

Forest Row Parish Council

Clerk: Mr David O'Driscoll
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(Office Hours: Monday to Friday 9am to 2pm)



To: All members of FOREST ROW PARISH COUNCIL:
Cllrs. Eichner (Chair), Christie, Cocks, Evans,
Gilbert, Hugo, Jaffay, La Djoï, Rainbow, Scott,
Summers, Taylor-Smith, Volkers & A M Waters

Community Centre
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Dear Sir/Madam,
Your attendance is required at an extra-ordinary meeting
of the FOREST ROW PARISH COUNCIL to be held on
TUESDAY 11th JUNE 2024 in the Garden Room at the
Community Centre at **7.30 PM**.

Date: 10th May 2024

Mr David O'Driscoll
Clerk to Forest Row Parish Council

THE FIRST FIFTEEN MINUTES ARE AVAILABLE FOR QUESTIONS AND REMARKS FROM THE PUBLIC.
MEMBERS OF THE PUBLIC ARE WELCOME TO STAY AND ADD QUESTIONS OR COMMENTS ON THE
AGENDA ITEMS, AT THE DISCRETION OF THE CHAIR OF THE MEETING

AGENDA

1. PUBLIC PARTICIPATION
2. APOLOGIES FOR ABSENCE
3. RECORDS OF PREVIOUS MEETINGS OF 30th APRIL, 16th MAY & 21st MAY 2024
4. DECLARATIONS OF INTERESTS/DISPENSATION REQUESTS FOR THIS MEETING
5. DELEGATED DECISIONS
Since the Council held its Annual Meeting only three weeks ago and there have been no Committee or designated working group meetings since, reports on this occasion will be limited to progress reports on live projects or urgent issues requiring attention.
6. CHAIR'S COMMENTS
7. CLERK'S REPORT ON MATTERS NOT REQUIRING A DECISION:
 - 7.1 The casual vacancy
 - 7.2 Insurance renewals
 - 7.3 'Medway Park'
8. SUMMARY FINANCIAL REPORT
9. ANY URGENT MATTERS FROM PRINCIPAL COUNCILS
10. ANY URGENT MATTERS FROM COMMITTEES OR WORKING GROUPS
11. ANY URGENT MATTERS FROM OUTSIDE BODIES
12. APPROVAL OF ANNUAL GOVERNANCE STATEMENT
13. APPROVAL OF ANNUAL FINANCIAL RETURN
14. ADOPTION OF REVISED (2024) FINANCIAL REGULATIONS

Pursuant to Section 1 (2) of the Public Bodies (Admission to Meetings) Act 1960 the committee believes that the public and press to be excluded from the meeting on the grounds of the confidential nature of the business to be transacted.

15. CONFIDENTIAL ITEM

FULL COUNCIL

BACKING PAPERS FOR MEETING 11th JUNE 2024

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**COUNCILLORS' BRIEFING FOR THE MEETING OF FULL COUNCIL
ON 11th JUNE 2024**

- 1. PUBLIC PARTICIPATION**
- 2. APOLOGIES FOR ABSENCE**
- 3. RECORDS OF PREVIOUS MEETINGS OF 30th APRIL (ordinary meeting), 16th MAY (extra-ordinary meeting), and 21st MAY (Annual meeting) 2024**
- 4. DECLARATIONS OF INTEREST/ DISPENSATIONS** Members who have a financial interest in any of the items covered by this agenda may wish to declare a personal interest. However, occasional users of services or volunteers need not be concerned.
- 5. DELEGATED DECISIONS:** (there are none to report to this meeting)
ACTION: to note & approve

REPORTS

[Since the Council held its Annual Meeting only three weeks ago and there have been no Committee or designated working group meetings since, reports on this occasion will be limited to any progress reports on live projects or urgent issues requiring attention].

