not in order to gain financial or other material benefit for yourself, family or friends.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

1.3. Purpose behind the Code

Chelmsford City Council is a public authority funded in the main from revenue raised by local and central government taxation. As such, the public, and all other individuals and organisations who come into contact with the Council, are entitled to expect from the Council's employees the highest standard of service in terms of integrity, efficiency, impartiality and courtesy.

This Code sets out the standard of conduct that Chelmsford City Council employees should adhere to when carrying out their work and duties. In addition, its purpose is to maintain and improve standards and protect employees from misunderstanding or criticism.

Employees should always bear in mind that it is not enough to avoid actual impropriety or improper conduct. Employees should always endeavour to avoid any occasion for suspicion and any appearance of improper conduct or impropriety.

1.4. Status of the Code

This Code has been formally approved and adopted by the Council.

The Council believes that the Code represents the standard against which the conduct of employees will be judged, both by the public and by their fellow employees. It is not an exhaustive listing of all standards expected of employees.

1.5. Non-Observance of the Code

Failure to adhere to the Code can bring the Council and indeed the whole local government service into disrepute. Such failure could also lead to a finding of maladministration on the part of the Council by the Local Government Ombudsman.

One of the purposes of the Code is to provide guidance to employees and seek to protect them from misunderstanding or criticism. It is therefore in each employee's own interest to adhere to the Code. Employees should be aware that breach of the Code will constitute misconduct (and in certain circumstances, gross misconduct), which may lead to disciplinary action being instituted against the employee in accordance with the Council's Disciplinary Procedures.

Furthermore, employees need to be aware that conduct which is contrary to certain provisions of the Code (e.g. those dealing with unauthorised disclosure of confidential information) could, depending upon the precise circumstances of the case, also amount to an offence under the criminal law and thus result in prosecution of the employee concerned.

1.6. Interpretation

The Code is to be interpreted in spirit as well as by the letter. An employee who is in any doubt as to whether a provision in the Code is applicable to their situation should, in the first instance, refer the matter to their manager.

2. Values and Behaviours

The Council has adopted certain values – Accountability, Creativity, Learning and Encouraging, Collaborative and Trust - which are at the core of how staff and the organisation are expected to behave. These are key to delivering the Council's vision and are the qualities that we expect from all staff. All employees have a responsibility for ensuring that they are aware of the Behaviours which underpin these values and that they actively support and demonstrate these. Information is available on the intranet or through employee self-service.

3. Customer Service and Standards

3.1. General

Employees are expected to give the highest possible standard of service to the public and local community and to abide by the customer care standards set by the Council. Employees who, during their employment, have contact with the public, whether face to face, over the telephone or by way of written

correspondence should always ensure that they deal with the individual(s) in an efficient and courteous manner, irrespective of the circumstances.

3.2. Standards of Dress

Employees should dress in a manner appropriate to their role to ensure, so far as is reasonably possible, that no offence is caused to individual members of the public, including members of minority groups. Employees should not wear any badges, jewellery or insignia which might give offence, or which could be taken to indicate that the wearer is a supporter of a particular political party or pressure group. Tattoos should not be displayed which give offence or indicate that the employee is a supporter of a particular political group.

3.3. Consumption of Alcohol and Drugs

Employees should not consume any alcohol before or during their working day, including during their lunch break, if it is likely to have an adverse effect on their work or if it would be inappropriate. For employees whose role requires them to drive or operate machinery, then alcohol should not be consumed prior to driving or operating machinery. With the exception of prescription drugs, or pharmacy over the counter drugs, employees should not take drugs during work times.

3.4 Comments, compliments and complaints

Employees who, during their employment, have contact with the public should familiarise themselves with the Council's comments, compliments and complaints policy and procedure and, where appropriate, bring the procedure to the attention of the public.

Employees should be prepared to disclose to any member of the public their name and position with the Council unless in any case they have genuine cause to believe that such disclosure might compromise their own personal safety.

3.5 Hours and attendance

Reliability in time keeping, attendance and in reporting sickness are all critical to the success of Council services. Poor attendance and bad timekeeping increase costs, reduce service outputs and may undermine the reputation of the Council. Employees should ensure that they:

- Comply with the timekeeping requirement of their job ensuring accuracy of record keeping at all times.
- Are in the workplace and working when they should be
- Ask their manager if there is a need to take time off, for example for a doctor's visit

- Agree with their line manager in advance any leave or time off

3.6 Disciplinary standards

These disciplinary standards apply to all Chelmsford City Council employees irrespective of the job they do or the grade they are on.

They should be read in conjunction with the Council's Disciplinary Procedure and this Code of Conduct

Purpose behind the disciplinary standards

The Council accepts that most of its employees can be relied on to conduct themselves in an exemplary manner, irrespective of formal rules. However, in a large organisation such as the Council it is necessary for there to be standards which:

Identifies conduct which is unacceptable to the Council as an employer,

Indicates the likely consequences of such conduct; and

Provides a framework for managers and employees that helps ensure that the required high standards of job performance and conduct are met and maintained

4. Disclosure and use of confidential information

4.1. Information Security

All employees are responsible for keeping personal data, which they access or process, secure and up to date. Line managers have responsibility for the type of personal data they collect and how they use it. Managers are also required to ensure that staff are appropriately trained on how to process personal information in line with the Data Protection Act 2018 and the General Data Protection Regulation 2016

Individuals who have access to personal data are required:

- to access only data that they have authority to access and only for authorised purposes;
- not to disclose data except to individuals (whether inside or outside the organisation) who have appropriate authorisation;
- to keep data secure (for example by complying with rules on access to premises, computer access, including password protection, and secure file storage and destruction);
- not to remove personal data, or devices containing or that can be used to access personal data, from the organisation's premises without adopting appropriate security measures (such as encryption or password protection) to secure the data and the device;

- not to store personal data on local drives or on personal devices that are used for work purposes; and
- to report data breaches of which they become aware to the Information Governance Team in line with the Council's Data Breach Policy and Procedure.

Failing to observe these requirements may amount to a disciplinary offence, which will be dealt with under the Council's disciplinary procedure. Significant or deliberate breaches of this policy, such as accessing employee or customer data without authorisation or a legitimate reason to do so, may constitute gross misconduct and could lead to dismissal without notice.

Employees should communicate with the Council's Monitoring Officer, or their own Service Manager to raise concerns regarding a breach of conduct or other issue of concern related to the delivery of the Council's responsibilities. In some cases, the appropriate disclosure route may be raised by using the Council's Whistleblowing procedure.

4.2 Disclosure of criminal convictions during employment

Employees who are convicted or cautioned for any offence during their employment (this includes outside of your working hours) with the Council are required to immediately notify their line manager in writing of the offence and the penalty.

This includes motoring offences which result in a court action and a driving restriction but not parking offences/fines where no penalty points are incurred. The effect of any conviction or caution will be considered with regard to the post occupied and the nature and severity of the offence and penalty. Any action that may be taken by the Council will be in accordance with the disciplinary procedure.

4.3. Use of Information by Employees

Employees should never use confidential or sensitive information obtained by them during their employment for personal gain or benefit.

5. Equality, diversity and inclusion

All members of the local community, customers and our employees have a right to be treated with fairness and respect.

The Council is fully committed to the elimination of unlawful and unfair discrimination and values the differences that a diverse workforce brings to the organisation. The Council aims to create a work environment where everyone is treated with dignity and respect.

The Council will not discriminate because of age, disability, gender reassignment,

marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. It will not discriminate because of any other irrelevant factor and will build a culture that values meritocracy, openness, fairness and transparency.

All employees are responsible for the promotion and advancement of equality, diversity and inclusion. Behaviour, actions or words that transgress the Equality, Diversity and Inclusion policy will not be tolerated and will be dealt with in line with the Council's bullying and harassment and disciplinary policies, and this Code of Conduct.

6. Political neutrality

6.1. When Carrying Out Work

Employees (whether or not their post is designated as politically restricted) should follow every lawful expressed policy of the Council and should not allow their own personal or political opinions to interfere with or influence their work.

6.2. Dealings with Elected Members

Employees should bear in mind that they serve the Council as a whole. They therefore serve all Elected Members and not just those of the controlling group and should ensure that the individual rights of all Elected Members are respected. It must be ensured that working relationships are kept on a professional basis.

6.3. Political Assistants

Political assistants appointed in accordance with the Local Government and Housing Act 1989 are exempt from the standards set out in paragraphs 6.1 and 6.2

7. Acceptance of gifts & hospitality

7.1. General

Except in the very limited circumstances employees should not accept any fees, gifts or other benefits on their own behalf or on behalf of a third party, from any member of the public, pressure group or other outside party. All employees are expected to make themselves aware of the guidance on the acceptance of gifts and hospitality which is available on the intranet or from HR. This includes ensuring any gifts or hospitality with an estimated value of at least £50 are registered with the Monitoring Officer within 28 days of its receipt. Furthermore, that any significant gifts or hospitality that they have been offered but have refused to accept are also registered with the Monitoring Officer.

7.2. Accepting Hospitality

Employees should only accept offers of hospitality if these are occasions on

11

*references to employees also includes workers

which they are gathering, imparting or exchanging information or representing the Council. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community or where the

Council should be seen to be represented. Attendance at such functions should be authorised in accordance with the procedure set out in the protocol for gifts and hospitality.

Employees should be aware that it is a serious criminal offence for them **corruptly** to receive any gift, loan, fee, reward or advantage **for doing, or not doing anything, or showing favour or disfavour to any person** in their official capacity. If an allegation is made then it is for the employee to demonstrate via an investigation process that any gift, loan, fee, reward received has not been corruptly obtained.

7.3. Giving of Hospitality

The giving of hospitality to visiting individuals, and during meetings with outside individuals/organisations which take place off Council premises, is acceptable provided that

- (i) the visit/meeting relates to Council business; and
- (ii) such hospitality is of a kind and proportionate to the circumstances.

In some cases, it may well be wrong not to offer hospitality. For example, the failure to offer a visitor basic refreshment (i.e. tea/coffee) would, in certain circumstances, be construed as discourteous, and possibly contrary to the Council's customer care ethos. Similarly, in the case of lengthy meetings the provision of a "working lunch" may well be appropriate. Hospitality should never be lavish or extravagant and should be proportionate to our role as public body. Employees should always have regard to how such hospitality might be perceived by members of the public - bearing in mind the Council is a public body funded in the main by local and central government taxation, and the need for impartiality in relations with contractors and potential contractors.

8. Personal interests - disclosure etc

8.1. The Underlying Principle

Employees should never use their positions with the Council to seek special favour or preferential treatment for themselves, or friends or relatives. Equally important, employees should not allow the impression to be created that they are, or may be, using their position to promote private or personal interests.

8.2. Disclosure Generally

Employees should disclose, via the online form available on the intranet in-writing, and to their manager any personal interest (whether financial or non-financial in nature) which may affect, or be considered by others to affect, an employee's impartiality in any matter relevant to his/her duties. Employees should make themselves aware of the guidance on registering

their interests. The manager should ensure that ~~any the disclosures are -is~~ recorded in the register of interests via the online form available on the intranet maintained by Democratic Services.

Note: Non-financial interests could, for example, include involvement with an organisation receiving grant aid from the Council, or involvement with an organisation or pressure group which is seeking to influence or change the Council's policies.

8.3. Statutory Duty to Disclose any Financial Interest in Contract

Employees must be aware that by law (Section 117 of the Local Government Act 1972) they are required to disclose in writing to the Council any financial interest, whether direct or indirect, which they have in any contract which, to their knowledge, has been, or is proposed to be entered into by the Council. Failure to disclose such an interest is a serious criminal offence.

This information is collected via the online form available on the intranet.
~~Democratic Services maintains a register for the disclosure of financial (pecuniary) interests. This register is open to inspection by the public.~~

Employees who are not sure whether disclosure is required should initially refer the matter to their manager.

9. Relations with outside contractors and proposed contractors

9.1. Familiarity with Contract Rules etc.

Employees who make or advise on purchasing decisions or are otherwise involved in the ordering of goods or services on behalf of the Council must ensure that they are familiar with the Council's Contract Rules and Financial Regulations relating to contracts and orders.

9.2. Awarding of Contracts and Orders

Employees who make purchasing decisions, or who are otherwise involved in the ordering of good or services on behalf of the Council, must ensure that orders and contracts are awarded strictly in accordance with the Council's Contract Rules and that no special favour is shown, or preferential treatment given, to businesses run by partners, relatives, friends or former employees.

All employees should be familiar with the requirements of the Bribery Act and the Anti-Bribery and Corruption policy. The Council is committed to protecting the public purse and the services it provides from being abused.

We require that all staff, including those permanently employed, temporary agency staff and contractors:

- act honestly and with integrity always and safeguard the organisation's resources for which they are responsible

- comply with the spirit, as well as the letter, of the laws and regulations of all jurisdictions in which the Council operates, in respect of the lawful and responsible conduct of activities.

The Council will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Authority.

The Council's expectation of propriety and accountability is that staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

The Council also expects that individuals and organisations with which it comes into contact will act towards the Authority with integrity.

9.3. Disclosure of Private Work Carried out by Contractors - The General Principle

Corporate Directors, Service Managers, and any other employees who are involved in purchasing decisions (including the selection of persons invited to tender, and the evaluation of tenders etc) and who have, or have had, a private business relationship (as defined below) with a person or company whom they know has or is seeking to have a contractual relationship with the Council (whether for the supply of goods, services or construction works) should disclose that fact ~~via the online form available on the intranet, in writing to Democratic Services.~~

~~Democratic Services shall record the disclosure in a register which is kept for this purpose and which is open to inspection by the public.~~

Commented [LB1]: There is no requirement to have a register or to make the information public. S117 requires that the officer discloses the information which is the key requirement.

Definition of Private Business Relationship

An employee shall be taken to have a private business relationship with a person or company if that person or company has been engaged to carry out work to the employee's home or that of his/her family or close friend(s); or to supply any goods or services to the employee or his/her family or close friend(s).

9.4. Exceptions

This part of the Code shall not, however, be taken as requiring an employee to disclose a private business relationship with:

- (1) any public utility company or statutory undertakers (e.g. British Telecommunications Plc, Eastern Electricity, rail operators and other public transport companies) where work done, or goods/services supplied is a kind which is provided or made available to a large section of the general population.

(2) any bank or similar financial institution where the services provided are of a kind commonly provided or made available to other customers of the bank/institution.

(3) any retail store or outlet (e.g. a supermarket or bookshop) where the private business relationship has arisen solely because the employee has purchased from the store/outlet (during its opening hours) goods or services which, at the time of purchase were on display or offer to the public at the same price and on the same terms.

9.5. Employees Who Supervise Contracts

Employees who supervise contractors should disclose via the online form on the intranet in writing to Democratic Services any private business relationship (as defined in 9.3 above) which they have, or have had, with any of the contractors which come within their supervision. The online form is used to maintain a Democratic Services shall record the disclosure in a register which is kept for that purpose and which is open to inspection by the public.

10. Outside commitments

All employees should not engage in any outside work which means any paid or unpaid work including voluntary work which conflicts or may conflict with the Council's interests.

An employee who wishes to take up outside work, whether paid or unpaid, must obtain approval before accepting. A request for authorisation in relation to second employments or other commitments should be made using the online form which is available on the intranet. A proforma for this purpose can be found in Appendix I.

If an employee already has other employment or commitments when they join the Council, including volunteering, they must make this known to their manager who will bring the employees attention to the online form for authorisation to be sought and must ensure that they are fully able to undertake their contractual duties.

