

# *Broughton in Amounderness Parish Council*

Meeting arrangements: Finance Committee

Tuesday 8<sup>th</sup> July 2025 at 6:45pm

The Toll Bar Cottage, 476 Garstang Road, Preston, Lancs, PR3 5JB

## **A G E N D A**

1. Welcome by Chair Doc Ref
2. Apologies
3. Declarations of Interest and Dispensation Considerations  
*Members are reminded of their responsibility to declare any interest in respect of any matters contained or brought up at any point in this meeting, in accordance with the current Code of Conduct. Council will consider dispensation requests.*
4. Minutes of Council Meetings *Item 1*
5. Invoicing and Payments *Item2*  
Review the transactions to date and pending invoices not yet authorised and share recommendations to Council.
6. Financial Regulations *Item 3*  
Review the amended Financial Regulations and make recommendations to Full Council.
7. Management of Budget – Broughton Environment Group (BEG)  
Discuss the management of the of the budget and spend for BEG.
8. Date of Next Meeting  
Finance Committee Meeting – Tuesday 19<sup>th</sup> August 2025 at 6:45pm in The Toll Bar Cottage, 476 Garstang Road, Preston, Lancashire, PR3 5JB

CLERK

Published: 02.07.2025



# *Broughton in Amounderness Parish Council*

Proceedings of the Finance Committee Meeting held on  
Tuesday 20<sup>th</sup> April 2025 at 6:45pm

Present:

Cllr. P Hastings  
Cllr. N Parkinson  
Cllr. L J Oldcorn  
Cllr. M Bell (arrived 19:10)

Jessica Dibble – Parish Clerk

## **Min 200568 Welcome by Chair of Finance**

The Finance Chair, Cllr. N Parkinson, called the meeting to order at 18:45pm and welcomed all attendees.

## **Min 200569 Election of Finance Chair 2025 /2026**

The Clerk invited nominations for the position of Chair of the Finance Committee for the municipal year 2025–2026.

Cllr. Pat Hastings proposed Cllr. Nigel Parkinson for the role. The nomination was seconded by Cllr. LJ Oldcorn.

Cllr. Parkinson agreed to accept the position and duly signed the Acceptance of Office as Chair of Finance for the forthcoming year.

## **Min 200570 Apologies**

Cllr. M Bell advised he would be late to the meeting.

## **Min 200571 Declarations of interests**

None declared.

## **Min 200572 Approval of Minutes**

**It was resolved** to sign the minutes of the full council meeting held on the 14<sup>th</sup> April 2025 as a correct and accurate record.

# *Broughton in Amounderness Parish Council*

Proposer: Cllr. P Hastings  
Seconder: Cllr. N Parkinson

## **Min 200573 Overview of Accounts**

The current account balances as at 31<sup>st</sup> March 2025 were noted as follows:

Unity Accounts:	£194,235.38
CCLA Account:	£861,465.00

It was noted that £58,971 currently held in the Unity account is due to be transferred to the CCLA 1 account, as this amount represents an incoming CIL payment from Preston City Council.

The Clerk advised that the transfer will take place once the CIL spreadsheet has been updated as part of the reporting process to Preston City Council. Prior to the transfer, deductions will be made from the CIL payment to reimburse the council's revenue account for any CIL-related expenditure that has already been incurred but not yet allocated.

**Total Assets: £1,055,700.38**

## **Min 200574 Invoicing and Payments**

### **7.1 Review of transactions to date and pending invoices not yet authorised.**

The Committee reviewed the transactions to date, along with pending invoices not yet authorised. Concerns were again raised regarding expenditure on transactions that had not been approved by either the Chair or Vice Chair. It had previously been agreed that DHW Services would provide support with watering the tubs and flower beds during the Lengthsman's absence. However, purchases and watering work were carried out and costs incurred prior to the Lengthsman officially commencing leave.

It was agreed that the Council would settle the outstanding invoices submitted by DHW Services but would also reiterate the importance of obtaining prior approval before incurring any costs. However, this excludes the invoice relating to the purchase of barrels, as the necessary licences have not been granted, authorisation to proceed with the purchase was not given, and key financial procedures have not been followed.