- 6. CHAIR'S COMMENTS**
- 7. CLERK'S REPORT ON MATTERS NOT REQUIRING A DECISION**
 - 7.1 The casual vacancy. The Notice of Vacancy was duly published on 22nd May. Wealden Elections department will inform us tomorrow (12th June) if a by-election has been called for, or whether we should proceed to co-option.
 - 7.2 Insurance renewals. Following on from the building and property revaluations, I supplied the figures to our brokers, and also to Zurich (who operate independently), and I will be providing quotes and a recommendation to Finance & Policy on 16th July.
 - 7.3 'Medway Park'. I am pursuing negotiations with the landowners. At present it appears that a lease of the land will be acceptable, but not a sale.
- 8. SUMMARY FINANCIAL REPORT**

The printout supplied is largely self-explanatory. The significant income figure under Finance & Policy obviously represents the fact that 50% of the precept is paid in one tranche in April. The significant expenditure figures under the 'Property' heading stem from the fact that business rates for the Council properties are settled in one payment for the whole year.
- 9. ANY URGENT MATTERS FROM PRINCIPAL COUNCILS**
- 10. ANY URGENT MATTERS FROM COMMITTEES OR WORKING GROUPS**
- 11. ANY URGENT MATTERS FROM OUTSIDE BODIES**

Representatives from the above may report orally on any pressing matters.

MATTERS FOR DECISION

- 12. APPROVAL OF ANNUAL GOVERNANCE STATEMENT**
- 13. APPROVAL OF ANNUAL FINANCIAL RETURN**

These two votes are a statutory requirement as part of the external audit process, and it is good practice for the governance assertions to be read out one by one and individually voted on – it is rather tedious but ensures that all Members and the public are satisfied that the criteria are met. Sadly this year we have to register one ‘no’, in that the period allocated for the public right of inspection was unaccountably a couple of days short (although no one was prejudiced by this). I shall ensure the same error is not repeated this year.

ACTION: to resolve accordingly

14. ADOPTION OF REVISED (2024) FINANCIAL REGULATIONS

As mentioned in the briefing note to the Annual Meeting, the revised Financial Regulations arrived too late for inclusion in the votes at that meeting. However, I have now been through the new version line by line with the Chair of Finance and a copy is attached for consideration and adoption. By way of summary, I would advise that the text is almost identical to the previous version, with some updating to reflect current practice, for instance the dominant use of BACS for payments and the use of prepaid debit cards.

ACTION: to resolve accordingly

15. This is a confidential item for which a briefing note is being separately supplied.

16. ITEMS FOR FUTURE CONSIDERATION BY FULL COUNCIL OR COMMITTEE.

Summary Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<u>Finance & Policy</u>						
Income	325,778	656,455	330,677			49.6%
Expenditure	36,592	500,190	463,598	0	463,598	7.3%
Movement to/(from) Gen Reserve	<u>289,186</u>					
<u>Amenities & Services</u>						
Income	1,098	21,850	20,752			5.0%
Expenditure	5,820	89,750	83,930	0	83,930	6.5%
Movement to/(from) Gen Reserve	<u>(4,722)</u>					
<u>Property & Assets</u>						
Income	8,746	45,600	36,854			19.2%
Expenditure	42,953	75,500	32,547	0	32,547	56.9%
Movement to/(from) Gen Reserve	<u>(34,207)</u>					
<u>Planning</u>						
Income	0	0	0			0.0%
Expenditure	0	0	0	0	0	0.0%
Movement to/(from) Gen Reserve	<u>0</u>					
<u>Localism & Community Projects</u>						
Income	3,315	33,000	29,685			10.0%
Expenditure	4,142	41,000	36,858	0	36,858	10.1%
Movement to/(from) Gen Reserve	<u>(828)</u>					
<hr/>						
Grand Totals:- Income	338,936	756,905	417,969			44.8%
Expenditure	89,508	706,440	616,932	0	616,932	12.7%
Net Income over Expenditure	<u>249,428</u>	<u>50,465</u>	<u>(198,963)</u>			
Movement to/(from) Gen Reserve	<u>249,428</u>					