The Council has an obligation to protect the welfare of its employees. When considering other work, all employees must comply with the Working Time Regulations which govern the total number of hours that can be safely worked as well as ensure that the required rest breaks under regulation can be taken

An employee undertaking secondary employment outside of the Council must complete a Working Hours declaration to ensure that the hours worked in total are permitted under legislation including required rest breaks.

An employee who works in more than one role for the Council will be required to comply with Working Time regulation in relation to hours work and to

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ensure that required rest breaks are taken.

18

*references to employees also includes workers

11.10. Separation of roles during tendering

11.1.10.1. Separation of Roles

Employees involved in the tendering process and dealing with contractors should be clear on the separation of client and contractor roles within the Council. Senior employees who have both client and contractor responsibilities must be aware of the need for accountability and openness.

11.2.10.2. Fairness and Impartiality

Employees in contractor or client units must exercise fairness and impartiality when dealing with all customers, suppliers, other contractors and sub-contractors.

12.11. Use of resources and council property etc

12.1.11.1. Use of Resources

Employees must ensure that they use public funds and resources entrusted to them in a responsible manner. They should always ensure value for money to the local community.

12.2.11.2. Commitment to the environment

The Council declared a climate and ecological emergency in July 2019 and expects its employees to consider the environmental impact of their actions and behaviour and, in particular, to contribute to reducing waste and reducing carbon emissions where possible when at work

12.3.11.3. Use of Council Property Etc

Except for cars provided in accordance with the staff car-lease scheme employees should not use Council property, equipment (including computer/word processing hardware and specialist software) and materials for their own personal gain or private purposes with the exception of accessing the internet during non-working time lunch breaks in accordance with the Council's Acceptable Use policy.

12.4.11.4. Security, health and safety

Employees should be mindful of the constant need to ensure, so far as is practicable, the security and health and safety of their fellow employees, and the safeguarding of Council property and buildings. Each employee should endeavour to avoid acts or omissions on their own part which may be prejudicial to, or compromise, health, safety and security.

13.12. Close Personal Relationships at Work

13.1 Recruitment

Employees involved in recruitment must ensure that appointments are made based on merit. To avoid any possible accusation of bias, an employee must not be involved in making an appointment if they are related to, or have a close personal relationship with an applicant, in accordance with the Employment Rules in the Authority's Constitution

13.2 Other Employment Matters

Employees must not be involved in decisions relating to disciplinary, grievance, promotion or payment related matters, which relate to someone with whom they have a close personal relationship

13.3 Relations with Other Employees

Mutual respect and professional conduct between colleagues are essential to good local government. Employees are required to act in a professional manner and not allow personal relationships to impact on their work and professionalism.

Employees are asked to complete a declaration through the online form available on the intranet ~~form~~ regarding Close Personal Relationships at work, following which a risk ~~n~~ assessment will be undertaken and approved by the relevant Service Manager (or where the risk assessment relates to a Service Manager a Director) to set out arrangements to protect both the employee and the Council.

The Council reserves the right to address any issues arising from close personal relationships at work that cause ongoing work issues and take appropriate action to resolve the issue.

14 Social media, communications and working with the media

14.1 Social media

Using Social media on behalf of the Council

When engaging with customers or organisations on behalf of the Council through Social Media, employees should always remember that they are representing the Council. Employees should represent the Council ethically and with honesty and integrity.

Personal social media use

Employees should not post anything that could adversely affect the image of the Council or have the potential to do so. Employees must not breach

confidentiality by divulging any personal or sensitive information through social media.

14.2 Communications and publication

Employees must not publicise material which is confidential or against the Council's or our employee's interests.

14.3 Working and contact with the media

Employees should not speak, write, give interviews or take phone calls for information unless the communications team and your manager have given you permission to do so or unless this is part of your role for the Council.

15. Safeguarding

The Council provides a wide range of services and facilities and will promote the welfare and protection of children and adults at risk within all services by:

- Respecting the rights, wishes, feelings and privacy of children and adults.
- Taking seriously and responding appropriately and promptly to all concerns, incidents and allegations.
- Requiring organisations that the Council contracts to provide the Council with services, to have appropriate safeguarding procedures and training in place and adopt the Safeguarding policy.
- Ensuring that unsuitable people are prevented from working with children and adults at risk through the Council's Safer Recruitment Procedure.
- Not tolerating harassment of any Council employees, elected Members, contractors, agency staff, volunteers, suppliers, consultants or children/adults who raise concerns of abuse.
- Seeking to prevent abuse by promoting good practice, creating a safe and healthy environment and avoiding situations where abuse or allegations of abuse occur.

It is expected that all employees:

- Understand the different forms abuse as well as their roles and responsibilities under this Code of Conduct and the Safeguarding Policy.
- Know how to record and report safeguarding concerns, incidents or allegations.

16. Generally

If an employee has any doubt as to whether any action taken or contemplated on his/her part, or on the part of a third party, is likely to result or has resulted in a breach of this Code of Conduct then he/she should discuss the matter with his/her manager or Human Resources as soon as possible.

Relevant information to support this Code of Conduct is available on the intranet or via your line manager including the following:

- Financial regulation
- Employment policies and procedures
- Health and Safety responsibilities
- Safeguarding
- Data and Information
- Council Constitution



REGISTRATION OF OFFICER INTERESTS

Guidance on the registration of interests

Your name	
Your Directorate	
Your Service	
Your line manager's name	

I register the following interests pursuant to Section 117 of the Local Government Act 1972 and the Council's Employees Code of Conduct:

Interest	
1.	Your membership of or the fact that you are in a position of general management and control of a body that falls within one or more of the following descriptions: a. to which you have been appointed or nominated by the City Council b. exercising functions of a public nature c. directed towards charitable purposes <i>The descriptions identified are alternatives, therefore you need to register any interests that falls within any of the descriptions in (a), (b) or (c). Under paragraph (a) there are a number of bodies to which the Council makes officer appointments such as Bradwell Local Community Liaison Council and the Essex Society for Archaeology and History. The organisations that should be included in paragraph (b) include those that lobby government to make changes to policy or laws, for example, an active member of the National Trust or AA which may seek to influence public policy. Under paragraph (c) this includes not only registered charities but other organisations that raise funds for charities such as Freemasons.</i>
	Details

24

*references to employees also includes workers

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2.	Any body of which you are a member or to which you have been elected personally or professionally: (a) receiving grant aid from the Council; or (b) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union).
	Details
3.	Any pecuniary interest, direct or indirect, which you have in any contract, which has been or is proposed to be entered into by Chelmsford City Council <i>If you have entered into any form of contract with the Council for the supply of goods or services this should be entered here but only if there are still obligations to be fulfilled such as payments to be made or services to be provided. Examples are:</i> <i>— Use of Council commercial waste collection facilities by a body or company which you own.</i> <i>— Use of the Council's Building Control Team's services in relation to works at any property owned by a body/company in which you have an interest.</i>
	Details
4.	Any body of which you are a member. Any firm in which you are a partner. A company of which you or a close relative are a remunerated director. A company run by a relative, friend, partner, or former employee or yours which has or is tendering for a contractual relationship with Chelmsford City Council (whether for the supply of goods, services or construction work).
	Details

5.	Any work or services provided to you in a private capacity (a private business relationship) by any business, partnership or sole trader which has tendered or is tendering for a contractual relationship with Chelmsford City Council (whether for the supply of goods, services or construction work).
	Details
6.	Any employment or business carried on by you in addition to your employment by Chelmsford City Council.
	Details
7.	Any organisation of which you are a member to which you have been elected or appointed professionally or personally which the Council could from time to time have any dealings with that are not covered in other categories above.
	Details

Your signature:

Date:

Your line manager's signature:

Date:

Monitoring Officer's signature:

Date:

Guidance Notes for Authorisation

Directors should consider the following:

- Does the additional employment conflict with the Council's interests i.e. benefitting from position of being a Council employee e.g. tendering for business?
- Does the additional employment conflict with the working time agreement e.g. the employee should not be working 7 days a week and must ensure that they can have the prescribed rest hours? Should the additional employment result in the employee working more than 48 hours a week, an opt out form should be completed.
- Could the business interest be seen to be promoted by their position within the Council?
- Does the contract preclude the member of staff from having additional employment or a secondary business interest?

Version- Number	Creation- Date	Changes- Made	Changes- Made-By:	Authorised/Checked?	Date-of- Changes
2.6	Jan-2011	Amended to Disability- Confident- Logo	HR Team	Y	05/12/2016
2.5	Jan-2011	Updated to reflect new HR structure	J Ferguson	Y	17/09/2015
2.4	Jan-2011	Corrected- reference- errors in 6.3	H Dungate	Y	30/09/2014
2.3	Jan-2011	Safeguarding Element- added	A Price	Y	31/10/2012

PART 5.4

MAYORAL PARTY RULES

Contents

<u>Paragraph</u>	<u>Subject</u>	<u>Page</u>
5.4.0	General principles	2-3
5.4.1	Neutrality	3
5.4.2	Form of Address	3
5.4.3	Attire and Regalia	3-4
5.4.4	Events	4-5
5.4.5	Expenses of the Mayoralty, Gifts and Hospitality	5-6
5.4.6	Use of the Civic Car	6
5.4.7	Mayor's Charity	6
5.4.8	Patronage and Other Support	7
5.4.9	Spiritual Support	7
5.4.10	Correspondence and Sealing of Documents	7

5.4.0 **GENERAL PRINCIPLES**

5.4.0.1 These Rules establish the principles under which the Mayoral Party will carry out their duties and responsibilities. In particular the Party must observe Part 2, Article 5 of the Council's Constitution, the Council Procedure Rules in Part 4.1 of the Constitution and the [Mayoral Party Protocol](#), which has the status of a Practice Note for the purposes of the Constitution.

5.4.0.2 The Mayor will be responsible for the interpretation of the Constitution as set out in Part 2, Article 16 thereof.

5.4.0.3 Administrative and organisation support will be provided to the Mayoralty by the Council and is referred to in these Rules as the Mayor's Office.

5.4.0.4 The role of the Mayoral Party, its responsibilities and guidance on the appropriateness of any duties to be undertaken will be dealt with at the Mayoral Working Group. The following will attend its meetings:

- a) Mayor
- b) Deputy Mayor
- c) Leader of the Council
- d) Opposition representative(s)
- e) Chief Executive
- f) Mayor's Office representatives
- g) The Mayor and Deputy Mayor designate (to receive guidance for the forthcoming year)

5.4.0.5 In particular, the Mayoral Working Group will regularly consider issues arising in relation to:

- a) The interpretation of and changes required to the Mayoral Party Rules and Mayoral Party Protocol
- b) Mayoral Engagements
- c) Civic Events
- d) Honorary Freeman and Freedoms
- e) Town Twinning

Role of the Mayoralty

5.4.0.6 The Mayor is the First Citizen of the City and will personally carry out the duties of the Mayoralty as far as is reasonably practical.

Role of the Deputy Mayor

5.4.0.7 The role of the Deputy Mayor is to deputise for the Mayor when the latter is not available to attend a function or if there is more than one invitation for the same date and time. The Deputy Mayor's role is not to act as Mayoral support.

5.4.0.8 When the Mayor is unavailable to attend a function and the Deputy Mayor is required to attend, then the Deputy Mayor will have use of the Civic Car and chauffeur. All other transportation arrangements should be organised through the Mayor's Office.

5.4.1 **NEUTRALITY**

5.4.1.1 The Mayoral Party represents the whole City during the term of office. The Mayor, and Deputy Mayor, will therefore during their year of office and whilst acting in this official capacity:

- a) Maintain political neutrality
- b) Chair Council meetings with absolute impartiality
- c) Ensure that a fellow ward or adjoining ward Councillor is available to deal with certain aspects of Council business
- d) As far as is reasonably practical, not attend party political functions in the role of the Mayor or Deputy Mayor.

5.4.2 **FORM OF ADDRESS**

5.4.2.1 The usual form of address for the Mayor is "Mr Mayor", if male, and "Madam Mayor", if female. The Deputy Mayor is addressed as "Deputy Mayor". All Officers of the Council are expected to address the Mayor formally.

5.4.2.2 There are also prescribed forms of address to be used when speaking to or addressing visiting dignitaries. The Mayor's Office will ensure that the appropriate form of words is identified before any such engagement takes place or correspondence entered into.

5.4.3 **ATTIRE AND USE OF THE MAYORAL REGALIA**

5.4.3.1 The type of attire required at any occasion will be determined by the type of function to be attended and as explained in the Mayoral Party Protocol Practice Note.

5.4.3.2 The Mayor and Deputy Mayor will wear the formal Regalia and Chains of Office on the following occasions:

- a) All meetings of the Council.
- b) The Civic Service.
- c) Remembrance Sunday.
- d) The Justice Service.
- e) Visits of Royalty (unless otherwise requested).
- f) Such other occasions as will be agreed by the Mayoral Working Party.

5.4.3.3 The Regalia of Office means the gown, jabot, gloves, hat and Ceremonial Chains of Office or the Mayoral/Day Chain. The Mayor's Office will advise the Mayoral Party on the appropriate form of dress for a particular event or occasion.

5.4.4 **EVENTS**

5.4.4.1 There are four main categories of event as set out below. The number of each and protocol to be used at each category differ and details are contained in the Mayoral Party Protocol Practice Note:

- a) Annual Civic events;
- b) Those promoted or organised by the Council, or the Mayor, or at which either act as hosts;
- c) Those which the Mayor is expected to attend; and
- d) Those which the Mayor may be invited to attend.

Annual Civic Events

5.4.4.2 The guest lists, selection of speakers and sequence of speeches at Civic events will be determined by the Mayor, in consultation with the Mayoral Working Group.

Events Promoted by the Council or the Mayor

5.4.4.4 The Mayor will normally be invited to officiate at all events or occasions of major civic significance, but is not required to be involved in all Council promoted events.

5.4.4.5 Where attendance of the Mayor, and/or other members of the Mayoral Party is required, the organiser of the event will arrange an adequate and timely briefing through the Mayor's Office.

Arrangements for inviting the Mayor to Events

5.4.4.6 Invitations for the Mayor to attend functions are for the Mayor and other members of the Mayoral Party only.

5.4.4.7 Formal invitations must be made through the Mayor's Office. If accepted, the invitation will be confirmed and an acceptance letter and engagement form will be sent to the inviting party for completion, which must be returned to the Mayor's Office.

5.4.4.8 This procedure shall apply equally to events organised by Council departments as well as those from external organisations or individuals.

5.4.4.9 Engagement lists showing forthcoming engagements will be prepared on a regular basis. They will include details of the events, the date and time of each engagement, and the organisation and venue for each event the Mayoral Party is attending. The lists will be distributed to:

- a) The Mayor and the Deputy Mayor;
- b) Council officers, the police, and local & national media sources as appropriate.

Visits Outside the City

- 5.4.4.10 It is customary for the Mayor's Office to seek the permission of the "host" authority for the Mayor (or a member of the Mayoral Party, as appropriate) to wear the chain or badge of office. Conversely, a Mayor or Chair of another authority attending a function in the City of Chelmsford will seek permission from the Mayor's Office to wear their chain or badge of office.

Precedence

- 5.4.4.11 When a Royal visit is to take place in the City's area, the following rules will be applied as to which dignitary takes precedence and the order of precedence.