Specifically, the Council noted that no original invoice or proof of purchase has been provided raising concerns around financial transparency and the ability to verify the actual expenditure. Re-invoicing without supporting documentation prevents the Council from validating costs, recovering VAT where applicable, and maintaining a proper audit trail.

Furthermore, as the Lengthsman is due to return from leave, it was agreed that DHW Services would be stood down to allow the Lengthsman to resume his contractual duties.

### **7.2 Review of War Memorial Budget**

# *Broughton in Amounderness Parish Council*

Now that the War Memorial works have been completed, a number of outstanding invoices remain, which require clarification. The Clerk will liaise with the Lengthsman to determine the appropriate budget allocation for each invoice—specifically, whether the costs relate to routine village maintenance or the War Memorial project.

Upon reviewing the outstanding invoices and the overall project expenditure, it was agreed that £1,000 would be assigned to the War Memorial budget and the costs associated with the project may be met using CIL (Community Infrastructure Levy) funds.

19:10 Cllr. M Bell Arrived

## **Min 200575 Proposed Maintenance Costs**

### **8.1 & 8.2 Summer watering proposal and Lengthsman's future leave**

The Committee considered a proposal from the Lengthsman's sub-contractor to assume responsibility for watering duties over the summer period. It was noted that this would incur additional costs not currently accounted for within the Council's approved budget.

The Committee expressed concern that this requirement and subsequent costs had not been raised prior to the Council's annual budget-setting process, nor was any indication given that external support would be required to carry out duties included in the Lengthsman's contract—specifically, the maintenance of the village flower beds and tubs.

It was also noted that there is no formal agreement in place for DHW Services to cover the Lengthsman's duties during his planned absence from 4th to 11th June.

The Council resolved that, going forward, any proposals involving additional expenditure or the use of subcontractors must be submitted in advance for Council consideration and formal approval, in order to ensure effective budget control and accountability.

## **Min 200576 AGAR**

The Clerk reported that she had met with Holdens Accountants, who confirmed they were unable to accept instruction at this time. As a result, it was recommended that Wallings Accountants would be best placed to conduct the Internal Audit for the current year.

The Committee resolved to reappoint Mark Walling to undertake the Internal Audit for the 2024/2025 financial year.

The Chair confirmed that she would sign Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR) during the upcoming Full Council meeting, in preparation for submission to the Internal Auditor.

# *Broughton in Amounderness Parish Council*

## **Min 200577 Date of Next Meeting**

Finance Committee Meeting – Tuesday 8<sup>th</sup> July 2025 at 6:45pm in The Toll Bar Cottage, 476 Garstang Road, Preston, Lancashire, PR3 5JB.

*Chairman Cllr. N Parkinson Closed the meeting at 19:22*

# DRAFT

# Item 2

## Financial Information 2<sup>nd</sup> July 2025

Unity Trust Bank (Revenue)	
Balance as at 12.05.2025	120,677.92
Outgoing	82,165.20
Incoming	31,791.73
Balance as at 02.07.2025	70,304.45

CCLA	
Balance as at 12.05.2025	861,465.00
Outgoing	0.00
Incoming	61,770.00
Balance as a 12.05.2025	923,235.11

Unity Trust Bank T1 (CiL) CLOSED	
Balance as at 12.05.2025	28,324.50
Outgoing	28,324.50
Incoming	0.00
Balance as at 12.05.2025	0.00

Unity Trust Bank T2 (CiL interest)	
Balance as at 12.05.2025	45,232.96
Outgoing	150.00
Incoming	6,600.53
Balance as a 12.05.2025	51,683.49

TOTAL MIB: £1,045.233.05

Please see transfer table below as some 'incoming' and 'outgoing' transactions were transfers between accounts such as CiL interest monies.

