

KINGSBRIDGE TOWN COUNCIL
FINANCE COMMITTEE
NOTICE OF THE NEXT MEETING

Venue: Town Clerks Office, Quay House, Kingsbridge
Date: Tuesday, 21st October 2025
Time: 6.00pm

Councillors, I hereby give you notice that the next meeting of the Finance Committee will be held at the venue, date and time above.

All members of the committee are summoned to attend for the purposes for determining and resolving upon the business to be transacted as set out below.

To: All members of the committee

BUSINESS TO BE TRANSACTED

25/13 TO RECEIVE APOLOGIES FOR ABSENCE

To receive apologies and to confirm that any absence has Committee approval.

Public Open Forum: (allocated time not longer than 10 minutes, a member of the public shall not speak for more than 3 minutes as per Standing Orders)

During the Public Open Forum: Members of the public should note that the committee is only allowed to make recommendations on topics that are publicised on the agenda; items not on the agenda can be carried forward for a response at a later date.

After the Public Open Forum: Members of the public are asked to respect the fact that it is a meeting to conduct council business and participation during the remainder of the meeting is not permitted without the express consent of the Chairman.

25/14 DECLARATIONS OF INTEREST

To invite Members to declare any pecuniary interests and non-pecuniary interests that they may have in any matters to be considered at this meeting; and to note that a Member with a disclosable pecuniary interest in any matter must withdraw from the Chamber at the commencement of the consideration of that business or, if later, the time at which the interest becomes apparent.

25/15 MINUTES OF LAST MEETING

Paper 1

To receive the minutes of the Finance Committee meeting held on 15th July 2025.

25/16 INTERNAL AUDIT

To note the interim Internal Audit took place 21st October 2025.

25/17 STAFFING

17.1 To note the National Joint Council for Local Government Services' Local Government Services Pay Agreement 2025 dated 25th July 2025 with effect from 1 April 2025 (an increase of 3.20% across all pay rates).

17.2 To consider alternative options to the current PAYE agreement with Teignbridge District Council.

25/18 BANK RECONCILIATIONS & RESERVES BALANCE

To review the bank reconciliations for all Barclays' accounts for the months of August, September and October 2025. Papers to be received on the night.

25/19 QUARTERLY REPORT

Paper 2

To receive:

- the Income & Expenditure report for the 2nd quarter of financial year 2025/26 ending 30 September 2025, and

- a verbal report on explanatory comments regarding variance in over or under spend.

25/20 POLICIES

Paper 3

To review and confirm adoption of the Financial Regulations policy as per section 19.1 following the recent change of Town Clerk.

25/21 SCRIBE ACCOUNTS

To consider the addition of Bookings, Allotments and Cemetery Management to the existing Scribe Accounts Package. Costing to be confirmed prior to approval.

To approve read only access to the Scribe accounts system by Members of the Finance Committee.

25/22 BANKING

1. To consider a request to hold funds for the Town Crier World Championships (approximately £150k)
2. To consider changing bank accounts from Barclays to an alternate facility.
3. To consider the provision of a pre-paid debit card to enable full VAT Reclaim.

25/23 DATE OF NEXT MEETING

Tuesday 25th November at 6.30 p.m. (budget meeting for 2026/27).

Katharine Harrod
Town Clerk
15th October 2025

Distribution: Town Mayor, Deputy Town Mayor, Cllr Anne Balkwill, Cllr Philip Cole, Cllr Martina Edmonds, Cllr Mike Jennings, Cllr Julie Taylor, Town Clerk, noticeboards, website and Facebook

PLEASE NOTE:

Depending on the number of attendees, this meeting may have to adjourn to Council Chambers on the first floor. The Council Chambers are located on the first floor and have no accessible features; access is via staircase only.

Meetings of the full council and committees are advertised as public meetings and may be filmed, photographed and/or audio recorded by broadcasters, the media or members of the public.

If you request not to be filmed, photographed or recorded, the Council will try to accommodate you but we are unable to provide a guarantee, particularly if you make a statement or ask a question.