- a) On official Royal visits to the county the Chair of the County Council takes precedence before the Mayor and on such occasions the order of presentation by the Lord Lieutenant to the Royal visitor will normally be:
 - i. Lord Lieutenant's partner
 - ii. High Sheriff and partner
 - iii. Chair of County Council and partner
 - iv. County Chief Executive and partner
 - v. Mayor and their partner
 - vi. District (City) Chief Executive and partner
 - vii. Member of Parliament and partner
 - viii. Chief Constable and partner
 - ix. the principal organiser of the event to which the visit is being made
 - x. Other necessary presentations may be deputed to the organiser.
- b) Where there is a Royal official visit to the City and the event or matter relates to the functions of the City Council the order of presentation by the Lord Lieutenant to the Royal visitor will normally be:
 - i. Lord Lieutenant's partner
 - ii. High Sheriff and partner
 - iii. Mayor and their partner
 - iv. District (City) Chief Executive and partner
 - v. Chair of County Council and partner
 - vi. County Chief Executive and partner
 - vii. Member of Parliament and partner
 - viii. Chief Constable and partner
 - ix. the principal organiser of the event to which the visit is being made
 - Other necessary presentations may be deputed to the organiser.

5.4.5 EXPENSES OF THE MAYORALTY, GIFTS AND HOSPITALITY

- 5.4.5.1 The Mayor and the Deputy Mayor shall each receive a personal allowance to meet expenses incurred by them and their partners because of their official duties. This will be approved as part of the Member's Allowance Scheme.
- 5.4.5.2 A specific budget will be set annually for the costs of managing and administering the Mayoral functions as part of the Council's normal budget approval procedure. It will be administered by the Mayor's Office.
- 5.4.5.3 If the Mayoral Party receive gifts during the term of office from organisers of events or from visitors to the Parlour these must either:
- a) Be recorded in the Register of Civic Gifts (held by the Mayor's Office) and kept in the Mayor's Parlour; or
 - b) Declared as a gift in accordance with the requirements of the Code of Conduct for Councillors as set out in Part 5.1 of the Constitution.
- 5.4.5.4 Any hospitality received by the Mayoral Party during their year of office must also be notified to the Mayor's Office and recorded in accordance with the requirements of the Code of Conduct for Councillors as set out in Part 5.1 of the Constitution.
- 5.4.6 **USE OF THE CIVIC CAR**
- 5.4.6.1 Where appropriate the Council will provide a Civic Car or other transport for the Mayoral Party for official business. The Civic Car may be used for other purposes but only when authorised in advance by the Chief Executive.
- 5.4.6.2 The use of the Civic Car will normally be limited to transporting members of the Mayoral Party to and from engagements taking place other than at the Civic Centre. A specific exception applies where transport is required for the purpose of attending meetings of the Council.
- 5.4.7 **THE MAYOR'S CHARITY**
- 5.4.7.1 The role of Mayor is a civic office. Charitable work can be undertaken by the Mayoral Party but should be regarded as incidental to and not a major function of the Mayoralty.
- 5.4.7.2 A Mayor may choose to nominate a charity to receive Mayoral support during the year. The organisation of any charitable events or liaison with the charitable organisations chosen will not be organised by the Mayor's Office.
- 5.4.7.3 The Mayoral Party must inform the Mayor's Office of any engagements associated with the nominated charity to ensure that there is no conflict with civic events, which will take precedence.

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5.4.7.3 Whilst it is not the role of the Council to be involved in the day to day administration of the Charities account, it is desirable that there be an overview of the financial position on the account during the Mayoral year by the Mayoral Working Group receiving twice-yearly reports on income and expenditure.

~~5.4.7.4 A separate bank account must be opened to be administered by the Mayor, Mayoress, other nominated councillor or person to ensure that any charitable monies received can be accounted for. Any expenses incurred on behalf of the Mayor's charity should be made from the Mayor's charity account. No Council officer will be involved with the administration of the Charity account. A summary of the financial position on the Charity account will be provided to the Mayoral Working Group twice a year.~~

5.4.8 **PATRONAGE AND OTHER SUPPORT**

5.4.8.1 The Mayor, by virtue of the office, may be a Patron, President or Member of a number of organisations during the year of office. The Mayor must not personally agree to invitations to act as patron as this may put the Council in a difficult situation.

Any request for such support of patronage should be made to the Mayor's Office and approval must be officially agreed through that office.

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5.4.9 **SPIRITUAL SUPPORT**

5.4.9.1 The Mayor may appoint a suitable person to provide spiritual support for the Mayoral functions during the Mayor's term of office. The person appointed would normally be someone who is an official of a religious group, reflecting the Mayor's own religion.

5.4.9.2 The person appointed may act as a focal point for religious groups in the area, advise the Mayor on spiritual matters and assist the Mayor to understand and lead all sections of the community.

5.4.9.3 The person appointed will normally conduct prayers at the start of a meeting of the Council. It will not be seen as a sign of disrespect to the Mayor if members of the Council and any public attending the meeting do not wish to participate in the prayers and do not enter the room in which the meeting is being held until after they have finished.

5.4.10 **CORRESPONDENCE**

5.4.10.1 All correspondence addressed to the Mayor, but which relates to the business of the Council, will only be acknowledged by the Mayor's Office

on behalf of the Mayor. It will then be passed for detailed reply or action to the relevant Director, Executive Member or Committee Chair as appropriate.

~~5.4.10.2 Arrangements for the Mayor or Deputy Mayor to witness the affixing of the Council's seal to any document will be organised through the Mayor's office.~~



Full Council

15th July 2026

Treasury Management Outturn Report 2025/26

Report by:

Cabinet Member for Finance

Officer Contact:

Phil Reeves, Financial Services Manager, phil.reeves@chelmsford.gov.uk, 01245 606562

Purpose

For Council to approve the Treasury Management Outturn Report from Treasury Management and Investment Sub Committee which is being considered by the Cabinet on 14th July 2026, after being recommended by the Treasury and Investment Sub-Committee on 15th June 2026

Recommendations

That the recommendations of the Treasury Management and Investment Sub Committee and Cabinet in relation to the Treasury Management outturn report are approved by Council.

1. Introduction

- 1.1. The CIPFA Code of Practice for Treasury Management sets out the requirements for Council oversight of treasury management operations. As part of the Code, the Council is required to receive an annual report on the performance of the treasury management function, highlighting the effects of decisions taken and any instances of non-compliance with the Code and the Council's Treasury Management Strategy.

2. Background

- 2.1. The Council can expect to hold cash for investment, arising from its revenue and capital balances and the collection of local taxes. This cash can be

invested to generate a return that helps support services or used for internal borrowing to fund the capital programme. The Council also needs to borrow externally to fund its capital programme and ensure sufficient liquidity for day-to-day activities. The management of this cash and borrowing is known as Treasury Management.

2.2. Treasury Management is defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as:

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

2.3. This report fulfils the Authority’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the MHCLG Guidance.

2.4. The Council’s investment priorities as required by Government regulations are in order of priority:

- (a) The security of Capital
- (b) The liquidity of its investments; and
- (c) Yield

MHCLG and CIPFA both advise that absolute certainty over security of capital and liquidity does not need to be achieved before seeking yield from investments. Instead, an appropriate balance between all three objectives should be sought, with that balance determined by the Council through its Treasury Management Strategy.

2.5. The operation of Treasury Management is not without risk, and the Council could suffer losses if one of its counterparties had financial difficulties.

2.6. The Council formally reviews its investment holdings in the following ways:

- Treasury Management Strategy report in February
- Treasury Outturn report in July
- A half-year update in November
- The Treasury Management Sub-Committee monitors treasury activity during the financial year.

The review of the year’s activities is set out in the following appendices:

Appendix A – External Environment Update

Appendix B – Borrowing and Investment Activity compared to the Approved 2025/26 Strategy

3. Summary of Review

3.1. During the financial year, there were no breaches of the Treasury Management Strategy.

3.2. The economic environment for the financial year saw a gradual reduction in rates but was marked with new uncertainties due to the conflict in Iran.

3.3. The year-end cash and borrowing position were as follows:

- Cash and investments held by the Council was higher than expected, some £18.6m compared to projections of £11.3m made for the 2026/27 budget (forecast was produced in December 2025).
- External borrowing was £14m at year end, in the form of one-year loans from the Public Works Loan Board (PWLB). The forecast external debt position was £20m, resulting in an underspend on estimated borrowing of £6m. This favourable variance arose broadly from slippage in capital expenditure and higher receipts and income. Borrowing remained within approved parameters.

3.4. Revenue impact of cash and investment

- Interest earned on investments for the year was £1.20m, which was £0.27m above budget, mainly due to higher-than-average cash balances caused by capital slippage and higher receipts and revenue income.
- The overall return on investments for 2025/26 was 4.3% compared to 4.94% in the previous year. The budget had assumed 4.05%. During the year, the Bank of England base rate decreased from 4.5% to 3.75%.

3.5. The Council at the beginning of 2025/26 held three pooled funds. Ongoing underperformance of one fund, the CCLA cautious world fund led to the decision by s151 officer to dispose of the fund.

3.6. The Council's remaining two pooled funds held at the end of 2025/26, generated total income returns of £335k, equating to a return of 5.35%. After allowing for the CCLA Cautious Fund, the average income return on the funds was 0.43% higher than cash, generating an additional £35k of interest. The value of the funds increased by £309k during the year, but prior to conflict in the Middle East the improvement was £568k. Across the remaining two funds at the end of 2025/26, there was an unrealised loss of £332k.

3.7. At the time of publication of this report, the yield (income) from the funds is broadly in line with the Council's short-term cost of borrowing. This reflects the elevated cost of borrowing in 2026/27. Borrowing interest rates were expected to fall during 2026/27, which would have improved both the capital value and the relative benefit of the funds. The position on the funds remains under review, and disposal may become the best option, but geopolitical uncertainty makes the long-term outlook difficult to determine.

3.8. Since the inception of the fund portfolio, it has delivered an additional £1,075k compared with what the Council would have received from cash investments.

3.9. Revenue impact of borrowing:

- External loan interest costs were £428k, a favourable variance of £761k against the budget of £1,189k. This lower cost was due to lower levels of borrowing than was estimated in the budget for 2025/26.
- The estimated borrowing interest rate was 4.50%, while the average rate actually borrowed at was 5.35%.

4. Conclusion

- 4.1. It should be noted that the Council's Treasury Management activities operated within approved parameters.
- 4.2. The Treasury Management and Investment Sub-Committee will continue to monitor investment and borrowing activity.

List of appendices:

Appendix A – Economic Environment Update

Appendix B – Borrowing and Actual Investment Activity compared to the Approved 2025/26 Strategy

Background papers:

None

Corporate Implications

Legal/Constitutional: As detailed in the report.

Financial: As detailed in report.

Potential impact on climate change and the environment: Any fund managers will be required to consider ESG (Environmental, Social and Governance) factors in their investment process. All the fund managers would be expected to have signed up to the UN Principles for Responsible Investment (PRI). PRI argues that active participation in ESG and exercising shareholder rights on this basis can help to improve the performance of companies which may otherwise not address such concerns and so being an engaged corporate stakeholder is a more effective way to bring about change in corporate behaviour on ethical issues.

Further requirements from those identified above are not practical given the limited ability to directly influence any immediate change in the financial markets.

Contribution toward achieving a net zero carbon position by 2030: None.

Personnel: None

Risk Management: All treasury management activity requires a careful consideration of risk and reward.

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

Consultees: None

Relevant Policies and Strategies:

Treasury Management Strategy 2025/26

Appendix A – External Environment Update

Introduction

The Council's investment performance and borrowing costs are affected by a range of external economic factors, particularly interest rate expectations and the wider economic outlook.

Economic factors impacting treasury management activity during 2025/26

During 2025/26, the external environment remained uncertain. The lack of progress in ending the Russian invasion of Ukraine, together with the potentially negative implications for global growth arising from US tariff policies, meant that expectations for further Bank Rate reductions during the remainder of 2026 became more limited than had been assumed at the beginning of the year.

At the start of the financial year, Bank Rate was 4.5%, before declining to 3.75% by December 2025. By late February 2026, markets were widely expecting a further rate cut in March, particularly after a close 5–4 vote at the February meeting left Bank Rate unchanged.

However, sentiment changed sharply at the end of February 2026. The outbreak of conflict in the Middle East created uncertainty over the supply of crude oil and wider energy prices. Increased concerns about rising inflation led markets to reassess the likelihood of near-term Bank Rate reductions.

This change in expectations fed quickly through into borrowing markets. Public Works Loan Board (PWLB) one-year rates were 4.46% on 27 February. PWLB one-year rates reached a high of 5.4% during March, reflecting significant volatility in gilt markets and making borrowing more expensive than had originally been expected towards the end of 2025/26. Local authority one-month rates rose above 6% before the middle of March and above 7% in the final week of March. PWLB one-year rates have remained above 5% since that point.

At its March 2026 meeting, the Bank of England left Bank Rate unchanged at 3.75% by a vote of 9-0. The Monetary Policy Committee (MPC) stated that it “stands ready to act as necessary” and was “alert to the increased risk of domestic inflationary pressures through second-round effects in wage and price-setting”. This reinforced the view that, while growth remained weak, inflation risks could limit the scope for further reductions in interest rates over the near term.

Other factors

Local authority-to-local authority lending remained tight. This has limited the availability of funds particularly at year end when borrowing is most needed.

Long Term PWLB rates remain unattractive and generally loans beyond 10 years are 6% plus.

Appendix B – Borrowing and Investment Activity compared to the Approved Strategy for 2025/26

External borrowing

1. The Council has the freedom to borrow in the following circumstances:

- Short-term borrowing to manage liquidity
- Long-term borrowing only to fund capital expenditure if no other capital resources exist e.g. the Council has spent its capital receipts or expects to do so imminently.

2. The Council borrowed £14m externally towards the end of 2025/26 to ensure sufficient year-end liquidity to meet operational needs. The external borrowing outstanding at year end is shown below.

Counter Party	Start	Maturity	Amount	Interest Rate
Public Works Loan Board	25-Feb-26	25-Feb-27	4,000,000	4.29%
Public Works Loan Board	03-Mar-26	03-Mar-27	3,000,000	4.27%
Public Works Loan Board	18-Mar-26	18-Mar-27	7,000,000	4.63%
			14,000,000	

Officers concluded that borrowing from the Public Works Loan Board (PWLb) was a better option than borrowing from other local authorities, due to limited market availability and the high year-end rates.

The Council's financing (borrowing) costs which are charged to the revenue budget, are made up of interest and principal repayment (minimum revenue provision (MRP)).

- Interest costs for 2025/26 were £428k against a budget of £1,189k, giving a favourable variance of £761k because borrowing was both later and lower than budgeted.
- MRP costs were £165k higher than budget, mainly because more vehicles were financed than originally planned.

Overall, this meant in 2025/26 the Council's overall financing cost comprising both MRP and interest was £596k favourable (underspent) against budget.

In December 2025, an updated forecast for external borrowing was prepared for the 2026/27 budget. This forecast identified a borrowing requirement of £20m at 31 March 2026. In practice, borrowing was £6m lower than expected, mainly due to:

- the delayed repayment of £2m from the PLACE scheme. The PLACE scheme was a joint project involving several local authorities in Essex and Hertfordshire to improve housing, funded by Government grant. Chelmsford acted as the lead authority, holding the funds, and it was agreed that the scheme would be disbanded during 2025/26.
- higher receipts and income, including £2m from Saxton 4x4; and

- more vehicles being leased than budgeted (£1.8m), which meant the lease company refunded the Council for the cost of purchases.