### Outgoing transactions

Source	amount	notes	DD	Retro	cashed	Date
Lengthsman	-1292	Contracted Fee		X		30.05.2025
J Dibble	-1,606.41	Clerk Salary		X		30.05.2025
Unity	-6.00	Service Charge	X			31.05.2025
Easy Websites	-47.52	Website Hosting	X			02.06.2025
Xero	39.60	Accounting	X			04.06.2025
HMRC	359.52	Tax/NI		X		06/06/2025
Ribblesdale Nur	370.00			X		06/06/2025
Nurture Land	695.55			X		06/06/2025
Preston CC	40	Printing		X		06/06/2025
Preston CC	16.64	Printing		X		06/06/2025
Viking	75.37	Stationary		X		11/06/2025
Preston CC	1,194	Green Space Con		X		11/06/2025
Three	7.52	Office phone	X			16/06/2025
Nest	121.78	Pension	X			20.06.2025
Pat Hastings	39.99	Post Box		X		26.06.2025
Elaine Ritson	50.00	Donation		X		26.06.2025
HMRC	359.72	Tax/ NI		x		30.06.2025
J Dibble	1606.21	Clerk Salary		X		30.06.2025
Lengthsman	1482.00	Contracted Fee		X		30.06.2025
Unity	6.00	Service Charge	X			30.06.2025
Easy Websites	£52.80	Website	X			01.07.2025
NEST	121.78	Pension	X			01.07.2025

AWAITING AUTHORISATION						
S Rostron	21.00	Fuel				
Preston CC	15.80	Printing				
Bannister Hall	58.80	Flowers				
Online Tank Store	197.00	Tank				
Wallings	£1500	Internal audit				

### Incoming Transactions

Source	To Account	amount	notes	Received
CCLA Investment Management Limited	Unity REV	3169.17	See below as transfer to Cil Interest Unity	03.06.25
Pat Hastings	Unity Rev	40.00	Printing	03.06.25
Unity Cil	Unity rev	108.06	Account closure balance (interest)	12.06.25

### Transfers

From	To	Amount	notes	Received
Unity Cil	Unity rev	28,324.50	Cil money	29.05.2025
Unity Rev	Unity Cil Int	3159.60	Cil interest	29.05.2025
Unity Cil Int	Unity Rev	150.00	Cheque C. Marland	29.05.2025
Unity Rev	Unity Cil Int	3169.17	Cil interest	06.06.2025
Unity Rev	CCLA	58,971.00	CIL	11.06.2025
Unity Rev	CCLA	2,799.11	CIL	11.06.2025

Signed \_\_\_\_\_

Signed \_\_\_\_\_

# *Broughton in Amounderness Parish Council*

## **FINANCIAL REGULATIONS FOR LOCAL COUNCILS**

Adopted: 25<sup>th</sup> June 2024

Amended: 8<sup>th</sup> July 2025

Meeting: Meeting of Full Council

Next review date: June 2026

Version: V1 .1

*This Model Financial Regulations template was produced by the National Association of Local Councils (NALC) in April 2024 for the purpose of its member councils and county associations. Every effort has been made to ensure that the contents of this document are correct at time of publication. NALC cannot accept responsibility for errors, omissions and changes to information subsequent to publication.*



## BROUGHTON IN AMOUNDERNESS PARISH COUNCIL FINANCIAL REGULATIONS

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**These Financial Regulations were adopted by the council at its meeting held on 25<sup>th</sup> June 2024.**

## 1. General

- 1.1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.
- 1.2. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.
- 1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.
- 1.4. **In these Financial Regulations:**
  - 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
  - "Approve" refers to an online action, allowing an electronic transaction to take place.
  - "Authorise" refers to a decision by the council, or a committee or an officer, to allow something to happen.
  - 'Proper practices' means those set out in *The Practitioners' Guide*
  - *Practitioners' Guide* refers to the guide issued by the Joint Panel on Accountability and Governance (JPAG) and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Clerks in Wales.
  - 'Must' and **bold text** refer to a statutory obligation the council cannot change.
  - 'Shall' refers to a non-statutory instruction by the council to its members and staff.
- 1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. The Clerk has been appointed as RFO and these regulations apply accordingly. The RFO;
  - acts under the policy direction of the council;
  - administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
  - determines on behalf of the council its accounting records and control systems;
  - ensures the accounting control systems are observed;
  - ensures the accounting records are kept up to date;
  - seeks economy, efficiency and effectiveness in the use of council resources; and

- produces financial management information as required by the council.