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Finance & Policy							
401 Finance & Administration							
4176 FI-Precept Received	325,000	650,000	325,000			50.0%	
4181 FI-Wayleave Income	0	5	5			0.0%	
4182 FI-Devolved Services Income	0	1,450	1,450			0.0%	
4190 FI-Interest Received	778	5,000	4,222			15.6%	
Finance & Administration :- Income	325,778	656,455	330,677			49.6%	0
4101 FI-Salaries	27,693	418,700	391,007		391,007	6.6%	
4102 FI-Payroll Outsource Costs	0	800	800		800	0.0%	
4103 FI-Contrib. to Library Salary	0	5,000	5,000		5,000	0.0%	
4105 Community services - developme	172	0	(172)		(172)	0.0%	
4108 FI-Staff Training/Travel	0	1,000	1,000		1,000	0.0%	
4111 Forest Rate	0	30	30		30	0.0%	
4120 Postage	0	300	300		300	0.0%	
4121 Telecommunications	1,464	7,700	6,236		6,236	19.0%	
4123 Stationery	22	450	428		428	4.8%	
4124 FI-Subscriptions	2,056	6,600	4,544		4,544	31.1%	
4125 FI-Insurance	0	11,000	11,000		11,000	0.0%	
4126 Printer/copier	489	4,400	3,911		3,911	11.1%	
4133 FI-Chairman's Fund	0	250	250		250	0.0%	
4134 FI-Parish Meeting	0	200	200		200	0.0%	
4135 FI-Councillors Training/Travel	250	2,000	1,750		1,750	12.5%	
4136 Security Checks	0	150	150		150	0.0%	
4137 FI-Members Allowances	237	7,000	6,763		6,763	3.4%	
4151 FI - Bank Charges	200	1,800	1,600		1,600	11.1%	
4156 FI-Legal & professional fees	1,160	3,500	2,340		2,340	33.1%	
4157 FI-Audit & Financial Managemen	2,577	4,000	1,423		1,423	64.4%	
4158 FI-Van Lease	0	300	300		300	0.0%	
4160 Office Equipment	0	500	500		500	0.0%	
4161 Office Maintenance	0	500	500		500	0.0%	
4165 FI-Election Fund	0	1,000	1,000		1,000	0.0%	
4166 Wayleaves	1	10	9		9	14.5%	
4169 Community Occasion	236	1,000	764		764	23.6%	
7101 PR- Advertising/Publicity	35	1,500	1,465		1,465	2.3%	
7102 PR-Website	0	1,000	1,000		1,000	0.0%	
7110 PR-Newsletter & Distribution	0	2,000	2,000		2,000	0.0%	
Finance & Administration :- Indirect Expenditure	36,592	482,690	446,098	0	446,098	7.6%	0
Net Income over Expenditure	289,186	173,765	(115,421)				

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>403 Other Grants</u>							
4360 Other Grants	0	17,500	17,500		17,500	0.0%	
Other Grants :- Indirect Expenditure	<u>0</u>	<u>17,500</u>	<u>17,500</u>	<u>0</u>	<u>17,500</u>	<u>0.0%</u>	<u>0</u>
Net Expenditure	<u>0</u>	<u>(17,500)</u>	<u>(17,500)</u>				
Finance & Policy :- Income	325,778	656,455	330,677			49.6%	
Expenditure	36,592	500,190	463,598	0	463,598	7.3%	
Movement to/(from) Gen Reserve	<u>289,186</u>						
Grand Totals:- Income	325,778	656,455	330,677			49.6%	
Expenditure	36,592	500,190	463,598	0	463,598	7.3%	
Net Income over Expenditure	<u>289,186</u>	<u>156,265</u>	<u>(132,921)</u>				
Movement to/(from) Gen Reserve	<u>289,186</u>						