Government accounting rules treat finance leases as a form of borrowing, so the Council must report them as such in its accounts and treasury management reporting. At 31 March 2026, the Council had outstanding right-of-use lease liabilities of £6,233k, of which £2,477k related to vehicles and equipment and the remaining £3,755k related mainly to private sector leasing (PSL) for temporary accommodation. PSL leases were not previously included in financing costs before 2024/25, but this changed with the introduction of IFRS 16, which removed the distinction between finance and operating leases.

3. Borrowing Prudent Indicators

Liability Benchmark:-

The Liability Benchmark is a prudential indicator that the Council is required to publish. It helps show whether the Council is likely to be a long-term borrower or a long-term investor and therefore supports long-term financial planning. It represents the cumulative level of external borrowing needed to fund the capital programme while maintaining the minimum level of treasury investments required for day-to-day cash flow management.

Ref.	Liability Benchmark	31/03/26 Actual (£m)	31/03/27 Forecast (£m)	31/03/28 Forecast (£m)	31/03/29 Forecast (£m)
1	Capital Financing Requirement (CFR) (total of external borrowing and internal borrowing)	46	75	82	86
2	Less: Balance sheet resources Internal borrowing, temporary surplus cash used instead of external loans	44	32	32	38
3	Subtotal of 1 and 2 :Net loans requirement (Positive figures are external borrowing requirement)	2	43	51	48
4	Plus: Cash balance to ensure we have liquidity allowance, which we hold as short term investments for treasury management purposes.	5	10	10	10
5	Total of 3 and 4; Liability benchmark + are external; borrowing requirements. (Positive is an external borrowing requirement)	7	53	60	58

<- Forecast externally borrowed ->

The table above shows how the Liability Benchmark is calculated.

Ref./Row 1 shows the Capital Financing Requirement (CFR), which is the total of external and internal borrowing needed to fund the capital programme. At 31 March 2026, the capital programme required £46m of borrowing.

Ref./Row 2 shows the balance sheet resources available to support internal borrowing instead of external debt. Most of these resources comprise revenue reserves and capital grants.

Ref./Row 3 shows the net loans requirement. A positive figure indicates that external borrowing is forecast. A further allowance is then added to ensure that the Council holds a minimum level of liquid cash, as shown in Row 4.

Ref./Row 5 shows that the forecast year-end external borrowing requirement for 2025/26 was £7m. Actual external borrowing was £14m, meaning the Council was £7m over-borrowed at year end. This was because some payments were made later than expected and cash receipts were higher than expected at year end. The latest projections show external borrowing requirements of £53m at the end of 2026/27 and £60m at the end of 2027/28, after allowing for a minimum liquidity requirement of £10m.

Maturity Structure of borrowing

The Council had £14m of external loan borrowing with the PWLB with durations of a year (100% of loans for less than 2 years). This loan maturity profile is within the limits set in the 2026/27 Strategy that are shown below

Maturity structure of fixed interest rate borrowing 2026/27		
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	50%
10 years to 25 years	0%	50%
25 years to 50 years	0%	50%
Maturity structure of variable interest rate borrowing 2026/27		
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	50%
10 years to 25 years	0%	50%
25 years to 50 years	0%	50%

Other borrowing indicators

There has been no need to revise external borrowing limits, given the continued borrowing position being below that which was forecast. Those limits are identified below:

	2025/26 limit	2026/27 limit	2027/28 limit	2028/29 limit
Authorised limit – total external debt	£50m	£85m	£90m	£90m
Operational boundary – total external debt	£28m	£68m	£72m	£72m

The table below shows the updated affordability indicator for the provisional outturn of 2025/26. A comparison that approved at Full Council in February shows the impact is similar (marginally lower) across the projection.

	2024/25 Actual	2025/26 Provision Outturn	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Total Financing Costs (excludes income generated by capital schemes)	£2.407m	£2.860m	£4.343m	£5.509m	£6.569m
Affordability Indicator					
Net Revenue Stream	£29.186m	£30.947m	£31.566m	£32,197m	£32,841m
Updated Ratio of financing costs to Net Revenue Stream	8.25%	9.24%	13.76%	17.11%	20.00%
Previously identified at Council Feb 2026; Ratio of financing costs to Net Revenue Stream	8.25%	9.51%	13.92%	18.27%	20.98%

Investments

5. Officers with appropriate knowledge and training invest the Council's cash balances. MUFG Corporate Markets were used as advisers on treasury management to help inform the decision-making process.
6. The Council's cash is invested in the following priority order, in accordance with statutory guidance:
 - i) Security – protecting the capital sum invested from loss
 - ii) Liquidity – ensuring the funds invested are available for expenditure when needed
 - iii) Yield – subject to achieving proper security and liquidity, to pursue a yield on investments to support service provision

Both the regulations and CIPFA advise that absolute certainty of security and liquidity does not need to be achieved before seeking yield from investments. Instead, the Council should strike an appropriate balance between all three objectives, as set out in its Treasury Strategy.

7. The Council forecasts its cash flow to manage in-house investments and liquidity. This enables officers to divide in-house funds into two categories:

- Shorter-term, lower-yielding investments – these are placed for relatively short periods, normally 3 to 6 months, so that investment maturities align with peaks and troughs in the Council's liquidity needs. This is particularly important in the final two months of the year, when council tax income falls significantly because most residents pay in 10 monthly instalments.
- Longer-term, higher-yielding investments – these involve investing 'core cash', also referred to as 'balance sheet resources', which the Council does not need for operational purposes in the short to medium term. Core cash includes balances such as revenue reserves. These funds can be invested for a year or more with appropriate counterparties to generate higher returns without creating liquidity pressures.

8. The Council's investment portfolio decreased from £22.8m at 31 March 2025 to £18.6m at 31 March 2026. This reflects the longer-term trend of lower cash balances available for investment as the Council uses cash to fund capital expenditure.

Indicators to demonstrate Compliance with the Approved Treasury Management Strategy

9. A summary of the approved Treasury Management Strategy and the actual outcomes is set out below:

- | | |
|---|--|
| a. To ensure that there are no breaches of the approved counterparty limits or durations | No breach occurred. |
| b. To maintain a target balance of £5m of short notice funds to manage liquidity | The Council maintained cash balances within the target range for funds available at up to 35 days' notice. |
| c. To maintain long term investments within set limit of £10m and Investment funds of £12m | Long-term investment holdings remained within the approved limits. |

Total bail-in risk exposure (direct and pooled) was at 89% for 2025/26 and this had reduced compared to the previous year which was 100%. This shown below.

Exposure	2024/25	2025/26
Bail In Risk -Direct investment (NatWest holding)	1%	2%
Bail In Risk – Pooled Fund Managers and Money Market Funds	99%	87%
Exempt from Bail In (Local authority investment)	0%	11%
Total	100%	100%

Counter Party

Money Market Funds & Long-Term Funds	Credit Rating (Fitch)	Sum Invested (31/03/2026)	Limits 2025/26
Black Rock Money Market Fund	AAAmf	£600	£6,000,000
Insight Money Market Fund	AAAmf	£3,008,730	£6,000,000
Federated Money Market Fund	AAAmf	£5,986,000	£6,000,000
Deutsche Money Market Fund	AAAmf	£370	£6,000,000
Invesco Money Market Fund	AAAmf	£724,040	£6,000,000
BNP Paribas Money Market Fund	AAAmf	£540	£6,000,000
Aegon Multi Asset Fund	N/A	£3,570,450	Total of £12,000,000
Ninety-One Multi Asset Fund	N/A	£2,997,840	
CCLA Multi Asset Fund	N/A	£0	

Banks & Building Societies

Natwest	A+	£339,580	£3,000,000
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Local Authorities

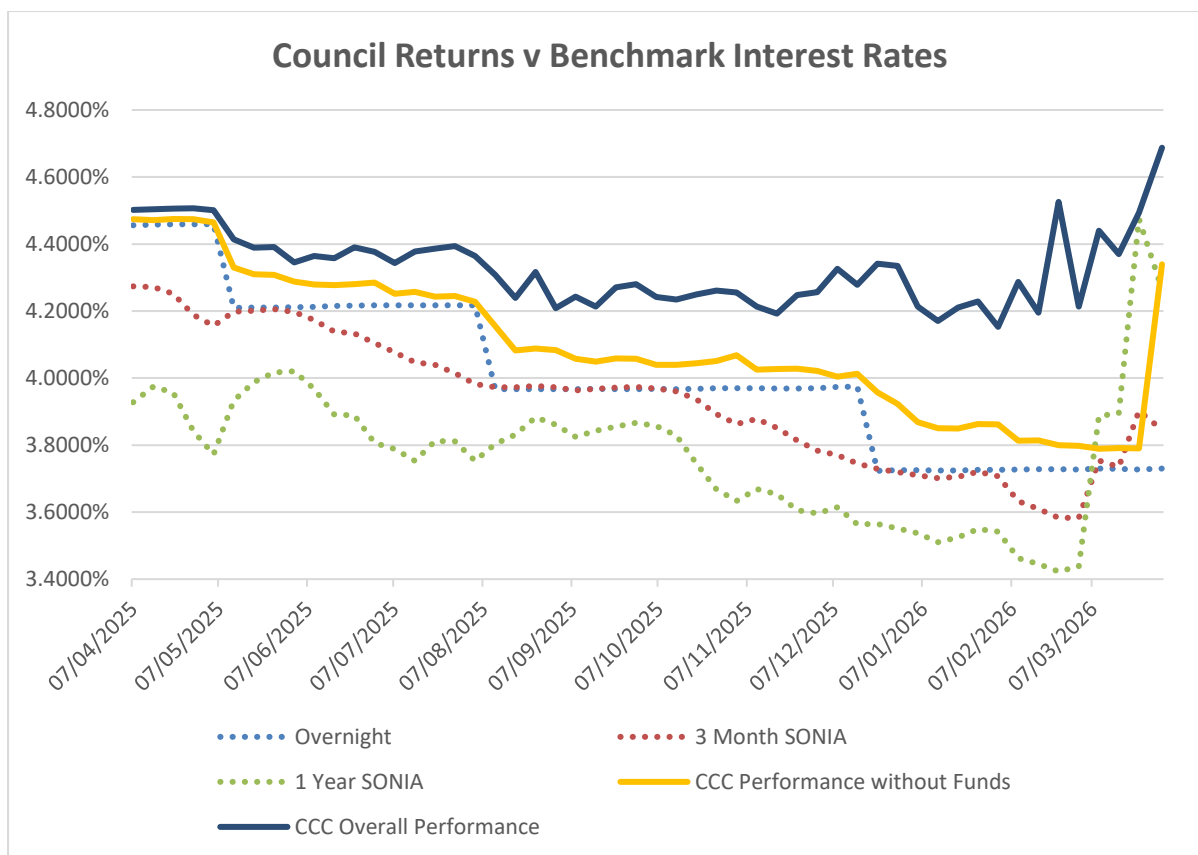
Surrey County Council		£2,000,000	£10,000,000
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Total Investments	£18,628,150
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Return on investments

10. UK interest rates began the year at 4.5% and ended it at 3.75%. The budget assumed an average return of 4.05%.

The table below compares SONIA (the Sterling Overnight Index Average) with the returns generated by the City Council. The figures shown are daily data not cumulative average.



The Council earned a total of £1,199k in investment income during the 2025/26 financial year, which was £274k additional income over the £925k budget. This was mainly due to higher-than-average cash balances caused by capital slippage and higher receipts and revenue income but also partly due to interest rates being slightly higher than budgeted. The year end spike was due to a short duration investment with another local authority at 7%.

10.1 Investment Funds

	Market investments (excluding Multi Asset Funds)	Multi Asset Funds Income (Based on April 2025 Valuation)	All Investments Income Yield
	Year ending 31/03/2026		
Average yield	4.09%	4.52%	4.30%

The yields shown above have been calculated using opening balances.

The City Council held investments in three Multi-Asset Funds during the financial year. The CCLA Cautious Fund was sold in phases during the year, resulting in a realised loss of £306k. The fund had been generating a lower return than the other two funds and there was little sign of improvement.

In addition, the yield on the fund was below the interest rate the Council was paying on its borrowing. The Section 151 Officer therefore concluded that it was in the Council's best interests to realise the loss.

Income returns for the two remaining funds are shown below, together with each fund's closing capital value, initial investment value, and unrealised gain or loss.

Fund	Initial Investment Value £	1/04/2025 Investment Value £	31/03/2026 Investment Value £	Unrealised +Gain/(Loss) (since inception) £	Income Return (Based on 1 st April 2025 Valuation)
Aegon DIF	3,600,000	3,295,096	3,570,445	(29,555)	5.79%
Ninety One DIF	3,300,000	2,963,896	2,997,836	(302,164)	4.85%
Total/Average	6,900,000	6,258,991	6,568,281	(331,719)	5.35%

Total income from all funds during 2025/26 was £388,504, including dividends received from the CCLA Cautious Fund before it was sold during the year. Income from the two remaining funds was £335k.

The unrealised loss on the two remaining funds had recovered £309K during 2025/26. Fund valuations have been affected by conditions in the global economy and by the conflict in the Middle East. Compared with their initial investment value, the two funds showed a combined unrealised loss of £332k at year end. Only a few days earlier, before the conflict escalated, the unrealised loss had reduced to £73k.

These investments are intended to be held over the medium to long term, so their capital values will fluctuate over time. Since the initial investments were made, the capital performance of the Aegon and Ninety One funds has been adversely affected by geopolitical events. The Section 151 Officer is monitoring the position closely and is considering whether over the medium term the funds offer enough added value to justify holding them. The main concern is whether the yield on these investments falls below the Council's borrowing costs for a prolonged period. If that happens, the Council should consider disposing of some or all of the funds in 2026/27, instead of taking on additional external borrowing. A caveat is that gains in capital value could offset the interest differences. Any decision will depend on the outlook for interest rates, fund values and the Council's borrowing requirement. The funds are not considered to be inherently underperforming, but continued geopolitical uncertainty has weakened returns. In a more stable environment, there remains potential for capital values to recover, although that position is now complicated by higher borrowing costs.

Overall, since inception, the fund portfolio has generated an additional £1,075k of returns above what would be obtained from cash, of which £405k is unrealised.

Conclusion

The Council operated within its Treasury Management Framework throughout the year. This enabled it to protect its financial assets while achieving a good level of return relative to prevailing market interest rates.



Chelmsford City Council

15th July 2026

Audit and Risk Committee Annual Report 2025/26

Report by:

Audit and Risk Committee

Officer Contact:

Elizabeth Brooks, Audit Services Manager, elizabeth.brooks@chelmsford.gov.uk

Purpose

This report summarises the work that the Audit and Risk Committee has undertaken during 2025/26 in line with CIPFA's Position Statement for Audit Committees 2022.

Recommendations

The Council is requested to note the content of the 2025/26 Annual Report of the Committee.

1. Introduction

- 1.1. Audit Committees are a key component of the Council's governance framework. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The Committee's role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.
- 1.2. In Chelmsford, the Audit and Risk Committee has been delegated governance responsibilities but remains accountable to Full Council. The Committee has oversight of both internal and external audit together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.

- 1.3. The CIPFA Position Statement for Audit Committees 2022 outlines the core functions of the Audit Committee and advises how Audit Committees should demonstrate their independence and effectiveness. Part of this includes reporting regularly on their work, and at least annually reporting an assessment of their performance.