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

- **setting the final budget or the precept (council tax requirement);**
- **the outcome of a review of the effectiveness of its internal controls**
- **approving accounting statements;**
- **approving an annual governance statement;**
- **borrowing;**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors**

**1.7. In addition, the council shall:**

- determine and regularly review the bank mandate for all council bank accounts;
- authorise any grant or single commitment in excess of £5,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the Finance committee in accordance with its terms of reference.

**2. Risk management and internal control**

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

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

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

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

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

- **ensure that risk is appropriately managed;**
- **ensure the prompt, accurate recording of financial transactions;**
- **prevent and detect inaccuracy or fraud; and**
- **allow the reconstitution of any lost records;**

- **identify the duties of officers dealing with transactions and**
  - **ensure division of responsibilities.**
- 2.6. On a regular basis, at each Parish Council meeting and at each financial year end, a member other than the Chair shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and record in the minutes as evidence of verification. This activity, including any exceptions, shall be reported to and noted by the council Finance Committee.
- 2.7. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

### **3. Accounts and audit**

- 3.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.
- 3.2. The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonably accuracy at any time. In particular, they must contain:
- day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;
  - a record of the assets and liabilities of the council;
- 3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.
- 3.4. The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them (with any related documents) to the council, within the timescales required by the Accounts and Audit Regulations.
- 3.5. **The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.**
- 3.6. **Any officer or member of the council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit** and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary.

- 3.7. The internal auditor shall be appointed by the council and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.
- 3.8. The council shall ensure that the internal auditor:
- is competent and independent of the financial operations of the council;
  - reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
  - can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
  - has no involvement in the management or control of the council
- 3.9. Internal or external auditors may not under any circumstances:
- perform any operational duties for the council;
  - initiate or approve accounting transactions;
  - provide financial, legal or other advice including in relation to any future transactions; or
  - direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.
- 3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.
- 3.11. The Clerk/ RFO shall make arrangements for the exercise of electors' rights in relation to the accounts, including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.
- 3.12. The Clerk/ RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

#### **4. Budget and Precept**

- 4.1. **Before setting a precept, the council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**
- 4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the council at least annually in October for the following financial year and the

final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the Council or finance committee. The Clerk/ RFO will inform committees of any salary implications before they consider their draft their budgets.

- 4.3. No later than November each year, the Clerk/ RFO shall prepare a draft budget with detailed estimates of all receipts and payments for the following financial year along with a forecast for the following three financial years, taking account of the lifespan of assets and cost implications of repair or replacement.
- 4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the full council.
- 4.5. The finance committee shall review its draft budget and submit any proposed amendments to the council not later than the end of November each year.
- 4.6. The draft budget with any committee proposals and three-year forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the finance committee and a recommendation made to the council.
- 4.7. Having considered the proposed budget and three-year forecast, the council shall determine its council tax requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.
- 4.8. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must and must disclose at the start of the meeting that Section 106 applies to them.**
- 4.9. The Clerk/ RFO shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of the agreed annual budget.
- 4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the council finance committee.

## **5. Procurement**

- 5.1. **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.
- 5.2. The Clerk/ RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the

legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.

- 5.3. Every contract shall comply with these the council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.
- 5.4. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**
- 5.5. Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 6.12) obtain prices as follows:
- 5.6. For contracts estimated to exceed £60,000 including VAT, the Clerk/ RFO shall seek formal tenders from at least three suppliers agreed by the council OR advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.
- 5.7. For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation<sup>1</sup> regarding the advertising of contract opportunities and the publication of notices about the award of contracts.
- 5.8. For contracts greater than £3,000 excluding VAT the Clerk/ RFO shall seek at least 3 fixed-price quotes;
- 5.9. where the value is between £500 and £3,000 excluding VAT, the Clerk/ RFO shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.
- 5.10. Where a contract for the supply of goods or services exceeds an annual value of £10,000, the council shall:
  - (a) conduct a formal review of the performance, cost-effectiveness and continued need for the contract at least once every year; and
  - (b) subject to the terms and duration of the agreed contract, re-tender or seek competitive quotes for the provision of the goods or services at least once every two years, unless otherwise agreed by resolution of the full council and minuted accordingly.