Kingsbridge Town Council (KTC)

**MINUTES OF THE MEETING OF THE FINANCE COMMITTEE
HELD AT 6.00 P.M. ON TUESDAY 15 JULY 2025 IN QUAY HOUSE**

Present: Cllr Anne Balkwill (Chairman)
Cllr Philip Cole
Cllr Martina Edmonds
Cllr Mike Jennings
Cllr Graham Price
Cllr Julie Taylor
Cllr Julia Wingate

In Attendance: No Members of Public
Katharine Harrod (Town Clerk)
Martin Johnson (Town Clerk)

25/01 ELECTION OF CHAIRMAN

Cllr Balkwill was elected as Chairman of the Finance Committee for mayoral year 2025/26.

25/02 APOLOGIES FOR ABSENCE - None

Public Open Forum – No members of public present.

25/03 DECLARATIONS OF INTEREST

None.

25/04 TERMS OF REFERENCE

It was **RECOMMENDED** to re-adopt the Terms of Reference for the Finance Committee at Annex A.

25/05 MINUTES OF THE LAST MEETING

Members received the minutes of the last meeting held on 22nd April 2025 which were noted as being adopted at Full Council on 13th May 2025.

25/06 INTERNAL AUDIT

Members received the Internal Auditor's report and observations (IAC Audit & Consultancy Ltd letter dated 28 May 2025). The report had already been received by full council to enable closure of the annual accounts for the financial year 2024/25.

The Auditor had recommended that:

1. The Council, as a priority should review the balance held as capital receipts and consider how they may be applied against capital expenditure incurred. It may be appropriate for the council to review the capital expenditure incurred by the

council since the date of the Capital receipt and retrospectively make a decision to apply the Capital Receipt Reserve to that expenditure.

2. It was noted that there is an old outstanding balance on the HMRC PAYE account. This appears to relate to an old error when the payroll provider paid the amount due to the wrong HMRC account. The recommendation is for the Council to contact the payroll provider and clarify the reason for this outstanding balance and arrange for the amount to be settled. The Council should consider whether it should be required to pay any interest charged by HMRC, or whether this cost should be borne by the payroll provider.
3. It was noted there are a large number of low value items on the asset register. The recommendation is for the Council to consider setting a minimum value above which items should be recorded on the asset register.

Following discussion, it was **RECOMMENDED** to note the Internal Auditor's recommendations from their last visit, no further actions will be taken regarding points 1 and 3. With respect to point 2, good progress has been made, the total sum referred to is £5,133.36 which was paid in financial year 22/23 to our payroll providers who, in turn, have confirmed that all payments have been made to HMRC and they have advised HMRC to clear the account. Copies of relevant documents have been sent from Kingsbridge Town Council to HMRC to evidence all payments made. Councillors agreed that Kingsbridge Town Council should not be held responsible for paying any incurred interest charges.

25/07 BANK RECONCILIATIONS

Members received recent bank statements and reconciliations for the Barclays' business current and savings accounts alongside the CCLA's Public Sector Deposit Fund statement and valuation. It was **RECOMMENDED** to note the bank reconciliations for the bank statements dated 6th May 2025, 6th June 2025 and 4th July 2025 alongside the latest CCLA statement dated 30th June 2025, and for the Chairman to sign the same.

Cllr Mike Jennings joined the meeting.

25/08 QUARTERLY REPORT

Members received the income and expenditure report for the 1st quarter of financial year 2025/26 ending 30 June 2025 and reviewed individual cost codes. The net variance reported a £4,367.92 under spend. There was no significant underspend or overspend identified against the estimated budget at this early stage of the financial year. It was **RECOMMENDED** to note the 1st quarter income and expenditure report for financial year 2025/26.

25/09 RESERVES

Members received a report of Capital Receipts, Revenue Reserves and Earmarked Reserves totalling £278,021.47. It was **RECOMMENDED** to note:

- Capital Receipts £33,197.99 (Barclays Business Premium savings account),
- Capital Receipts £100,000.00 (CCLA Public Sector Deposit Fund),
- Revenue Reserves £116,188.48 (ditto above Barclays Business Premium savings account), and
- Earmarked Revenue Reserves £9,939.37 (held in Barclays Business Premium current account).