2. Conclusion

The Audit and Risk Committee Annual Report 2025/26 is attached for Committee to note and agree.

List of appendices: Appendix 1 - Audit and Risk Committee Annual Report 2025/26

Background papers: None

Corporate Implications

Legal/Constitutional:

The Council has a duty to maintain an effective internal provision to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance (Regulation 5 (Part 1) of the Accounts and Audit Regulations 2015). Various guidance emphasises the importance of the Audit Committee, including:

- Delivering Good Governance in Local Government: Framework
- Public Sector Internal Audit Standards
- the Code of Practice on Managing the Risk of Fraud and Corruption.

Financial:

Failure to have appropriate risk management arrangements puts the Council financial management in a weakened position and therefore increases the risk of failing to deliver Our Chelmsford Our Plan.

Potential impact on climate change and the environment:

None

Contribution toward achieving a net zero carbon position by 2030:

None

Personnel:

None

Risk Management:

The role of the Audit and Risk Committee in relation to risk management covers: assurance over the governance of risk, including leadership, integration of risk management into wider governance arrangements and the top level ownership and accountability for risks; keeping up to date with the risk profile and the effectiveness of risk management actions and; monitoring the effectiveness of risk management arrangements and supporting the development and embedding of good practice in risk management.

Equality and Diversity:

None

Health and Safety:

None

Digital:

None

Other:

None

Consultees: Councillor Walsh, Chair of the Audit and Risk Committee

Relevant Policies and Strategies: None

Audit and Risk Committee Annual Report 2025/26

Introduction from the Chair of Audit and Risk Committee

I am pleased to present the Annual Report of the Audit and Risk Committee which outlines the Committee's work and achievements for 2025/26.

I hope that this Annual Report helps to demonstrate to the City's residents and the Council's other stakeholders the role that is carried out by the Audit and Risk Committee and the contribution that it makes to the Council's overall governance. All meetings are open to members of the public.

To provide ongoing assurance over the Council's risk management, governance and internal control arrangements, the Committee has been supported during 2025/26 by the Audit Services Manager, the Financial Services Manager (S151 Officer), the Procurement Manager, the Public Health and Protection Services Manager, as well as representatives from the Council's External Auditors, Ernst and Young.

I would like to express my thanks to those officers and Members who have supported the work of this Committee by presenting and discussing reports.

Cllr Nora Walsh

June 2026

1. Overview

1.1. Audit Committees are a key component of the Council's governance framework. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The Committee's role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

1.2. In Chelmsford, the Audit and Risk Committee has been delegated some governance responsibilities but remains accountable to Full Council. The Committee has oversight of both internal and external audit together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.

1.3. As outlined in CIPFA Position Statement for Audit Committees, the core functions of the Audit Committee are to provide oversight of a range of core governance and accountability arrangements, responses to the recommendations of assurance providers and helping to ensure robust arrangements are maintained.

1.4. The specific responsibilities include:

- **Maintenance of governance, risk and control arrangements**

- Support a comprehensive understanding of governance across the organisation and among all those charged with governance, fulfilling the principles of good governance.
- Consider the effectiveness of the authority's risk management arrangements. It should understand the risk profile of the organisation and seek assurances that active arrangements are in place on risk-related issues, for both the body and its collaborative arrangements.
- Monitor the effectiveness of the system of internal control, including arrangements for financial management, ensuring value for money, supporting standards and ethics and managing the authority's exposure to the risks of fraud and corruption.

- **Financial and governance reporting**

- Be satisfied that the authority's accountability statements, including the annual governance statement, properly reflect the risk environment, and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives.
- Support the maintenance of effective arrangements for financial reporting and review the statutory statements of account and any reports that accompany them.

- **Establishing appropriate and effective arrangements for audit and assurance**

- Consider the arrangements in place to secure adequate assurance across the body's full range of operations and collaborations with other entities.
- In relation to the authority's internal audit functions: oversee its independence, objectivity, performance and conformance to professional standards; support effective arrangements for internal audit; promote the effective use of internal audit within the assurance framework.
- Consider the opinion, reports and recommendations of external audit and inspection agencies and their implications for governance, risk

management or control, and monitor management action in response to the issues raised by external audit.

- Contribute to the operation of efficient and effective external audit arrangements, supporting the independence of auditors and promoting audit quality.
- Support effective relationships between all providers of assurance, audits and inspections, and the organisation, encouraging openness to challenge, review and accountability.

1.5. In addition to the CIPFA Position Statement for Audit Committees, various associated guidance also emphasises the importance of the Audit Committee, including:

- CIPFA's Delivering Good Governance in Local Government Framework
- The Global Internal Audit Standards (GIAS)
- CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption

2. Membership and Committee Administration

- 2.1. There were five meetings of the Committee during 2025/26 (June 2025 – joint with Governance Committee, September 2025, November 2025, January 2026 and March 2026). Membership of the Committee for 2025/26 is attached at Appendix A.
- 2.2. The work programme is based around the Committee's Terms of Reference (see Appendix C), along with any items requested during the year, and is reviewed at each Committee meeting. A list of the items that have been considered by the Committee during 2025/26 is attached at Appendix B to the report.
- 2.3. The Committee was supported by the Audit Services Manager, the Financial Services Manager (S151 Officer), the Procurement Manager, and the Public Health and Protection Services Manager, as well as representatives from the Council's External Auditors, Ernst and Young.
- 2.4. The Committee operated under its Terms of Reference in line with the CIPFA Position Statement. The agendas for the Committee's meetings are published on the Council's website not later than five clear days before the date of each meeting. The minutes of each meeting are also published on the website as soon as possible after each meeting has taken place. The agendas for meetings can be accessed from: [Committees and Panels - Chelmsford City Council](#).

3. Governance Risk and Control

Risk Management

- 3.1. In September 2025, the Committee received a report from the Audit Services Manager providing an update on corporate risk management and the Principal Risk Register. It was explained that responsibility for corporate risk had moved to the Audit Services Manager earlier in 2025, and since then work had been undertaken to establish how best to manage the function with limited resources. To support resilience, the service was now working in partnership with Basildon Council, with their Risk Manager assisting Chelmsford.
- 3.2. A full update of the Principal Risk Register had been completed, which formed the central element of the Council's risk management framework and provided

oversight of key risks. Other areas of activity included an update to the risk management framework, early development of a Local Government Reorganisation risk register, and the preparation of a new Risk Management Strategy.

- 3.3. In March 2026, the Committee received its second bi-annual Risk Management Report, which provided an overview of the Council's Principal Risks and reflected the latest update carried out in January 2026 to ensure the register remained aligned with the current risk profile.

Countering Fraud and Corruption

- 3.4. In June 2025, the Committee received a report summarising the counter fraud work undertaken by the Internal Audit Team during 2024/25, including work on Guidance, Training and Awareness for staff and Councillors and compliance with the National Fraud Initiative and Transparency Code. The Committee were also informed about how the Council managed the risk of fraud and information on the Council's Whistleblowing policy.
- 3.5. The Committee were also updated on a new criminal offence of 'Failure to prevent Fraud' which became effective from September 2025, which is designed to hold organisations to account if they profited from fraud committed by their employees. It was noted that this was an important area for the Council to monitor closely going forward and that actions taken by the Council within the Counter Fraud strategy had provided a good basis for meeting the requirements to defend the new offence. It was also noted that these would continue to be reviewed and monitored in line with the new legislation.
- 3.6. In November 2025, the Committee received the updated the Counter Fraud and Corruption Policy and Strategy 2025 aimed to minimise the risk of fraud and corruption and its impact and set out the measures the Council had in place to comply with the Failure to Prevent Fraud legislation. The policy is based on best practice guidance, including Fighting Fraud and Corruption Locally and the CIPFA Code of Practice, and incorporated prevention measures for bribery and corruption. The accompanying strategy outlined actions to be delivered over the next two years, including updates to training and the use of technology and artificial intelligence to strengthen fraud prevention and detection.

4. Financial and Governance Reporting

- 4.1. The Audit and Risk Committee received a report from the Financial Services Manager in June 2025 for the Council's revenue outturn position for 2024/25, outlining the Council's expenditure and income against the approved budgets for 2024/25. The report also outlined the activity in the Council's finances, the variations identified, and the risks they involved.
- 4.2. The Committee also received a report which detailed the capital expenditure incurred in 2024/25 and were updated on the approved Capital Schemes and variations in cost which had been identified at outturn and to date. The report also provided an update on the approved Asset Replacement Programme for 2024/25 and 2025/26 regarding variations in cost and timing which had been identified at outturn and to date.
- 4.3. The Council's Annual Governance Statement (AGS) forms part of the Council's Statement of Accounts and its purpose is to provide assurance regarding the Council's governance arrangements and the extent to which the Council complies with its Local Code of Corporate Governance. The Audit and Risk Committee

reviewed the Local Code of Corporate Governance and Annual Governance Statement for 2024/25 jointly with Governance Committee in June 2025. The Statement highlighted those areas of governance regarded as important in 2024/25, how they were addressed, and the progress made.

- 4.4. In March 2026, Committee approved the Accounting Policies which would be used in the preparation of the 2025/26 Statement of Accounts. It was advised that one key change had been introduced relating to the valuation of property, plant and equipment.

5. Establishing appropriate and effective arrangements for audit and assurance

Internal Audit

- 5.1. The original audit plan for 2025/26 was approved by Audit and Risk Committee in February 2025. An update was provided in September 2025 setting out the reviews proposed from October 2025 to March 2026.
- 5.2. During 2025/26, Audit and Risk Committee received several reports from Internal Audit, updating them on Internal Audit progress against the plan and high-risk issues identified. This included:
- Internal Audit Annual Report 2024/25 which provided an overall annual opinion of “moderate” assurance (June 2025)
 - Internal Audit Interim Report 2025/26 (January 2026)
- 5.3. In line with Internal Audit Standards, the Audit and Risk Committee approved the Internal Audit Charter in March 2026.

External Audit

- 5.4. In June 2025, the Committee received an update from the Council’s External Auditors, Ernst and Young, which included their annual report for 2023/24 and Provisional Audit Planning Report for 2024/25.
- 5.5. In September 2025, the Committee received an update from the Section 151 Officer updating Members on progress with prior year external audits and progress made against the 2024/25 audit. The 2023/24 audit, though a disclaimed opinion by EY, had been fully signed off. A discussion around External Audit fees and the proposals for clearing the historic backlog was also undertaken.
- 5.6. In November 2025, the Committee received an update from EY on the draft Auditor’s Annual Report for 2024/25. Members were advised that the report was required to be issued by the end of November and provided commentary on the Council’s arrangements for securing value for money and progress on the audit of the financial statements. It was reported that the audit work was substantially complete and that the final version of the report was expected before Christmas, with the audit certificate to follow once the ‘Whole of Government Accounts’ procedures had been concluded.
- 5.7. In January 2026, the Committee received the Audit Results Report for 2024/25, together with verbal updates from the Section 151 Officer and EY. Members were advised that although substantial work had been completed, the external audit could not be finalised before the statutory backstop date, so a disclaimed audit opinion was to be issued. This position reflected the national backlog in local government audits and the historic lack of assurance over opening balances

arising from previous years' disclaimed opinions. EY reported that no significant weaknesses or material errors had been identified in the areas reviewed. The Annual Governance Statement was considered consistent with EY's understanding of the Council, and no significant weaknesses had been identified in the value-for-money arrangements. Assurance gaps remained in areas such as PPE valuations, reserves, debtor and creditor listings, and journal testing, largely due to capacity constraints and systemic issues carried forward from prior years.

- 5.8. In March 2026, under Urgent Business, Section 151 Officer provided an update on the external audit position. Members were advised that Council was required to agree with the disclaimed opinion to avoid missing the national backstop deadline.

Additional Governance and Assurance Reports to Committee

- 5.9. **Corporate Health and Safety Annual Report** – In September 2025, the Committee received a report updating them on Health and Safety in 2024/25. Members were informed about progress with training, accidents, performance in comparison to other years and the recent audits.
- 5.10. **Procurement Update** – In January 2026, the Committee received the annual procurement report summarising recent procurement activity, key achievements, legislative updates and planned workloads. Members noted the implementation of the Procurement Act 2023, with procedures, documentation and training updated in line with the new requirements and several procurements already delivered under the new regime. Additional transparency and reporting duties would come into effect from 2026.

Membership of Audit and Risk Committee 2025/26

Councillor Nora Walsh (Chair)

Councillor Gillian Bonnett

Councillor Hazel Clark

Councillor Natacha Dudley

Councillor Smita Rajesh

Councillor James Raven

Councillor Malcolm Sismey

Councillor Andrew Sosin

Independent Persons

Chris Groves

Jeannine Hoeckx

June 2025

- **Joint with Governance Committee**
 - Review of the Local Code of Corporate Governance and Annual Governance Statement 2024/25
- **Audit & Risk Committee**
 - External Audit Update
 - Provisional Revenue Outturn Report 2024/25
 - Capital Programme Update and Provisional Outturn 2024/25
 - Internal Audit Annual Report 2024/25
 - Counter Fraud Report 2024/25
 - Audit and Risk Committee Annual Report 2024/25
 - Audit and Risk Work Programme

September 2025

- External Audit Update
- Updated Internal Audit Plan 2025/26
- Risk Management Report
- Annual Health and Safety Report 2024/25
- Audit and Risk Work Programme

November 2025

- External Audit - Draft Auditor's Annual Report for financial year ended 31 March 2025
- Counter Fraud and Corruption Policy and Strategy 2025-27
- Audit and Risk Work Programme

January 2026

- External Audit – Audit Results Report – Auditors Annual Report and Accounts
- Internal Audit Interim Report 2025/26
- Procurement Update
- Audit and Risk Work Programme

March 2026

- Internal Audit Plan 2026 and Internal Audit Charter
- Risk Management Report
- Account Policies for the 2025/26 Statement of Accounts
- Audit and Risk Work Programme

Audit and Risk Committee

Terms of Reference

Statement of Purpose

Our Audit and Risk Committee is a key component of Chelmsford City Council's corporate governance. It provides an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

The committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

Governance, risk and control

1. To review the council's corporate governance arrangements against the good governance framework, including the ethical framework, and consider the local code of governance.
2. To monitor the effective development and operation of risk management in the council.
3. To monitor progress in addressing risk-related issues reported to the committee.
4. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
5. To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA's Financial Management Code.
6. To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
7. To review the assessment of fraud risks and potential harm to the council from fraud and corruption.
8. To monitor the counter fraud strategy, actions and resources.
9. To review the governance and assurance arrangements for significant partnerships or collaborations.

Governance reporting

10. To review the AGS prior to approval and consider whether it properly reflects the risk environment and supporting assurances, including the head of internal audit's annual opinion.
11. To consider whether the annual evaluation for the AGS fairly concludes that governance arrangements are fit for purpose, supporting the achievement of the authority's objectives.

Financial reporting

12. To monitor the arrangements and preparations for financial reporting to ensure that statutory requirements and professional standards can be met.
13. To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns

arising from the financial statements or from the audit that need to be brought to the attention of the council.

14. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Arrangements for audit and assurance

15. To consider the council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.

External audit

16. To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by PSAA or the authority's auditor panel as appropriate.
17. To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
18. To consider specific reports as agreed with the external auditor.
19. To comment on the scope and depth of external audit work and to ensure it gives value for money.
20. To consider additional commissions of work from external audit.
21. To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies
22. To provide free and unfettered access to the audit committee chair for the auditors, including the opportunity for a private meeting with the committee.