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>Amenities & Services</u>							
<u>101 Allotments</u>							
1180 Allotment Rents	0	2,000	2,000			0.0%	
Allotments :- Income	<u>0</u>	<u>2,000</u>	<u>2,000</u>			<u>0.0%</u>	<u>0</u>
1135 Allotments-Water & Upkeep	263	700	437		437	37.6%	
Allotments :- Indirect Expenditure	<u>263</u>	<u>700</u>	<u>437</u>	<u>0</u>	<u>437</u>	<u>37.6%</u>	<u>0</u>
Net Income over Expenditure	<u>(263)</u>	<u>1,300</u>	<u>1,563</u>				
<u>102 Village Greens</u>							
1280 VG-Hire Income	0	750	750			0.0%	
3188 Grants & Donations	0	100	100			0.0%	
Village Greens :- Income	<u>0</u>	<u>850</u>	<u>850</u>			<u>0.0%</u>	<u>0</u>
1236 Outdoor Maintenance	708	20,000	19,292		19,292	3.5%	
1237 Outdoor Planting	0	1,000	1,000		1,000	0.0%	
1238 Street Cleaning / Litter	0	12,000	12,000		12,000	0.0%	
1239 VG-Utilities	0	400	400		400	0.0%	
Village Greens :- Indirect Expenditure	<u>708</u>	<u>33,400</u>	<u>32,692</u>	<u>0</u>	<u>32,692</u>	<u>2.1%</u>	<u>0</u>
Net Income over Expenditure	<u>(708)</u>	<u>(32,550)</u>	<u>(31,842)</u>				
<u>104 Amenities General</u>							
1400 Amenities grants/donations	0	1,000	1,000			0.0%	
Amenities General :- Income	<u>0</u>	<u>1,000</u>	<u>1,000</u>			<u>0.0%</u>	<u>0</u>
1436 Skate & Play areas	0	18,000	18,000		18,000	0.0%	
1447 Dog Fouling	0	3,500	3,500		3,500	0.0%	
Amenities General :- Indirect Expenditure	<u>0</u>	<u>21,500</u>	<u>21,500</u>	<u>0</u>	<u>21,500</u>	<u>0.0%</u>	<u>0</u>
Net Income over Expenditure	<u>0</u>	<u>(20,500)</u>	<u>(20,500)</u>				
<u>105 Outdoor Maintenance</u>							
1501 Outdoor Maintenance Equipment	19	2,500	2,481		2,481	0.8%	
Outdoor Maintenance :- Indirect Expenditure	<u>19</u>	<u>2,500</u>	<u>2,481</u>	<u>0</u>	<u>2,481</u>	<u>0.8%</u>	<u>0</u>
Net Expenditure	<u>(19)</u>	<u>(2,500)</u>	<u>(2,481)</u>				

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
203 Street Lighting							
2314 SL-Power	864	6,600	5,736		5,736	13.1%	
2336 Streetlights	2,290	20,000	17,710		17,710	11.5%	
Street Lighting :- Indirect Expenditure	<u>3,154</u>	<u>26,600</u>	<u>23,446</u>	<u>0</u>	<u>23,446</u>	<u>11.9%</u>	<u>0</u>
Net Expenditure	<u>(3,154)</u>	<u>(26,600)</u>	<u>(23,446)</u>				
204 Road Safety							
2436 RS-Road Safety	0	1,500	1,500		1,500	0.0%	
2440 Shed Project	0	2,000	2,000		2,000	0.0%	
Road Safety :- Indirect Expenditure	<u>0</u>	<u>3,500</u>	<u>3,500</u>	<u>0</u>	<u>3,500</u>	<u>0.0%</u>	<u>0</u>
Net Expenditure	<u>0</u>	<u>(3,500)</u>	<u>(3,500)</u>				
601 Cemetery							
6180 BU-Burial Fees	1,098	18,000	16,902			6.1%	
Cemetery :- Income	<u>1,098</u>	<u>18,000</u>	<u>16,902</u>			<u>6.1%</u>	<u>0</u>
6123 Cemetery Admin	412	350	(62)		(62)	117.7%	
6151 BU- Cemetery Rates	1,264	1,200	(64)		(64)	105.3%	
Cemetery :- Indirect Expenditure	<u>1,676</u>	<u>1,550</u>	<u>(126)</u>	<u>0</u>	<u>(126)</u>	<u>108.1%</u>	<u>0</u>
Net Income over Expenditure	<u>(578)</u>	<u>16,450</u>	<u>17,028</u>				
Amenities & Services :- Income	<u>1,098</u>	<u>21,850</u>	<u>20,752</u>			<u>5.0%</u>	
Expenditure	<u>5,820</u>	<u>89,750</u>	<u>83,930</u>	<u>0</u>	<u>83,930</u>	<u>6.5%</u>	
Movement to/(from) Gen Reserve	<u>(4,722)</u>						
Property & Assets							
301 Community Centre							
3180 CC-Lettings	4,861	20,000	15,139			24.3%	
3181 CC-Equipment Hire	394	400	6			98.6%	
3182 CC-Rents	3,285	22,000	18,715			14.9%	
3185 MISC - incl books/copying)	60	400	340			15.0%	
3187 CC Drinks Machine Income	60	600	540			10.0%	
Community Centre :- Income	<u>8,661</u>	<u>43,400</u>	<u>34,739</u>			<u>20.0%</u>	<u>0</u>
3111 CC-Rates & Services	11,079	65,000	53,921		53,921	17.0%	
3116 CC-Upkeep/Cleaning	10,462	0	(10,462)		(10,462)	0.0%	
3127 CC - Drinks Machine	298	1,000	702		702	29.8%	