Regarding the earmarked reserves:

- The Recreation Pond project is now being progressed.
- Public Art feedback has received just one response, Cllr Yabsley will be taking this forward to receive additional responses. It was **RECOMMENDED** to give this a time limit of three months to gain progression otherwise re-allocation of the funds will be given consideration.
- An application for skatepark floodlighting is due to be forwarded to South Hams District Council Planning by Kingsbridge Skatepark Committee.
- Fore Street CCTV – we are still awaiting a response from Devon County Council despite several reminders, this will now be referred to Cllr Brazil.
- We await a payment of £1,485.55 from South Hams District Council being reimbursement of 50% of the cost of the CCTV in the Recreation Ground.
- Revenue reserves will reduce by £2,895.37 due to the recent trim trail paint.

25/10 POLICIES

Members received the following policies: Investment Strategy, Risk Assessment Management and Statement of Internal Control (and Procedures for Testing & Implementation).

It was noted that Jupiter Fund Management has agreed to take over CCLA. With this in mind it was **RECOMMENDED** to investigate the hire of an investment manager for consideration by Full Council.

It was **RECOMMENDED** to adopt the finance policies dated 15 July 2025 with no amendments.

25/11 BANK MANDATE

It was **RECOMMENDED** to add the new Town Clerk to the existing mandate. It was noted the signatories to the end of the Mayoral year will be Cllrs Balkwill and Rollinson.

25/12 DATE OF NEXT MEETING

Please note change of meeting date: 6.00 p.m. on **Tuesday 21 October 2025** (income and expenditure report for 2nd quarter of financial year 2025/26).

Annexes:

A. Finance Committee – Terms of Reference.

The meeting closed at 6.38 p.m.

Annex A to KTC Finance Committee minutes dated 15 July 2025

Kingsbridge Town Council

Finance Committee – Terms of Reference

1. Function

To undertake, within the overall policies and practices of the Council, all Finance related matters of Kingsbridge Town Council; excluding those matters specifically dealt with by another Committee.

2. Notice of Summons

The Clerk is to give three clear days notice of a Finance Committee meeting and the notice must specify the business to be transacted.

3. Chairman of the Finance Committee

(a) The first item of business in a new mayoral year shall be to elect a Chairman in accordance with Standing Order 4.vi.

(b) The Chairman of the Finance Committee may exercise all the powers and duties in relation to the conduct of the meeting detailed in Standing Orders.

4. Quorum of the Finance Committee

The quorum shall be no less than 3 in accordance with Standing Order 4. viii.

5. Rules of Debate

The rules of debate used at Council Meetings will be used at all Finance Committee meetings.

6. Delegated Power

The Finance Committee is not authorised to make decisions on behalf of Kingsbridge Town Council and is to make recommendations only to be considered, and endorsed, at Council meetings.

7. Specific Delegations

(a) To prepare and recommend to Council annually, no later than the first Council meeting in January, a budget for the following financial year.

(b) To recommend the level at which the Annual Precept is set.

- (c) To monitor the financial affairs of the Council and to consider income and expenditure against the agreed budget at least quarterly.
- (d) To oversee the preparation of the Council's end of financial year accounts and Annual Return.
- (e) To devise an annual Internal Audit Plan and to recommend to Council action required arising from Internal Audit Report findings.
- (f) To make recommendations from time to time for the position of Internal Auditor.
- (g) To consider (given an available budget), and make recommendations on, all applications for grants (Grant Aid) to be received by Council at the annual meeting held in May.
- (h) To monitor, on a quarterly basis, any investments held in the CCLA Public Sector Deposit Fund.
- (i) To consider, and make recommendations on, any staffing matters.
- (j) To consider and report or recommend to Council, if appropriate, any matters of a financial nature.
- (k) To meet quarterly in April, July, October and January and additionally as may be required e.g. for budget setting.