Internal audit

23. To approve the internal audit charter.
24. To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
25. To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
26. To approve significant interim changes to the risk-based internal audit plan and resource requirements.
27. To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
28. To consider any impairments to the independence or objectivity of the head of internal audit arising from additional roles or responsibilities outside of internal auditing and to approve and periodically review safeguards to limit such impairments.
29. To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - updates on the work of internal audit, including key findings, issues of concern and action in hand as a result of internal audit work
 - regular reports on the results of the QAIP

- reports on instances where the internal audit function does not conform to the PSIAS and LGAN, considering whether the non-conformance is significant enough that it must be included in the AGS.

30. To consider the head of internal audit's annual report, including:

- the statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement (these will indicate the reliability of the conclusions of internal audit)
- the opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control, together with the summary of the work supporting the opinion (these will assist the committee in reviewing the AGS).

31. To consider summaries of specific internal audit reports as requested.

32. To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

33. To contribute to the QAIP and in particular to the external quality assessment of internal audit that takes place at least once every five years.

34. To consider a report on the effectiveness of internal audit to support the AGS as required to do so by the accounts and audit regulations.

35. To provide free and unfettered access to the audit committee chair for the head of internal audit, including the opportunity for a private meeting with the committee.

Accountability arrangements

36. To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.

37. To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.

38. To publish an annual report on the work of the committee, including a conclusion on the compliance with the CIPFA Position Statement.



Chelmsford City Council

15th July 2026

Annual Report of the Governance Committee 2025/26

Report by:
Governance Committee

Officer Contact:
Monitoring Officer – Lorraine Browne, 01245 606560,
lorraine.browne@chelmsford.gov.uk

Purpose

To report on the work of the Governance Committee in 2025/26.

Recommendations

That the Governance Committee's Annual Report for 2025/26 attached to this report be approved for publication.

1. Background

- 1.1. The Council annually adopts a Code of Corporate Governance and Annual Governance Statement, which reflect the Council's approach to governance arrangements

- On how well the Council has achieved these in the relevant year and targets set in the previous year for improvement; and then
- Identifies future targets for creating a more robust set of arrangements and compliance with them.

1.2 The suite of documents for 2025/26 was approved by the Joint Audit and Governance Committee on 24th June 2025.

1.3 Annual reports on the Audit and Overview & Scrutiny functions have been presented to and agreed by Full Council at its July meeting for a number of years. There is no statutory requirement to produce an annual report by the Governance Committee but it is recognised as good practice, and Full Council approved the first of such reports in December 2016. This report seeks approval of the Annual Report for the Municipal year ending in May 2026 which appears at the Appendix to this report.

1.4 Members views are sought on the content and to recommend that Full Council approves the Committee's Annual Report for subsequent publication.

List of appendices:

Appendix 1 – Annual Report on the work of the Governance Committee 2025/26

Background papers:

Nil

Corporate Implications

Legal/Constitutional: These are set out in the report

Financial: The cost of managing the statutory arrangements for dealing with complaints and undertaking standards investigations is borne by the City Council

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: This is set out in the report

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

Consultees:

Current members of the Governance Committee were consulted on 24th June.

Relevant Policies and Strategies:

The Councillor Code of Conduct and associated complaints procedure



CHELMSFORD CITY COUNCIL ANNUAL REPORT ON THE WORK OF THE GOVERNANCE COMMITTEE 2025/26

**Councillor K Franks
(Chair of Governance Committee)**

www.chelmsford.gov.uk

CONTENTS

1. Background
 - Statutory and Procedural Requirements under the Standards Regime
 - Other Statutory & Governance Responsibilities and Committee Terms of Reference
 - Membership of the Governance Committee
 - Programme of Meetings
 - Publication of Information
 - Work undertaken in 2025/26
2. Complaints about Councillors
3. Future Work Programme
4. Training and development
5. Conclusion

1. **Background**

Statutory and Procedural requirements under the Standards Regime

- 1.1 The Localism Act 2011 places all local authorities under a duty to promote high standards of conduct by Councillors. Councils are required to adopt a Code of Conduct which is consistent with the principles set out in the Act, historically known as the “Nolan Principles”, namely selflessness, integrity, objectivity, accountability, openness, honesty and leadership. The City Council adopted the LGA Model Code of Conduct without amendment and this is [Part 5.1.1 of the Constitution](#) and was adopted in 2022.
- 1.2 Local Authorities must also have in place arrangements for dealing with any allegations that the Code has been breached. The adopted Complaints Procedure, in [part 5.1.2 of the Council’s Constitution](#), deals with how complaints made about City Councillors, and those of the Parish Tier Councils in its administrative area, will be handled.
- 1.3 The Council’s Monitoring Officer is Lorraine Browne, the Legal & Democratic Services Manager and they have appointed a deputy, Mr William Butcher the Legal Services Manager.
- 1.4 The Monitoring Officer has considerable responsibilities under the standards regime including duties to:
 - i. Maintain a register of interests for the City and Parish Tier Councillors, who are all required to declare such interests to them.
 - ii. Consider the best course of action in relation to alleged breaches of the Code, including the responsibility for informally resolving complaints where appropriate in their view.
 - iii. Consult an Independent Person at various stages in the Complaints Procedure.
 - iv. Liaise with the Police where the allegation concerns an alleged breach of the Disclosable Pecuniary Interests requirements.
- 1.5 As part of the Complaints Procedure the Council is required to establish a committee, which will be responsible for dealing with standards issues that cannot be dealt with by the Monitoring Officer or on which they decide Councillors’ views are important. This includes where a formal hearing is necessary to determine if a breach has occurred and if so, what penalties are appropriate. The City Council chose in 2012 to comply with this requirement by establishing the Governance Committee.
- 1.6 The Council is also obliged to appoint at least one Independent Person. Their role is to ensure that the Council is appropriately applying the statutory requirements and its adopted Policies and Procedures in dealing with any complaints received. They:
 - i. Must be consulted before the Council makes a finding as to whether a Councillor has failed to comply with the Code of Conduct or to decide on appropriate sanctions or other measures to be taken in respect of that Councillor;

- ii. May be consulted at other stages of the Complaints Procedure by the Council or by a member or co-opted member of the Councils covered by that Procedure.

Other Statutory, Governance Responsibilities and Terms of Reference

- 1.7 In establishing the Governance Committee, the Council allocated a wide set of governance roles and responsibilities, which is broader than dealing with the standards regime alone. The Committee's Terms of Reference are set out in [Part 3.2.3\(c\) of the Council's Constitution](#). These include:
 - i. Oversight of the Council's arrangements for dealing with all complaints.
 - ii. Reviewing the use of the powers exercised by the Council under the Regulation of Investigatory Powers Act 2000 (RIPA)
 - iii. Approving and monitoring the Code of Corporate Governance and Annual Governance Statement together with the Audit Committee
 - iv. Making recommendations on proposed changes to the Council's Constitution.
- 1.8 Whilst the Committee is "politically balanced", in that membership across all committees are drawn from all the parties represented on the Council and in the same proportions, decisions taken, especially those related to the standards regime are not taken on a political basis. In particular, the Mayor, Deputy Mayor & Leader of the Council cannot be members of the Committee and no more than two members of the Cabinet can sit on the committee at any time.

Membership of the Committee

- 1.9 The Committee consists of 7 City Councillors and 3 Parish tier Councillors. In 2025/26 the membership of the Committee comprised the following:

Liberal Democrats: Councillors K Franks (Chair), H Ayres, I Fuller, A Thompson, & S Young

Conservatives: Councillors B Massey and M. Steel

Parish-Tier Councillors:
 Keith Bentley – South Woodham Ferrers Town Council
 Kuldeep Golla – Chelmsford Garden Community Council,
 Peter Jackson - Great Waltham Parish Council

- 1.10 **Parish-Tier Council representatives** - At least one must be present when issues affecting a Parish Tier Councillor are discussed. They cannot vote but they provide a valuable perspective and insight into how those organisations and their councillors are expected to behave.
- 1.11 **Independent Members** - They are also invited to attend Committee meetings. They receive an allowance for the services they provide. Whilst they attend the

Governance Committee, when standards issues are to be debated or decided, they too have no voting rights. Nevertheless, their input is invaluable to give assurance that the procedures are being correctly applied. The Independent Persons during 2025/26 were Mrs C Gosling, Mr P Jeremiah, Mr D Lamb (left during 25/26) and Mrs P Mills. Their contribution is much appreciated by the Monitoring Officer and the Governance Committee.

Programme of Meetings

- 1.12 The Committee receives regular reports on the areas for which it has responsibility. In 2025/26 the Committee met on four occasions and the remainder of this report addresses how the Committee has approached its work during the year.

Publication of Information

- 1.13 The agendas for the Committee's meetings are published on the Council's website not later than five clear days before the date of each meeting. This is a requirement of the Local Government Act 1972, which is explained in and complies with the Access to Information Rules in [Part 4.6 of the Council's Constitution](#). The minutes of each meeting are also [published on the website](#) as soon as possible after each meeting has taken place.

2. Work Programme 2025-26

- 2.1 The main areas of activity considered by the Committee during the municipal year (May to May) 2025-26 were as follows:

<u>Issues addressed</u>	<u>Meetings</u>
Code of Corporate Governance and the Annual Governance Statement for 2024/25 considered by the Joint Audit and Governance Committee	11 June 2025
Monitoring Officer report	11 June 2025
Annual Constitution Report	11 June 2025
Local Government and Social Care Ombudsman complaint handling code update	11 June 2025
Annual report of Governance Committee	11 June 2025
Multi hatted member dispensation report	11 June 2025
Work programme	11 June 2025
Monitoring officer	15 October 2025
Information Governance update 2025	15 October 2025
Senior Responsible Officer's Report in relation to Council's RIPA arrangements	15 October 2025
Local Government and Social Care Ombudsman complaint handling code	15 October 2025
Work programme	15 October 2025
Monitoring Officer report	4 March 2026

Update on Register of Interests in City and Parish-Tier Councils and Council officers	4 March 2026
Annual Gifts/Hospitality report members & officers	4 March 2026
Annual Whistleblowing report	4 March 2026
Work programme	4 March 2026
Hearing standards complaint 8/25	11 March 2026

3. Complaints About Councillors

- 3.1.1 The Monitoring Officer regularly reports to the Governance Committee regarding complaints received. The statistical information is then published on the Council's website.
- 3.1.2 For period 1 May 2025 to 1 May 2026, 9 new complaints were received. Each complaint is assessed initially by the Monitoring Officer (1 complaint was assessed by an interim monitoring officer) in consultation with an Independent Person, as necessary to determine whether any action should be taken. Of the 9 cases there were 1 case was referred for investigation and has been subject to a hearing before Governance Committee. This hearing is subject to a separate report to Full Council in July 2026.

4. Future Work Programme

- 4.1 The work of the Committee as regards the Standards Regime is reactive. There are, however, annual reports as well as reviews on the main areas for which the Committee is responsible and these are reflected in paragraph 2.1 above.

5. Training and Development

- 5.1 The Monitoring Officer provides advice and assistance throughout the year to Councillors, members of the public and Parish tier clerks in relation to the Standards regime. This has resulted in the development of Practice Notes which reflect this advice and the processes and procedures in place. In addition, they provide advice to the Committee and by extension, the public, at Committees by way of open and frank discussion.

6. Conclusion

- 6.1 The arrangements the Council has put in place to promote high standards of behaviour are well established but improvements have been identified and approach updated to address these to make it clearer. The transparency of the processes and procedures is being continually reviewed and guidance issued to assist understanding.
- 6.2 As is evidenced by queries and complaints received, there is a good understanding of the availability of the complaints process and few cases are

significantly serious to warrant investigation. Complaint casework is dealt with efficiently and the parties are kept informed. The Committee members and the Independent Persons have been a key part in achieving this.

- 6.3 The Committee's focus on its other responsibilities is clear through the use of a published work programme and regular updates. As was set out in the Code of Corporate Governance and Annual Governance Statement adopted in the summer, there are many examples of good practice and transparency.



Chelmsford City Council

15 July 2026

Annual Report of the Overview and Scrutiny Committee

Report by: Overview and Scrutiny Committee from its meeting on 29 June 2026

Officer contacts:

Dan Sharma-Bird, Democracy Team Manager dan.sharma-bird@chelmsford.gov.uk,
01245 606523

Purpose

To consider the Annual Report on the activity of the Scrutiny function for 2025/26.

Recommendation:

That the Annual Report of the Overview and Scrutiny Committee and the activity of the Scrutiny function in 2025/26 be approved for publication.

1. The Local Code of Corporate Governance was adopted by the Council on 23 April 2008 (M6.1, CL52, 2008). Under the Code's Core Principle 6 – Engaging with local people and other stakeholders to ensure robust public accountability - the Overview and Scrutiny Committee is required to produce an annual report on its work for consideration by the Council and subsequent publication.
2. At its meeting on 29 June 2026 the Overview and Scrutiny Committee considered its Annual Report on the Scrutiny Function for 2025/26 and recommended to Council that the Report be approved for subsequent publication.

3. The Report is attached at Appendix 1 to this report and covers the following matters:

- statutory provisions
- terms of reference
- membership
- publication of information
- work undertaken in 2025/26
- future work for 2026/27
- “call in” of Cabinet decisions
- training and development

Appendices

1. Annual Report on the Scrutiny function 2025/26

Background Papers

None

Corporate Implications

None



CHELMSFORD CITY COUNCIL ANNUAL REPORT ON THE SCRUTINY FUNCTION 2025/26

**Councillor J. Jeapes
(Chair – Overview and Scrutiny Committee)**

www.chelmsford.gov.uk

CONTENTS

	Page No
1. Background	1
(a) Statutory provisions	1
(b) Terms of Reference of the Overview and Scrutiny Committee	1-2
(c) Membership of the Committee.....	2-3
(d) Programme of Meetings	3
(e) Publication of information	3
2. Work undertaken in 2025/26.....	3-4
3. Task and Finish Group.....	4-5
4. 'Call in' of Cabinet decisions.....	5
5. Planned future work.....	5
6. Training and development	5

Background

(a) **Statutory Provisions**

Under the Local Government Act 2000 each local authority is required to establish at least one committee to review or scrutinise decisions taken by the Executive or any other part of the council and make reports to the council or to the cabinet. It can also report on any matters that affect the authority's area or its inhabitants. Its role includes both developing and reviewing policy and holding the Executive to account. The Committee has power to require Cabinet members and officers to attend before it to answer questions and it may also invite other people to attend its meetings.

Chelmsford Council chose, in 2005, to set up a single Scrutiny Committee. The Committee's first meeting was on 23rd May, 2005. It was later renamed the Overview and Scrutiny Committee by Council on 10th May, 2006.

New legislation came into effect in 2009 which placed additional duties on the Council and in respect of which it was required to make arrangements for their discharge. The legislation concerned was:

- The Police and Justice Act 2006 (Sections 19 -21), which placed a duty on all local authorities to scrutinise the activities of organisations comprising the local crime and disorder reduction partnership, and
- Section 119 of the Local Government and Public Involvement in Health Act 2007, which allowed councillors to ask for discussions to take place at an overview and scrutiny committee on issues of neighbourhood concern.

In December 2009 the Council agreed that the Overview and Scrutiny Committee take responsibility for those functions and that its terms of reference were amended accordingly.