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
3136 CC-Enhancement	18,664	5,000	(13,664)		(13,664)	373.3%	
Community Centre :- Indirect Expenditure	<u>40,504</u>	<u>71,000</u>	<u>30,496</u>	<u>0</u>	<u>30,496</u>	<u>57.0%</u>	<u>0</u>
Net Income over Expenditure	<u>(31,843)</u>	<u>(27,600)</u>	<u>4,243</u>				
303 Venue on the Green							
3306 VOTG Income	85	2,200	2,115			3.9%	
Venue on the Green :- Income	<u>85</u>	<u>2,200</u>	<u>2,115</u>			<u>3.9%</u>	<u>0</u>
3304 Votg Non Youth Equip	0	500	500		500	0.0%	
3305 VOTG Running Costs	2,449	4,000	1,551		1,551	61.2%	
Venue on the Green :- Indirect Expenditure	<u>2,449</u>	<u>4,500</u>	<u>2,051</u>	<u>0</u>	<u>2,051</u>	<u>54.4%</u>	<u>0</u>
Net Income over Expenditure	<u>(2,364)</u>	<u>(2,300)</u>	<u>64</u>				
Property & Assets :- Income	8,746	45,600	36,854			19.2%	
Expenditure	<u>42,953</u>	<u>75,500</u>	<u>32,547</u>	<u>0</u>	<u>32,547</u>	<u>56.9%</u>	
Movement to/(from) Gen Reserve	<u>(34,207)</u>						
Grand Totals:- Income	9,844	67,450	57,606			14.6%	
Expenditure	<u>48,773</u>	<u>165,250</u>	<u>116,477</u>	<u>0</u>	<u>116,477</u>	<u>29.5%</u>	
Net Income over Expenditure	<u>(38,930)</u>	<u>(97,800)</u>	<u>(58,870)</u>				
Movement to/(from) Gen Reserve	<u>(38,930)</u>						