Kingsbridge Town Council - Quarter 2
(01/07/2025 to 30/09/2025 - All Cost Centres and Codes)

		2nd Quarter				Accumulative to end of 2nd quarter			
		Budgeted receipts	Actual receipts	Receipts Variance	Budgeted payments	Actual payments	Payments Variance	Budgeted payments	Actual payments
1 Precept									
57 10 Precept		138,957.00	138,956.50	-0.50(0%)			(N/A)	277,913.00	277,913.00
Sub Total for 1 Precept		138,957.00	138,956.50	-0.50(0%)			(N/A)	277,913.00	277,913.00
10 Entertainment & Arts									
44 243 Bandstand				(N/A)	328.75	769.39	-440.64(-134%)	657.50	1,104.29
45 240 Fair Week				(N/A)	2,400.00	1,096.59	1,303.41(54%)	2,400.00	2,255.85
46 242 Embankment festoon lighting				(N/A)	937.50		937.50(N/A)	1,875.00	1,175.37
47 244 Christmas Lights				(N/A)		32.37	-32.37(N/A)	(N/A)	308.54
246 246 Remembrance Sunday				(N/A)		58.68	-58.68(N/A)	1,500.00	1,983.22
266 245 Bunting				(N/A)	3,666.25	1,957.03	1,709.22(46%)	6,432.50	6,827.27
Sub Total for 10 Entertainment & Arts				(N/A)					
11 Special Projects/Open Spaces									
51 272 Parks & open spaces improv				(N/A)	19,600.00	1,093.75	18,506.25(94%)	39,200.00	1,156.75
52 274 Skate Park				(N/A)		150.00	-150.00(N/A)		150.00
53 263 CCTV				(N/A)	587.50	3,388.71	-2,801.21(-476%)	1,175.00	6,681.71
55 267 Play areas & Trim Trail refit				(N/A)			(N/A)		
63 279 Flood Resilience/Winter Wea				(N/A)	250.00	277.30	-27.30(-10%)	400.00	277.30
65 262 Trim Trail				(N/A)	187.50	1,386.00	-1,198.50(-639%)	375.00	1,726.05
66 268 Defibrillator				(N/A)		300.00	-300.00(N/A)		300.00
67 270 Solar Farm - community bene			4,104.00	4,104.00(N/A)			(N/A)		
69 269 Grass verge cutting & weed s		875.00		-875.00(N/A)	750.00	1,430.75	-680.75(-90%)	1,500.00	1,641.00
70 260 Potholes				(N/A)	500.00		500.00(N/A)	1,000.00	937.13
72 261 Local history/tourism project				(N/A)	2,062.50	3,248.53	-1,186.03(-57%)	4,125.00	6,623.92
267 266 Street Furniture & Parks Main				(N/A)	23,937.50	11,275.04	12,662.46(52%)	47,775.00	19,493.86
Sub Total for 11 Special Projects/Open S		875.00	4,104.00	3,229.00(369%)				4,979.00	4,104.00
12 VAT									
58 310 VAT Refund			2,923.91	2,923.91(N/A)			(N/A)	2,923.91	
Sub Total for 12 VAT			2,923.91	2,923.91(N/A)			(N/A)	2,923.91	
2 Bank									
1 30 Bank Interest/Charges		1,700.00	1,845.21	145.21(8%)	37.50	34.36	3.14(8%)	75.00	66.46
Sub Total for 2 Bank		1,700.00	1,845.21	145.21(8%)	37.50	34.36	3.14(8%)	75.00	66.46
3 Quay House									
2 60 QH Rent (Quarterly/monthly)		5,373.75	6,034.45	660.70(12%)			(N/A)		
3 61 QH Rent (Casual)		2,062.50	8,400.00	6,337.50(307%)			(N/A)		
5 50 QH Council Tax				(N/A)	2,587.50	125.50	2,462.00(95%)	12,472.00	11,671.26
6 51 QH Utilities				(N/A)	2,081.25	3,070.26	-989.01(-47%)	5,175.00	4,009.34
7 52 QH Building Maintenance				(N/A)			(N/A)	4,162.50	4,745.44

Kingsbridge Town Council - Quarter 2
(01/07/2025 to 30/09/2025 - All Cost Centres and Codes)