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<sup>1</sup> The Regulations require councils to use the Contracts Finder website if they advertise contract opportunities and also to publicise the award of contracts over £30,000 including VAT, regardless of whether they were advertised.

- 5.11. Contracts must not be split into smaller lots to avoid compliance with these rules.
- 5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:
- i. specialist services, such as legal professionals acting in disputes;
  - ii. repairs to, or parts for, existing machinery or equipment;
  - iii. works, goods or services that constitute an extension of an existing contract;
  - iv. goods or services that are only available from one supplier or are sold at a fixed price.
- 5.13. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the council or the finance committee. Avoidance of competition is not a valid reason.
- 5.14. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- 5.15. Individual purchases within an agreed budget for that type of expenditure may be authorised by:
- the Clerk/ RFO, under delegated authority, for any items below £500 excluding VAT.
  - the Clerk/ RFO, in consultation with the Chair of the Council or Chair of the finance committee, for any items below £2,000 excluding VAT.
  - the council for all items over £2,000 excluding VAT.
- Such authorisation must be supported by a minute (in the case of council or committee decisions) or other auditable evidence trail.
- 5.16. No individual member, or informal group of members may issue an official order unless instructed to do so in advance by a resolution of the council or make any contract on behalf of the council.
- 5.17. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the council or a duly delegated committee acting within its Terms of Reference except in an emergency and with the Chairs approval.
- 5.18. In cases of serious risk to the delivery of council services or to public safety on council premises, the Clerk/ RFO may authorise expenditure of up to £2,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk/ RFO shall report such action to the Chair as soon as possible and to the council as soon as practicable thereafter.
- 5.19. No expenditure shall be authorised, no contract entered into or tender accepted in relation to any major project, unless the council is satisfied that the necessary funds



are available and that where a loan is required, Government borrowing approval has been obtained first.

5.20. An official order or letter shall be issued for all work, goods and services above £250 excluding VAT unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.

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

## **6. Banking and payments**

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

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

6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the Clerk/ RFO. Where the certification of invoices is done as a batch, this shall include a statement by the Clerk/ RFO that all invoices listed have been 'examined, verified and certified' by the Clerk/ RFO.

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

6.5. All payments shall be made by online banking or cheque where necessary, in accordance with a resolution of the council or a delegated decision by the chair, Clerk/ RFO or chair of finance, unless the council resolves to use a different payment method.

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

- 6.7. A copy of this schedule of regular payments shall be signed by two members on each and every occasion when payment is made - to reduce the risk of duplicate payments and this will be reflective in the council meeting minutes.
- 6.8. A list of such payments shall be reported to the next appropriate meeting of the council or Finance Committee for information only.
- 6.9. The Clerk/ RFO shall have delegated authority to authorise payments in the following circumstances:
- i. any payments of up to £500 excluding VAT, within an agreed budget.
  - ii. payments of up to £2,000 excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.
  - iii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the council, where the Clerk/ RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council.
  - iv. Fund transfers within the councils banking arrangements up to the sum of £20,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council.
- 6.10. The Clerk/ RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, together with the relevant invoices, to the council. The council shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

## **7. Electronic payments**

- 7.1. Where internet banking arrangements are made with any bank, the Clerk/ RFO shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify at least four councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process.
- 7.2. All authorised signatories shall have access to view the council's bank accounts online.
- 7.3. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council or a duly delegated committee.