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Localism & Community Projects							
206 Community Transport							
2678 Medical Car Scheme Income	0	300	300			0.0%	
Community Transport :- Income	<u>0</u>	<u>300</u>	<u>300</u>			<u>0.0%</u>	<u>0</u>
2554 Wealdlink	264	1,200	936		936	22.0%	
2601 Voluntary Medical Car Service	0	50	50		50	0.0%	
Community Transport :- Indirect Expenditure	<u>264</u>	<u>1,250</u>	<u>986</u>	<u>0</u>	<u>986</u>	<u>21.1%</u>	<u>0</u>
Net Income over Expenditure	<u>(264)</u>	<u>(950)</u>	<u>(686)</u>				
207 Market							
3184 CC-Market Income	825	7,500	6,675			11.0%	
Market :- Income	<u>825</u>	<u>7,500</u>	<u>6,675</u>			<u>11.0%</u>	<u>0</u>
3151 CC-Market expenditure	1,365	7,000	5,635		5,635	19.5%	
Market :- Indirect Expenditure	<u>1,365</u>	<u>7,000</u>	<u>5,635</u>	<u>0</u>	<u>5,635</u>	<u>19.5%</u>	<u>0</u>
Net Income over Expenditure	<u>(540)</u>	<u>500</u>	<u>1,040</u>				
209 Localism & Community Proj Misc							
2905 Repair Cafe & Wellbeing Servic	0	500	500			0.0%	
Localism & Community Proj Misc :- Income	<u>0</u>	<u>500</u>	<u>500</u>			<u>0.0%</u>	<u>0</u>
2700 Repair Cafe & Wellbeing	0	2,000	2,000		2,000	0.0%	
2710 Environmental Support	0	1,000	1,000		1,000	0.0%	
2715 Community Consultation	0	2,500	2,500		2,500	0.0%	
2720 Capital Projects R & D	0	2,500	2,500		2,500	0.0%	
Localism & Community Proj Misc :- Indirect Expenditure	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>	<u>8,000</u>	<u>0.0%</u>	<u>0</u>
Net Income over Expenditure	<u>0</u>	<u>(7,500)</u>	<u>(7,500)</u>				
304 Cafe							
3480 Gages - Sales	2,321	22,000	19,679			10.6%	
Cafe :- Income	<u>2,321</u>	<u>22,000</u>	<u>19,679</u>			<u>10.6%</u>	<u>0</u>
3436 Gages-Purchase of Equipment	69	2,000	1,931		1,931	3.4%	
3460 Gages -Purchases Food etc	2,234	18,000	15,766		15,766	12.4%	
Cafe :- Indirect Expenditure	<u>2,302</u>	<u>20,000</u>	<u>17,698</u>	<u>0</u>	<u>17,698</u>	<u>11.5%</u>	<u>0</u>
Net Income over Expenditure	<u>19</u>	<u>2,000</u>	<u>1,981</u>				

Detailed Income & Expenditure by Budget Heading 04/06/2024

Month No: 2

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
306 Thursday Club							
3680 TC-Subscriptions	80	200	120			40.0%	
Thursday Club :- Income	<u>80</u>	<u>200</u>	<u>120</u>			<u>40.0%</u>	<u>0</u>
3636 TC-Running Costs	0	750	750		750	0.0%	
Thursday Club :- Indirect Expenditure	<u>0</u>	<u>750</u>	<u>750</u>	<u>0</u>	<u>750</u>	<u>0.0%</u>	<u>0</u>
Net Income over Expenditure	<u>80</u>	<u>(550)</u>	<u>(630)</u>				
406 Youth Provision							
4676 YP-Grants & Other Income	88	2,500	2,412			3.5%	
Youth Provision :- Income	<u>88</u>	<u>2,500</u>	<u>2,412</u>			<u>3.5%</u>	<u>0</u>
4603 YP - Dev costs & General Expen	211	3,500	3,289		3,289	6.0%	
4604 YP - Youth Forum	0	500	500		500	0.0%	
Youth Provision :- Indirect Expenditure	<u>211</u>	<u>4,000</u>	<u>3,789</u>	<u>0</u>	<u>3,789</u>	<u>5.3%</u>	<u>0</u>
Net Income over Expenditure	<u>(122)</u>	<u>(1,500)</u>	<u>(1,378)</u>				
Localism & Community Projects :- Income	3,315	33,000	29,685			10.0%	
Expenditure	4,142	41,000	36,858	0	36,858	10.1%	
Movement to/(from) Gen Reserve	<u>(828)</u>						
Grand Totals:- Income	3,315	33,000	29,685			10.0%	
Expenditure	4,142	41,000	36,858	0	36,858	10.1%	
Net Income over Expenditure	<u>(828)</u>	<u>(8,000)</u>	<u>(7,172)</u>				
Movement to/(from) Gen Reserve	<u>(828)</u>						

Annual Internal Audit Report 2023/24

FOREST ROW PARISH COUNCIL

www.forestrow.gov.uk

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No	Not covered**
	A. Appropriate accounting records have been properly kept throughout the financial year.	✓	
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).		✓	
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).		✓	
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

Date(s) internal audit undertaken

Name of person who carried out the internal audit

23/04/2024 15/11/2023

M. WEBBER - MULBERRY LAS Ltd

Signature of person who carried out the internal audit

M. WEBBER

Date

23/04/2024

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

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

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

FOREST ROW PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

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

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

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

and recorded as minute reference:

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

Chair

Clerk

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Section 2 – Accounting Statements 2023/24 for

FOREST ROW PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	319,560	316,533	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	415,000	446,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	136,143	122,242	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	377,025	392,966	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	177,145	209,432	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	316,533	282,377	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	308,531	268,416	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	2,337,117	2,337,117	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

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

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

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

Date

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

as recorded in minute reference:

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



FOREST ROW PARISH COUNCIL
FINANCIAL REGULATIONS
Version per NALC 2024 as amended

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These Financial Regulations were adopted by the Council at its meeting held on 11th 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 (this authority may also be exercised by the relevant Standing Committee).

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/ RFO shall prepare, for approval by the council, a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.
- 2.3. When considering any new activity, the Clerk/ RFO shall prepare a draft risk assessment including risk management proposals for consideration by the council.
- 2.4. **At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**
- 2.5. **The accounting control systems determined by the RFO must include measures to:**
- **ensure that risk is appropriately managed;**
 - **ensure the prompt, accurate recording of financial transactions;**
 - **prevent and detect inaccuracy or fraud; and**
 - **allow the reconstitution of any lost records;**
 - **identify the duties of officers dealing with transactions and**
 - **ensure division of responsibilities.**
- 2.6. At least once in each quarter, and at each financial year end, the Chair or Vice-chair of the Finance Committee shall verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as

evidence of this. This activity, including any exceptions, shall be reported to and noted by the 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 reasonable accuracy at any time. In particular, they must contain:**
 - **day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;**
 - **a record of the assets and liabilities of the council;**
- 3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.
- 3.4. The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them with any related documents to the council, within the timescales required by the Accounts and Audit Regulations.
- 3.5. **The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.**
- 3.6. **Any officer or member of the council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit** and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary.
- 3.7. The internal auditor shall be appointed by the council and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.
- 3.8. The council shall ensure that the internal auditor:
 - is competent and independent of the financial operations of the council;
 - reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;

- can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the management or control of the council

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

- perform any operational duties for the council;
- initiate or approve accounting transactions;
- provide financial, legal or other advice including in relation to any future transactions; or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

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

3.11. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts, including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

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

4. Budget and precept

4.1. **Before setting a precept, the council must calculate its council tax 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 Finance Committee at least annually 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 relevant committee. The RFO will inform committees of any salary implications before they consider their draft their budgets.

4.3. No later than December each year, the RFO 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.

4.5. Each standing 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, including any recommendations for the use or accumulation of reserves, shall be considered by the chairs of the standing committees before being submitted 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 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 or relevant committee.

5. BUDGETARY CONTROL AND AUTHORITY TO SPEND

- 5.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined according to the annexed 'Authority to Spend' policy approved by Council. Such authority is to be evidenced by a Minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chairman.
- 5.2. Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 5.3. Expenditure which will exceed the amount provided in the revenue budget for that class of expenditure may only be authorised according to the procedures set out in paragraph 4.5. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 5.4. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.
- 5.5. The salary budgets are to be reviewed at least annually for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Chairman of Council or relevant committee. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.
- 5.6. In cases of urgency, the Clerk (and in his/her absence the Deputy Clerk), after consultation with any two of the following: the Chairman & Vice-Chairman of the Council, the Chairman or the Vice-Chairman of the Finance Committee, and the Chairman or the Vice-Chairman of the relevant Committee, may authorise

revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, subject to a limit of £2,500. [The Clerk shall report such action to the chairman of the relevant Committee/Council as soon as possible and to the Committee/Council as soon as practicable thereafter.]

- 5.7. If there is no budgetary provision for the expenditure, the Chairman or Vice-Chairman of the Finance & Policy should also be consulted. The Clerk shall report such action to the chairman of the relevant Committee/Council as soon as possible and to the Committee/Council as soon as practicable thereafter.
- 5.8. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 5.9. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.
- 5.10. The RFO shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of 15% of the budget.
- 5.11. Changes in nominated reserves shall be approved by council as part of the budgetary control process.