15 October 2025 (2025-2026)

		2nd Quarter				Accumulative to end of 2nd quarter			
		Budgeted receipts	Actual receipts	Receipts Variance	Budgeted payments	Actual payments	Payments Variance	Budgeted receipts	Actual receipts
8 53 QH Grounds Maintenance				(N/A)	275.00	328.00	-53.00(-19%)		
9 54 QH Sundries				(N/A)	287.50	81.08	206.42(71%)		
Sub Total for 3 Quay House		7,436.25	14,434.45	6,998.20(94%)	5,231.25	3,604.84	1,626.41(31%)	14,872.50	20,331.90
4 Cemetery & Churchyard									
10 90 Cemetery Fees		312.50	425.00	112.50(36%)			(N/A)	625.00	917.00
11 80 Cemetery Tax & Water				(N/A)	243.75		243.75(N/A)		
12 81 Cemetery Grounds Maintenance				(N/A)	1,581.25	1,813.95	-232.70(-14%)		
13 92 Cemetery Tree Surgery				(N/A)	250.00		250.00(N/A)		
14 93 Cemetery Maintenance & Mow				(N/A)	125.00	1,175.00	-1,050.00(-840%)		
Sub Total for 4 Cemetery & Churchyard		312.50	425.00	112.50(36%)	2,200.00	2,988.95	-788.95(-35%)	625.00	917.00
5 Allotments									
15 110 Treblepark				(N/A)	352.50		352.50(N/A)	1,410.00	1,390.00
Sub Total for 5 Allotments				(N/A)	352.50		352.50(N/A)	1,410.00	1,390.00
6 Section 137									
17 130 Grant Aid (Recreational & So				(N/A)			(N/A)		
18 131 Grant Aid (Community Projec				(N/A)		415.00	-415.00(N/A)		
Sub Total for 6 Section 137				(N/A)		415.00	-415.00(N/A)		
7 Administration									
19 180 Sundries				(N/A)	187.50	129.40	58.10(30%)		
20 170 Insurance				(N/A)	12,365.00	12,132.19	232.81(1%)		
21 171 Stationery & Office Equipmen				(N/A)	187.50	476.97	-289.47(-154%)		
22 172 Telephones				(N/A)	275.00	335.40	-60.40(-21%)		
23 173 Postage				(N/A)	12.50	26.60	-14.10(-12%)		
24 174 Computer Equip/maintenance				(N/A)	278.75	417.92	-139.17(-49%)		
25 175 Travel & Subsistence				(N/A)			(N/A)		
26 176 Training				(N/A)	250.00	615.00	-365.00(-146%)		
27 177 Audit Fees				(N/A)	475.00	630.00	-155.00(-32%)		
28 178 Adverts & Notices				(N/A)	125.00		125.00(N/A)		
29 179 Subscriptions				(N/A)		1,197.59	-1,197.59(N/A)	207.69	207.69
30 181 Election Expenses				(N/A)			(N/A)		
31 183 Legal Fees				(N/A)	312.50	21.00	-21.00(N/A)		
32 184 Photocopier				(N/A)	25.00	293.93	18.57(5%)		
34 186 Website				(N/A)			25.00(N/A)		
71 187 Neighbourhood Plan				(N/A)			(N/A)		
Sub Total for 7 Administration		207.69	207.69	207.69(N/A)	14,493.75	16,276.00	-1,782.25(-12%)	207.69	207.69
8 Official Entertainment									
36 200 Mayor's Allowance				(N/A)	150.00	180.89	-30.89(-20%)		
37 201 Town Crier's Allowance				(N/A)	150.00	616.06	-466.06(-310%)		

Kingsbridge Town Council - Quarter 2
(01/07/2025 to 30/09/2025 - All Cost Centres and Codes)