- 7.4. In the prolonged absence of the Clerk/ RFO an authorised signatory shall set up any payments due before the return of the Clerk/ RFO.
- 7.5. Evidence shall be retained showing which members approved the payment online and a printout of the transaction confirming that the payment has been made shall be appended to the invoice for audit purposes.
- 7.6. A full list of all payments made in a month shall be provided to the next council meeting and appended to the minutes.
- 7.7. With the approval of the council in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are approved online by two authorised members. The approval of the use of each variable direct debit shall be reviewed by the council in conjunction with the Clerk/ RFO at least every two years.
- 7.8. Payment may be made by BACS or CHAPS by resolution of the council provided that each payment is approved online by two authorised bank signatories, evidence is retained and any payments are reported to the council in the transaction statement at the next meeting. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.
- 7.9. If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed or approved online by two members, evidence of this is retained and any payments are reported to council when made. The approval of the use of a banker's standing order shall be reviewed by the council at least every two years.
- 7.10. Account details for suppliers may only be changed upon written notification by the supplier which will then be verified by the Clerk/ RFO and at least two councillors. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.
- 7.11. Members and the Clerk/ RFO shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.
- 7.12. Remembered password facilities other than secure password stores requiring separate identity verification should not be used on any computer used for council banking.

## **8. Cheque payments**

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

- 8.2. A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.
- 8.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.
- 8.4. Cheques or orders for payment shall not normally be presented for signature other than at, or immediately before or after a council meeting. Any signatures obtained away from council meetings shall be reported to the council at the next convenient meeting.

## **9. Payment cards**

- 9.1. Not applicable.
- 9.2. Not applicable.
- 9.3. Personal credit or debit cards of councillors shall not be used except for expenses of up to £250 including VAT, incurred in accordance with council policy.

## **10. Petty Cash**

- a) The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk/ RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly
- b) Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.
- c) Cash income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.

## **11. Payment of salaries and allowances**

- 11.1. **As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 11.2. Salary rates shall be recommended by the staffing committee and agreed by the council. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the consent of the council.
- 11.3. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.
- 11.4. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

- 11.5. Each payment to employees of net salary shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook.
- 11.6. Any termination payments shall be supported by a report to the council, setting out a clear business case. Termination payments shall only be authorised by the full council.
- 11.7. Before employing interim staff, the council must consider a full business case.

## **12. Loans and investments**

- 12.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full council and recorded in the minutes. All borrowing shall be in the name of the council, after obtaining any necessary approval.
- 12.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State/Welsh Assembly Government (such as Hire Purchase, Leasing of tangible assets or loans to be repaid within the financial year) must be authorised by the full council, following a written report on the value for money of the proposed transaction.
- 12.3. The council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 12.4. All investment of money under the control of the council shall be in the name of the council.
- 12.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

## **13. Income**

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

- 13.3. Any sums found to be irrecoverable and any bad debts shall be reported to the council by the Clerk/ RFO and shall be written off in the year. The council's approval shall be shown in the accounting records.
- 13.4. All sums received on behalf of the council shall be deposited intact with the council's bankers, with such frequency as the Clerk/ RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.
- 13.5. Personal cheques shall not be cashed out of money held on behalf of the council.
- 13.6. The Clerk/ RFO shall ensure that VAT is correctly recorded in the council's accounting software and that any VAT Return required is submitted from the software by the due date.
- 13.7. Where significant sums of cash are regularly received by the council, the Clerk/ RFO shall ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.
- 13.8. Any income that is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any council meeting.

#### **14. Payments under contracts for building or other construction works**

- 14.1. Where contracts provide for payment by instalments the Clerk/ RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.
- 14.2. Any variation of, addition to or omission from a contract must be authorised by the Clerk/ RFO to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

#### **15. Stores and equipment**

- 15.1. The Clerk/ RFO and lengthsman shall be responsible for the care and custody of stores and equipment.
- 15.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

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

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

## **16. Assets, properties and estates**

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

16.2. The Clerk/ RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.

16.3. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

16.4. No interest in land shall be purchased or otherwise acquired, sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a written report shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).

No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, except where the estimated value of any one item does not exceed £500. In each case a written report shall be provided to council with a full business case.

## **17. Insurance**

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

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

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

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

## **18. Suspension and revision of Financial Regulations**

- 18.1. The council shall review these Financial Regulations annually and following any change of Clerk or RFO. The Clerk/ RFO shall monitor changes in legislation or proper practices and advise the council of any need to amend these Financial Regulations.
- 18.2. The council may, by resolution duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations, provided that reasons for the suspension are recorded and that an assessment of the risks arising has been presented to all members. Suspension does not disapply any legislation or permit the council to act unlawfully.
- 18.3. The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.