The Local Democracy, Economic Development and Construction Act 2009 (Commencement No. 3) Order 2010 brought into force on 15th June 2010 the requirement for local authorities to have a scheme for responding to petitions from people who live, work or study in the area. Petition organisers who are dissatisfied with the Council's response can ask for a review by the Overview and Scrutiny Committee. A report on this matter was agreed by Cabinet on 8 June and Council on 9 June 2010 and the Committee's terms of reference were again amended to reflect this additional function.

(b) **Terms of Reference**

The Terms of Reference of the Committee are contained in Part 3 of the Council's Constitution. They are as follows –

General role

To act as a channel for public involvement in the activities of the Council and other bodies operating in the City; to oversee the proper and efficient administration of the Council; to review the effectiveness of its work and services; and to support and

complement the activities of the Cabinet, whilst at the same time scrutinising them and offering constructive comment or advice where appropriate.

Specific role

- monitor the performance of the Council's services, carry out detailed reviews of them where considered necessary and report any resulting recommendations to the Cabinet;
- review the decisions, decision-making processes and activities of the Cabinet, other Council bodies and in respect of the Committee's own work to ensure that they comply with the requirements of the Constitution and the policies of the Council;
- monitor the activities and performance of external bodies, liaising with them where necessary, and carry out detailed assessments of the effectiveness of services provided by them if any apparent shortcomings are identified;
- scrutinise the work of the community safety partnership (Safer Chelmsford) and the partners who comprise it, insofar as their activities relate to the partnership itself and exercise all the other functions of a crime and disorder committee pursuant to Section 19 of the Police and Justice Act 2006;
- consider Councillor Call for Action requests following agreement by the Chair and Vice-Chair of the Committee after consultation with the Director of Corporate Services
- consider and respond to petitions, requesting that officers appear before the Committee to answer questions on functions, services or decisions for which they are responsible
- review the Council's handling of or responses to petitions where the petition organiser is dissatisfied with the action taken.

The Committee will also be responsible for

- providing opportunities for officers to acquaint members with the operation of the Council.

(c) Membership of the Committee

The Committee had 13 members, all Members of Chelmsford City Council. They are appointed by the full Council at its Annual Meeting in May of each year on a proportionality basis. No member of the Cabinet may be a member of the Committee.

In 2025/26 the membership of the Committee comprised the following members:

LD	Councillors C. Adutwim, N. Bugbee (until March 2026), D. Clark, H. Clark, P. Davey, L. Mascot and A. Thompson (Vice Chair)
CON	Councillors S. Dobson, J. Jeapes (Chair), M. Steel, S. Sullivan and P. Wilson
IND	Councillor S. Davis

Following the Annual Council Meeting on 13th May 2026, the membership is as follows –

The Committee is currently chaired by Councillor J. Jeapes who is a member of the Opposition group on the Council (the Conservatives).

LD Councillors D. Clark, P. Davey, D. Eley, L. Mascot (Vice Chair), A. Sosin, J. Sosin and A. Thompson

CON Councillors J. Jeapes (Chair), M. Steel, S. Sullivan, R. Whitehead and P. Wilson

IND Councillor S. Davis

(d) Programme of Meetings

The Committee met on five occasions in the municipal year 2025/26. It has five meetings programmed for 2026/27. Additional meetings may be arranged as required, including any which may be necessary if any decisions of the Cabinet become subject to the 'Call In' procedure mentioned in Part 3 of this Report.

(e) Publication of Information

The agendas for the Committee's meetings are published on the Council's website not later than five clear days before the date of each meeting. The minutes of each meeting are also published on the website as soon as possible after each meeting has taken place.

Work Programme 2025-26

The main areas of activity considered by the Committee during the municipal year (May to May) 2025/26 were as follows –

<u>Subject</u>	<u>Date(s) considered</u>
Cabinet Portfolio Update from the Cabinet Member for Finance	15 September 2025
Cabinet Portfolio Update from the Cabinet Member for an Active Chelmsford	15 September 2025
Theatre Inform and Debate	15 September 2025
Cabinet Portfolio Update from the Leader of the Council	15 September 2025
Update/Review of "Our Chelmsford, Our Plan"	15 September 2025
Report on Decisions Taken Under Delegation to the Chief Executive	15 September 2025
Annual Report of the Committee (2024/25)	15 September 2025
Cabinet Portfolio Update from the Deputy Leader and Cabinet member for a Fairer Chelmsford	17 November 2025

Annual Report on Housing Delivery	17 November 2025
Report on Decisions Taken Under Delegation to the Chief Executive	17 November 2025
Cabinet Portfolio Update for Safer Chelmsford	09 February 2026
Annual Presentation by Safer Chelmsford Partnership and Essex Police	09 February 2026
Call-In Decision: Community Infrastructure Levy – Governance Update	16 February 2026
Chelmer Waterside – Inform and Debate	12 March 2026

The work programme functions on a rolling basis with standard items being the following;

- Cabinet Member Portfolios (including the Annual Report on Housing Delivery) – items were presented every Overview and Scrutiny Committee meetings and this is to meet the requirements on the Local Government Act 2000 to scrutinise functions of the executive.
- Annual Report of Overview and Scrutiny Committee – this item would normally be considered at July Full Council along with the Annual Reports for Governance and Audit & Risk Committees, but this year due to the timetable will be considered at December Full Council
- Report on Decisions Taken under Delegation to the Chief Executive – it is a requirement for the Overview and Committee Scrutiny to consider and note any urgent decisions that were taken under the delegation to the CEO. This is reported bi-annually.

The minutes of the Committee meetings for this municipal year can be accessed below:

- Minutes of the meeting on [15th September 2025](#)
- Minutes of the meeting on [17th November 2025](#);
- Minutes of the meeting on [9th February 2026](#);
- Minutes of the meeting on [16th February 2026](#), and
- Minutes of the meeting on [12th March 2026](#).

Task and Finish Groups

Members of the Overview and Scrutiny Committee form small “Task and Finish” groups to look into a particular subject or service where appropriate. They work with officers to find out more about the service area and to identify possible improvements. They attend site visits, forums and meetings and undertake research as necessary in order to obtain further understanding and information to support the review. Their findings are fed back to the rest of the Committee in the form of a report and recommendations. In addition to ensuring value for money and that things are done correctly, ‘Task and Finish’ groups provide excellent development opportunities for Members, help to maintain good Member/Officer relations, raise awareness of issues and services amongst Members and can identify gaps in Member training.

During 2025-26, there were no Task & Finish Group undertaken.

‘Call-in’ of Cabinet Decisions

This Council's Executive Arrangements, made under Section 21 of the Local Government Act 2000, provide an opportunity for Members to require that the Overview and Scrutiny Committee review a decision taken by the Executive (Cabinet) but not yet implemented. Depending on its conclusion, that Committee could then request that the Cabinet reconsider, and possibly amend, that decision.

The procedure for “calling in” Cabinet decisions is set out in the Council's Constitution (Part 4.5 – Overview and Scrutiny Rules – Rule 4.5.11). In brief this provides that at least five Members of the Overview and Scrutiny Committee must request the call-in in writing, setting out their reasons, and the request must be received by the Council's Legal and Democratic Services Manager by 5 p.m. on the fourth working day after the Cabinet decision was taken.

During 2025-26, one Cabinet decision had been called in regarding [the decision taken in regard to Community Infrastructure Levy](#). The Cabinet decision was upheld by the Overview & Scrutiny Committee.

Future Projects

The Committee keeps its work programme under constant review. The work programme is considered at the end of each meeting.

Training and Development

There were no training sessions for members of the Overview and Scrutiny Committee for 2025-26.



Chelmsford City Council

15 July 2026

Report from Governance Committee – proposed censure of City Councillor

Report from:

Governance Committee

Officer Contact:

Lorraine Browne, Legal & Democratic Services Manager & Monitoring Officer,
email: lorraine.browne@chelmsford.gov.uk, tel: 01245 606560

Purpose

To consider the report from the Governance Committee following the hearing on 11th March 2026 which determined that Councillor Paul Clark had breached the code of conduct through disrespectful behaviour to an officer and failure to co-operate with the Code of Conduct investigation. The Committee considered that formal censure was appropriate and certain other steps set out in the decision notice attached at Appendix 1. Full Council is asked to now consider formal censure.

Recommendations

That, arising from the breaches of the code of Conduct, Council: -

1. Formally censures Councillor Paul Clark in relation to the findings of the Governance Committee set out in Appendix 1.

1. Background

- 1.1. Members will be aware that the Council is required to adopt a Code of Conduct in relation to its members. The Council is also required to have in place arrangements to deal with code of conduct allegations against members,

including the ability to impose sanctions when a breach of the code of conduct is found to have occurred.

- 1.2. In accordance with those arrangements, a complaint which met the threshold for investigation, was referred to an external investigator to consider whether the Councillor had breached the code of conduct. Once the investigation had been completed, the matter was subsequently referred to the Governance Committee to undertake a hearing to decide whether there had been any breach of the code of conduct. A committee hearing took place on 11th March 2026.
- 1.3. The investigation arose from a complaint relating to the councillor's behaviour on 5th June 2025. It was alleged that the councillor had attended the Council offices unannounced and questioned the officer regarding an enforcement notice and the related decision. It was further alleged that the Councillor was hostile and argumentative from the outset. He reportedly raised his voice and repeatedly questioned the officer in a dismissive manner. Further that his challenge focused on the validity of the enforcement notice, which, in his view, should not have been issued. His demeanour was described as threatening. This behaviour was said to be consistent with previous occasions when he attended council offices unannounced and acted disrespectfully towards staff.
- 1.4. This was despite a reminder being issued by the Monitoring Officer to all councillors by email in November 2024 concerning member enquiries and specifically reminding councillors to make an appointment if they wished to have an in-person meeting with an officer.
- 1.5. The Committee considered an allegation of a breach of the Code and found that a breach has taken place. The Committee further determined that Councillor Paul Clark had also committed a further breach of the code of conduct in that he had not co-operated with the Code of Conduct investigation process. The Committee imposed the sanctions which are set out in appendix 1.
- 1.6. The Monitoring Officer has confirmed that this report is the final sanction to be actioned in accordance with the decision made by Governance Committee. All other items have been completed, including the requirement for Cllr Paul Clark to undertake training. This took place with the Monitoring Officer on 30th June and included the Member/Officer relationship protocol as required by the committee.

2. Conclusion

- 2.1.1 This report has been prepared because of the findings and recommendation of Governance Committee in accordance with the Council's arrangements for

dealing with such allegation(s). Full Council is now asked to consider formal censure of Cllr Paul Clark.

List of appendices:

Appendix 1 – Decision of Governance Committee 11th March 2026

Background papers:

Governance Committee agenda 11th March 2026 and code of conduct procedures

Corporate Implications

Legal/Constitutional: These are set out in the report and it can be confirmed that this matter falls to Full Council to determine.

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Financial: There are no direct financial implications associated with the determination but additional external costs of approximately £13k have been incurred through the appointment of an investigator and an advisor to the Governance Committee.

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: None

Equality and Diversity: None.

Health and Safety: None

Digital: None

Other: None

Consultees:

The Chair of Governance Committee in March 2026 has been consulted in relation to this report.

Relevant Policies and Strategies:

None

Standards Hearing 11 March 2026

Councillor Paul Clark

Complaint 8/25

This Decision Notice relates to item 4 of the Governance Committee agenda for the meeting on 11 March 2026 and the Hearing which took place during this meeting. This decision notice should be read in conjunction with the detailed report to the committee and the minutes of the meeting.

The committee announced its decision with summary reasons after the Hearing to those people present. Councillor P. Clark did not attend the Hearing.

Complaint

The Committee considered the investigation report of Mr John Austin of John Austin Associates concerning the complaint raised by a member of staff about Councillor Clark's behaviour towards her on 5 June 2025.

The complainant alleged that Councillor P. Clark attended the Council offices unannounced and questioned the officer regarding an enforcement notice and the related decision. It was further alleged that the Councillor was hostile and argumentative from the outset. He reportedly raised his voice and repeatedly questioned the officer in a dismissive manner. Councillor P Clark's challenge focused on the validity of the enforcement notice, which, in his view, should not have been issued. His demeanour was described as threatening. This behaviour was said to be consistent with previous occasions when he attended council offices unannounced and acted disrespectfully towards staff.

Mr Austin considered whether there had been a breach of Paragraph 1 of the Code of Conduct, as follows:

1 Respect

Para 1.2 -

As a councillor:

1.2 I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.

Mr Austin's report concluded that there was evidence to support a finding of a breach of the Code of Conduct by Councillor P Clark.

The Hearing

The Committee heard from Mr Austin, who summarised his report and in particular emphasised the following points:

- The meaning of Respect is politeness in speech and conduct.
- The Local Government Association Guidance on the meaning of Respect in the Code of Conduct includes unreasonable or demeaning behaviour.
- He noted that it was clear from Officer A that Councillor P Clark's behaviour had got to a point that officers are hesitant to speak up in front of him.
- There are no recordings of what happened so Mr Austin had to weigh up the evidence from the complainant and the witnesses. He found the officers' evidence credible.
- He noted that it is rare for officers to complain about councillors and it is a brave act.
- He had also tried to speak to Councillor P. Clark on several occasions as stated in the Report, but Councillor P. Clark had refused to meet him. Councillor P. Clark had, however, provided comments after the report was complete, refuting the report.
- Mr Austin stated that, weighing everything up, he found Councillor P. Clark had demonstrate a lack of respect.

The Committee also heard from the complainant and two witnesses. The Committee also heard from the complainant's supervisor. In particular:

- Councillor P Clark's behaviour had previously been difficult. For example, he had interrupted the complainant's supervisor during an online teams meeting while she had been wearing headphones.
- The supervisor had not been in the office during the incident on 5 June 2025 but had seen her staff afterwards and they were shaken. They are a robust team and they deal with other emotive issues in other Wards, but had not been affected by interactions with other members as they had been affected by Councillor P Clark.
- The complainant confirmed that she had been left angry and frustrated by the interaction with Councillor P Clark. She is an experienced officer with 5 years' experience, but Councillor P. Clark spoke to her as if she was an idiot or a child.

The Committee asked if Councillor P. Clark had asked the complainant to do anything against normal planning procedure. The complainant said she felt the implication from Councillor P. Clark was that she should remove the notice. He had asked them in the past to drop particular cases.

The Committee asked Mr Austin and the witnesses several questions. They also considered how the Monitoring Officer had previously communicated with Councillor P. Clark about access to officers. The Committee noted that, in November 2024, the Monitoring Officer had emailed all councillors reminding them of the process by which to raise questions with officers, providing them with an email address to use to raise queries and asking them to make appointments to speak to officers.

The Committee noted also that on 18th June 2025, following this complaint, the Monitoring Officer had confirmed to Councillor P. Clark the Management Team's decision to impose temporary measures to control Councillor P Clark's access to

officers, including restricting his access to those areas to which he needs access as a councillor e.g. publicly accessible meeting rooms and the members' area.

The Committee was concerned that Councillor P. Clark had ignored specific advice from the Monitoring Officer, i.e. the email she sent to all councillors in November 2024.

The Committee was also concerned – and mentioned on several occasions – that relations between councillors and officers at the Council is generally excellent and that the Committee would be very concerned if one councillor's behaviour negatively impacted relationships between members and officers.

The Committee recognised that members are often put under a lot of pressure from their constituents, but that that does not excuse poor behaviour towards officers. The Committee also commented that although officers – particularly senior officers – are meant to demonstrate a level of robustness, members are in a position of power in their relationship with officers and must not abuse that authority.