15 October 2025 (2025-2026)

		2nd Quarter				Accumulative to end of 2nd quarter			
		Budgeted receipts	Actual receipts	Receipts Variance	Budgeted payments	Actual payments	Payments Variance	Budgeted payments	Actual payments
38 202 Hospitality				(N/A)	62.50	39.47	23.03(36%)	(N/A)	125.00
Sub Total for 8 Official Entertainment				(N/A)	362.50	836.42	-473.92(-130%)	(N/A)	725.00
9 Staffing									
39 220 Salaries/PAYE				(N/A)	19,029.51	27,341.54	-8,312.03(-43%)	(N/A)	38,058.98
40 221 NI/PAYE				(N/A)	2,235.75	3,513.00	-1,277.25(-57%)	(N/A)	4,471.50
41 222 Pensions				(N/A)	4,001.25	6,411.23	-2,409.98(-60%)	(N/A)	8,002.50
Sub Total for 9 Staffing				(N/A)	25,266.51	37,265.77	-11,999.26(-47%)	(N/A)	50,532.98
TOTALS.....		149,280.75	162,896.76	13,616.01(9%)	75,547.76	74,653.41	894.35(1%)	8,253.66(108%)	151,182.86
		NET Variance Quarter 2				NET accumulative variance to END of Quarter 2			
		14,510.36				22,748.28			

Appendix Two to Kingsbridge Town Council Standing Orders

KINGSBRIDGE TOWN COUNCIL FINANCIAL REGULATIONS

Adopted by Kingsbridge Town Council at its Council Meeting held on 10 September 2024 (and thereafter to be reviewed by the Finance Committee on an annual basis and any amendments subsequently adopted by a meeting of the full council)

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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 Clerk;
 - 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 £10,000; and**

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 Clerk must include measures to:**

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

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

- 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 Clerk in accordance with the Accounts and Audit Regulations.
- 3.2. **The accounting records determined by the Clerk 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 Clerk 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 Clerk 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 Clerk, 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 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 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 November 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.

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

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

4.5. Each committee shall review its draft budget and submit any proposed amendments to the Finance Committee not later than the end of November each year.

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

- 4.7. Having considered the proposed budget, 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 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.

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 should verify the lawful nature of any proposed purchase before it is made.
- 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 shall seek formal tenders from at least 3 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 Legislation¹ regarding the advertising of contract opportunities and the publication of notices about the award of contracts.**

¹ 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.

- 5.8. For contracts greater than £5,000 excluding VAT the Clerk shall seek at least 3 fixed-price quotes;
- 5.9. where the value is between £1,000 and £5,000 excluding VAT, the Clerk shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.
- 5.10. For smaller purchases, the Clerk shall seek to achieve value for money.
- 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. 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, under delegated authority, for any items below £5,000 excluding VAT.
 - the Finance Committee for all items of expenditure within delegated budgets for items over £5,000 excluding VAT.
 - in respect of grants, the council within any limits set and in accordance with any agreed policy statement.
 - the council for all items over £10,000.
- 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 except in an emergency.
- 5.18. In cases of serious risk to the delivery of council services or to public safety on council premises, the Clerk may authorise expenditure of up to £2,500 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such

action to the Chair as soon as possible and to the council as soon as practicable thereafter.

- 5.19. 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. The Clerk shall maintain a file for estimates and tenders for one-off purchases and irregular suppliers.

6. Banking and payments

- 6.1. The council's banking arrangements, including the bank mandate, shall be made by the Clerk and authorised by the council; banking arrangements shall not be delegated to a committee. The council has resolved to bank with Barclays. The arrangements shall be reviewed periodically 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. The Clerk should examine all invoices for payment for arithmetical accuracy, be 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.
- 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/cheque, in accordance with a resolution of the council, unless the council resolves to use a different payment method.
- 6.6. For each financial year the Clerk 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 2 members on each and every occasion when payment is made to reduce the risk of duplicate payments.
- 6.8. A list of such payments shall be reported to the next appropriate meeting of the Finance Committee for information only.
- 6.9. The Clerk shall have delegated authority to authorise payments only in the following circumstances:
 - i. any payments of up to £5,000 excluding VAT, within an agreed budget.

- ii. payments of up to £2,500 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 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 £15,000, provided that a list of such payments shall be submitted to the next appropriate meeting of the Finance Committee.

6.10. The Clerk 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 total sum of all payments shall be disclosed within the minutes of that meeting.

7. Electronic payments

- 7.1. Where internet banking arrangements are made with any bank, the Clerk shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify 5 in number councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process. The Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.
- 7.2. All authorised signatories shall have access to view the council's bank accounts online.
- 7.3. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council or a duly delegated committee.
- 7.4. The Service Administrator shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent in person to the Chair of the council (or Deputy Chair in their absence) and subsequently by email to an authorised signatory.
- 7.5. In the prolonged absence of the Service Administrator an authorised signatory shall set up any payments due before the return of the Service Administrator.
- 7.6. An authorised signatory shall check the payment details against the invoices before approving each payment using the online banking system.
- 7.7. Evidence shall be retained showing which members approved the payment online.
- 7.8. A full list of all payments made in a month shall be provided to the next council meeting and annotated within the minutes.

- 7.9. With the approval of the council in each case, regular payments, such as electricity and telephone charges, may be made by variable direct debit, provided that the instructions are approved by the Clerk and payments authorised as per 7.4 to 7.8 above. The approval of the use of each variable direct debit shall be reviewed annually by the Finance Committee.
- 7.10. Payment may be made by BACS or CHAPS by resolution of the council provided that each payment is approved online by 2 authorised bank signatories, evidence is retained and any payments are reported to the council at the next meeting. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council periodically.
- 7.11. If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed or approved online by 2 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 2 years.
- 7.12. Account details for suppliers may only be changed upon written notification by the supplier verified by the Clerk and a Member. 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 2 years.
- 7.13. Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.
- 7.14. Remembered password facilities other than secure password stores requiring separate identity verification should not be used on any computer used for council banking.

8. Cheque payments

- 8.1. Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by 2 members.
- 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. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by council in writing before any order is placed.
- 9.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council.
- 9.3. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk and any balance shall be paid in full each month.
- 9.4. Personal credit or debit cards of members or staff shall not be used except for expenses of up to £500 including VAT, incurred in accordance with council policy.

10. Petty Cash

- 10.1. The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk for example for postage or minor stationery items shall be refunded on a regular basis, at least quarterly. 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. **Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 11.3. Salary rates shall be agreed by the council upon consideration of a recommendation from the Finance Committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the council.
- 11.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.
- 11.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.
- 11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the Finance Committee to ensure that the correct payments have been made.

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

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

12. Loans and investments

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

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

12.3. The council shall consider the requirement for an Investment Strategy 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 Clerk.

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.

13.2. The council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Clerk. The Clerk 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 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 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. Any repayment claim under section 33 of the VAT Act 1994 shall be made quarterly where the claim exceeds £100 and at least annually at the end of the financial year.

14. Payments under contracts for building or other construction works

14.1. Where contracts provide for payment by instalments the Clerk 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 to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and equipment

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

15.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

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

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

16. Assets, properties and estates

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

16.2. The Clerk 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).

16.5. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with

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

17. Insurance

- 17.1. The Clerk shall keep a record of all insurances effected by the council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the council's review of risk management.
- 17.2. The Clerk shall monitor all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 17.3. The Clerk 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 RFO shall negotiate all claims on the council's insurers.
- 17.4. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the council, or duly delegated committee.

18. Charities

- 18.1. Where the council is sole managing trustee of a charitable body the Clerk shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.]

19. Suspension and revision of Financial Regulations

- 19.1. The council shall review these Financial Regulations annually and following any change of clerk. The Clerk shall monitor changes in legislation or proper practices and advise the council of any need to amend these Financial Regulations.
- 19.2. 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.
- 19.3. The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

Appendix 1 - Tender process

- 1) Any invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases.
- 2) The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post, unless an electronic tendering process has been agreed by the council.
- 3) Where a postal process is used, each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.
- 4) Where an electronic tendering process is used, the council shall use a specific email address that will be monitored to ensure that nobody accesses any tender before the expiry of the deadline for submission.
- 5) Any invitation to tender issued under this regulation shall be subject to Standing Order [insert reference of the council's relevant standing order] and shall refer to the terms of the Bribery Act 2010.
- 6) Where the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.