The Committee was also grateful to the complainant for bringing the complaint and wished to record its thanks to her for raising this important issue.

Independent Person

The Committee also heard from the Independent Person, who stated that, having worked for other councils, she had seen poor behaviour from members towards officers before and it was therefore very important that this behaviour was not allowed at the Council. She felt that Councillor P. Clark had shown a lack of respect towards the complainant and the whole team. She was also concerned about his refusal to cooperate with the investigation. Balanced against that, the Independent Person said that councillors should be able to challenge officers, but she commented that this should always be done in a respectful way.

Decision

Having heard from Mr Austin, the complainant, her supervisor and witnesses, and in consultation with the Independent Person, the Committee agreed that Councillor P. Clark had breached paragraph 1.2 – Respect – in the Code of Conduct.

The Committee also considered:

- Councillor P Clark's failure to meet with Mr Austin, despite several requests;
- the tone of his written response to the Report, which was felt to be dismissive, and;
- the disrespect that Councillor P. Clark had shown to the Code of Conduct process and this Committee in failing to attend the Hearing, despite several emails to him from the Monitoring Officer and her team; and in his attitude to the process.

The Committee noted that it is open to it to consider other breaches of the Code of Conduct and found that Councillor P. Clark was also in breach of paragraph 8 - Complying with the Code of Conduct - specifically paragraph 8.2, which states:

As a Councillor:

8.2 I cooperate with any Code of Conduct investigation and/or determination.

Sanctions

After a further period of deliberation, hearing from Mr Austin about his views on appropriate sanctions and, in consultation with the Independent Person, the Committee imposed the following sanctions:

1. To publish its findings in respect of Councillor P Clark's conduct.
2. To recommend to Council that Councillor P. Clark be issued with a formal censure.
3. To instruct the Monitoring Officer to arrange training for the Councillor P. Clark on the Code of Conduct, with specific emphasis on the 'Protocol for Relationships between Councillors and Officers'.
4. Exclude the Councillor from the Council's Offices or other premises, with the exception of meeting rooms and the members' area as necessary for attending Council, Committee and Sub-Committee meetings for a period of 12 months, reduced to 6 months upon compliance with attendance at the training arranged under No. 3 above.



Chelmsford City Council

15 July 2026

Community Governance Review

Report by:
Leader of the Council

Officer Contact:
Legal & Democratic Services Manager, Lorraine Browne, Legal & Democratic Services
Manager, lorraine.browne@chelmsford.gov.uk, 01245-606560

Purpose

The purpose of this report is to update members in relation to the community governance review and city status.

Recommendations

1. That the outcome of the initial formal consultation be noted.
 2. That Council notes the position in relation to City Status.
 3. That Council agrees that no changes are made in relation to community governance and that the community governance review is concluded at this stage.
-

1. Introduction

- 1.1. Members will recall that Council decided to undertake a Community Governance Review (CGR) of its own volition, with the publication of the Terms of Reference (as amended) and formal initial consultation commencing in September 2025 in accordance with the Local Government and Public Involvement In Health Act 2007. Chelmsford has 29 parishes, but the large urban central area is currently unparished.
- 1.2. This report provides details of the results of the consultation, an update in relation to city status and the options now available to the Council. The Connectivity and Local Democracy Working Group have provided a member steer that no further action should be taken in relation to the CGR and the review process is ended at this stage. Accordingly, the report sets out briefly the options that have been considered but focusses upon the preferred course of action supported by the working group.

2. Decision-making process and statutory criteria

- 2.1 The Local Government and Public Involvement in Health Act 2007 sets out two statutory criteria. Chelmsford City Council must, by law, have regard to the need to secure that community governance within the area under review:
 - (1) reflects the identities and interests of the community in that area, and
 - (2) is effective and convenient.
- 2.2 In addition, the Council must take into account the 2010 government guidance (published by DCLG at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8312/1527635.pdf). The Council must also have due regard to responses submitted during the consultations and be open and transparent such that local stakeholders are made aware of the outcome of the decisions and the reasons behind those decisions.
- 2.3 Whilst Members are advised to read the DCLG guidance in its entirety, some key extracts are included below. Essentially, the guidance supports the 2007 Act requiring that local people are consulted, and that their views are taken into account during the CGR. Whilst City Councillors are the decision-makers, those decisions must be based on evidence submitted through the CGR consultation process. *Numbers refer to paragraph numbers in the DCLG guidance; emphasis added for clarity:*

7. The guidance supports and helps to implement key aspects of the 2006 white paper. The 2007 Act **requires that local people are consulted during a community governance review, that representations received in connection with the review are taken into account** and that steps are taken to notify them of the outcomes of such reviews including any decisions.

58. **It is clear that how people perceive where they live** - their neighbourhoods - is significant in considering the identities and interests of local communities and depends on a range of circumstances, often best defined by local residents. Some of the factors which help define neighbourhoods are the geography of an area, the make-up of the local community, sense of identity, and whether people live in a rural, suburban, or urban area.

95. The recommendations **must take account of any representations received and should be supported by evidence which demonstrates that the recommended community governance arrangements would meet the criteria set out in the 2007 Act**. Where a principal council has conducted a review following the receipt of a petition, it will remain open to the council to make a recommendation which is different to the recommendation the petitioners wished the review to make. This will particularly be the case where the recommendation is not in the interests of the wider local community, such as where giving effect to it would be likely to damage community relations by dividing communities along ethnic, religious or cultural lines.

2.4 It is important to note that it is Chelmsford City Council who decides community governance arrangements. Therefore, where difficult decisions must be made, consideration must be given to opposing and differing views in light of legislation, best practice, and official guidance.

2.5 Essentially, proposals for change should first identify the identities and interests of the communities and then consider the governance arrangements for that area.

2.6 Members are invited to note that the course of appeal is by way of Judicial Review, a potentially expensive and damaging mechanism open to local stakeholders if there is a failure in the decision-making process.

2.7 It is also important to recognise that the number of responses received is not necessarily strong evidence on the strength of feeling either for or against any particular viewpoint. It is true that stakeholders preferring the status quo may not make representations until and unless there is a suggestion of significant change that they would otherwise oppose. Therefore, where little response has been received, it cannot be assumed that local people are in favour of supporting the change proposed by a few submissions; they may well currently be unaware of those suggestions and happy with no change. That is why the second round of formal consultation is important, and why targeted requests for responses are recommended in areas where changes are proposed. Consultation documents so far were developed in conjunction with the Communications Team to ensure clarity for respondents and adherence to statutory criteria and best practice.

2.8 Members will be aware that the Government is currently in the process of reviewing local government arrangements in Essex, Southend-on-Sea and Thurrock with a view to replacing the current 15 authorities with 5 single- tier unitary authorities (this is referred to as LGR) . Once the Structural Changes Order for the area is made, a transitional period begins, and Chelmsford City Council would lose the power to implement the recommendations of the CGR, as that function would pass to the shadow, or successor, authority. It is anticipated that the Structural Change Order will be in place by the Autumn of 2026.

2.9 Members are reminded that the scope of the CGR is defined in law. Whilst some responses have been received that are outside of the scope of the CGR, this Council has no authority to make decisions or recommendations on those matters and so cannot engage in meaningful discussion about them. Specifically, the CGR cannot consider or determine:

- (1) Parliamentary constituency boundaries

- (2) County Divisions, other than requesting consequential amendments are made to align with any changes to parish boundaries, whilst the County still exists
- (3) City Wards, other than requesting consequential amendments are made to align with any changes to parish boundaries, whilst the City still exists
- (4) The number of County or City councillors
- (5) Any arrangements for the new unitary authorities that will be contained within the Structural Change Order for Essex, Southend-on-Sea and Thurrock
- (6) The powers and authority of different tiers of government

3. Initial Consultation

3.1 The initial consultation took place from 13th October 2025 to 4th January 2026, inviting respondents to give their views on community governance arrangements in the unparished part of Chelmsford City Council and in the adjoining parishes which border the unparished area.

3.2 A total of 617 responses to the initial consultation were received. Compared to CGR consultations conducted elsewhere and given that the consultation did not cover the whole of the city area, this is a substantial response. Given the broad and open nature of the initial consultation, a wide range of responses were received. These have been weighed against the statutory criteria and used to consider whether Draft Recommendations to make changes to community governance should be made.

3.3 Through the consultation to date, there have been a range of views expressed as to whether the unparished area should be parished or not. The majority of responses (549) came from the unparished city centre area, whilst only 22 came from outside of the area. A further 8 respondents were unsure. However, most comments did not reflect issues of identity and interests, nor effectiveness or convenience of local governance arrangements.

3.4 The survey asked whether respondents supported the establishment of a new form of community governance given that Local Government Reorganisation (LGR) would see the abolition of Chelmsford City Council, along with other local authorities in Essex, and how their views varied depending upon what form that reorganisation took. Out of a total of 598 responses to this question, 184 (30.77%) were against some form of community governance being established, whilst a further 22 (3.68%) were unsure. 313 (52.34%) of respondents favoured emparishment regardless of the outcome of LGR, whilst 61 (10.20%) were in favour only if Chelmsford was merged with two very large or more than two other authorities to give a population of over 420,000. A further 18 respondents (3.01%) were in favour only if Chelmsford merged with four or more other authorities to give a population of circa 564,000. Therefore, on the basis LGR proceeds, a total of 392 (65.5%) were in favour of establishing some form of community governance.

3.5 Respondents were then asked what form of community governance they would like to see established in the currently unparished city centre area. The pattern of responses broadly followed the previous question regarding whether the area would benefit from a new form of community governance. Of the 541 responses to this question, less than one quarter (117 or 21.63%) favoured retaining the status-quo with no changes introduced. There was a clear majority view in favour of some form of parish council, with 330 (61.00%) wanting to see an elected tier of local government (a parish council) introduced, whilst a further 53 (9.80%) were in favour of joining an existing parish area. In total, 383 (70.79%) were in favour of emparishment in some form. Only 41 (7.58%) of respondents were in favour of

some other form of community governance such as area committees or informally organised groups.

3.6 The Council also consulted the neighbouring parishes in light of the potential for a new parish to be created. The Council received suggestions from 3 parishes (Springfield, Great Baddow and Broomfield) as to boundary changes.

3.7 Consideration can also now be given to the impact a CGR might have upon city status. This is a complex, evolving and nuanced area which has required detailed consideration and legal advice. Whilst many Councils have been able to retain city status through reorganisation, the position for Chelmsford is different and has highlighted that there is currently no known mechanism to resolve this.

3.8 The latest update in relation to city status set out in this report was not known or consulted upon during the initial consultation. Similarly, the minded to decision which has now been made by government in relation to LGR was also not known at the time of the consultation. Accordingly, it should be noted that none of the respondents were made aware of these issues during the initial consultation. Of course, if the Council were to proceed with the CGR there would be a second stage of consultation and such matters would need to be addressed and consulted upon. The responses to the initial consultation should be considered in that context. The redacted responses can be found at appendix 1 to this report.

4. City status update

4.1 Chelmsford became a city in 2012 as part of the Queen's Diamond Jubilee celebrations. The letters patent granted by the late Queen Elizabeth II bestowed status upon 3 "towns" (this included Chelmsford as well as Perth in Scotland and St Asaph in Wales). City status was sought and granted across the whole of the Chelmsford City Council area through royal prerogative.

4.2 As is noted in the report, Chelmsford (along with 14 other Essex authorities) is in the process of local government reorganisation. The Council has consulted MHCLG about how city status can be retained. MHCLG cannot provide legal advice to the Council in this regard and so external legal advice has also been sought from Counsel.

4.3 Whilst some rights and interests are transferred through transitional laws and arrangements, city status is not automatically retained or transferred to the new unitary council that is proposed upon abolition of the city council.

4.4 The Council has been advised that city status cannot be transferred to a parish council which has a different footprint to that stated in the letters patent (eg the whole of the Chelmsford City Council area). Accordingly, the only tried and tested mechanism to retain Chelmsford's city status is through charter trustees. However, charter trustees are not available where an area is fully parished. Therefore, if the Council were to proceed to parish the unparished urban area, city status would be lost upon re-organisation in 2028.

4.5 Officers have explored various other options to retain city status including whether part of the unparished area could be parished (to avoid the loss of the charter trustee mechanism) and sought to establish whether it would be possible for further letters patent to be issued, but these discussions have not resulted in the requisite re-assurance concerning city status.

4.6 In light of the above update the Connectivity and Local Democracy Working Group were consulted on a proposal to take no further action in relation to the CGR and to conclude the

review now. The working group supports that approach and accordingly this report has been drafted with that option in mind.

4.7 Arrangements will need to be made by the Council in relation to charter trustees. A further report will be provided in relation to this at a later stage.

5. Options that have been considered for the currently unparished City Centre

5.1 The following options have been considered:-

- Proceed to fully parish the unparished area - this would include considering whether there should be one parish or a group of parishes, new parish warding/electoral arrangements as well as boundary changes that may arise for existing parishes that border any new parish. As explained above, as this would result in the loss of city status this option is not proposed or supported by the working group.
- Proceed to parish part of the unparished area – the responses to the consultation were consistent across the various wards and accordingly, based upon the evidence from the consultation, this option is not viable or justifiable.
- Seek further letters patent – there is no known mechanism for this to happen
- Take the decision not to make any community governance changes at this stage so the urban area remains unparished and the CGR ends at this stage. In accordance with the member steer from the working group next steps in relation to this option are considered further below.

5.2 To conclude the proposal is to agree option 4 - that no further action is taken in relation to the CGR and that the process is concluded at this stage.

6. Next steps

6.1 If Full Council agrees that the CGR now ends the Council will update the website accordingly and notify interested parties (eg Essex County Council and relevant parish councils) of the position concerning the CGR.

List of appendices:

Appendix 1 - Redacted responses

Background papers:

None

Corporate Implications

Legal/Constitutional: This is a non-executive matter which falls to Full Council to determine. The legal implications are set out in the report but it should be noted that the report focusses upon the preferred course of action indicated by the working group and further details including advice would be necessary should Council wish for alternative options to be explored further.

Financial: The Council made £165K budget provision when the CGR was commenced. Approximately £34k has been spent to date but it is anticipated that no further costs would arise in ending the review.

Potential impact on climate change and the environment: None.

Contribution toward achieving a net zero carbon position by 2030: None.

Personnel: None.

Risk Management: There is a risk that failing to follow the CGR process as set out in legislation and guidance may lead to a legal challenge by way of Judicial Review. This would represent a significant financial and reputational risk to the City Council. Not proceeding with the CGR would reduce the risk in relation to this.

Equality and Diversity: Changing community governance boundaries and local governance arrangements has no impact on equality and diversity. A small number of electors may be affected if their property becomes part of a different electoral area as their polling station may change as a result. However, polling places are outside of the immediate scope of this review and are reviewed and approved by Council, taking into account accessibility for all electors. The method of communication and community engagement for any consultation takes account of equality, diversity and accessibility. This report does not propose that any further action is taken and accordingly that would have no impact upon equality and diversity. .

Health and Safety: None.

Digital: None.

Other: None.

Consultees:

A full initial public consultation was carried out

Connectivity and Local Democracy Working Group

Relevant Policies and Strategies:

Our Chelmsford Our Plan – Bringing people together and working in partnership to encourage healthy, active lives, building stronger, more resilient communities so that people feel proud to live, work and study in the area.

Page 112 of 120

Page 113 of 120

Page 114 of 120

Page 115 of 120

Page 116 of 120

Page 117 of 120

Page 118 of 120

Page 119 of 120