6. Banking and payments

- 6.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the council; banking arrangements shall not be delegated to a committee. The council has resolved to bank with Unity Trust Bank. The arrangements shall be reviewed annually for security and efficiency.
- 6.2. The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.
- 6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO.
- 6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

- 6.5. All payments shall be made by online banking/cheque, in accordance with a resolution of the council or duly delegated committee or a delegated decision by an officer, unless the council resolves to use a different payment method.
- 6.6. For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the council or a duly delegated committee may authorise in advance for the year}.
- 6.7. {A copy of this schedule of regular payments shall be signed by [two members] on each and every occasion when payment is made - to reduce the risk of duplicate payments.}
- 6.8. A list of such payments shall be reported to the next appropriate meeting of the council or Finance Committee for information only.
- 6.9. The Clerk and RFO shall have delegated authority to authorise payments {only} in the following circumstances:
 - i. {any payments of up to [£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 and RFO] certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council {or finance committee}.
 - iv. Fund transfers within the councils banking arrangements up to the sum of [£10,000], provided that a list of such payments shall be submitted to the next appropriate meeting of council [or finance committee].
- 6.10. The RFO shall present a schedule of payments, forming part of the agenda for the meeting, to the Finance Committee. The committee shall review the schedule for compliance. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

7. Electronic payments

- 7.1. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify a number of 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 by email to two authorised signatories.
- 7.5. In the prolonged absence of the Service Administrator an authorised signatory shall set up any payments due before the return of the Service Administrator.
- 7.6. Two councillors who are authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system.
- 7.7. Evidence shall be retained showing which members approved the payment online.
- 7.8. A full list of all payments made in a month shall be provided to the next [council] meeting {and appended to the minutes}.
- 7.9. 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 signed/approved online by two authorised members. The approval of the use of each variable direct debit shall be reviewed by the council annually.
- 7.10. 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 Finance Committee 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.
- 7.11. 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 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.
- 7.12. Account details for suppliers may only be changed upon written notification by the supplier verified by the Clerk/ RFO. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.
- 7.13. Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.
- 7.14. Remembered password facilities {other than secure password stores requiring separate identity verification} should not be used on any computer used for council banking.

8. Cheque payments

- 8.1. Cheques or orders for payment in accordance in accordance with a resolution or delegated decision shall be signed by two members and countersigned by the Clerk.
- 8.2. A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.
- 8.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.

9. Payment cards

- 9.1. Any Debit Card issued for use will be specifically restricted to the Clerk / RFO] and will also be restricted to a single transaction maximum value of £500 unless authorised by council or finance committee 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 Clerk/ RFO. Transactions and purchases made will be reported to Finance Committee and authority for topping-up shall be at the discretion of the Clerk/ RFO.
- 9.3. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk/ RFO 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 £250 including VAT, incurred in accordance with council policy.

10. Petty Cash

The RFO shall maintain a petty cash float of £250 and may provide petty cash to officers for the purpose of defraying operational and other expenses.

- a) Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.
- b) Cash income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
- c) Payments to maintain the petty cash float shall be shown separately on any schedule of payments presented for approval.

11. Payment of salaries and allowances

- 11.1. **As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 11.2. **Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 11.3. Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the council {or relevant committee}.

- 11.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.
- 11.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.
- 11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by [the 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 and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 12.4. All investment of money under the control of the council shall be in the name of the council.
- 12.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

13. Income

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

- 13.2. The council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Clerk. The RFO shall be responsible for the collection of all amounts due to the council.
- 13.3. Any sums found to be irrecoverable and any bad debts shall be reported to the council by the 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 RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.
- 13.5. Personal cheques shall not be cashed out of money held on behalf of the council.
- 13.6. The RFO shall ensure that VAT is correctly recorded in the council's accounting software software and that any VAT Return required is submitted form the software by the due date}. OR {Any repayment claim under section 33 of the VAT Act 1994 shall be made quarterly where the claim exceeds £100.
- 13.7. Where significant sums of cash are regularly received by the council, the RFO shall ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.
- 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 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 to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and equipment

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

- 15.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.
- 15.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 15.4. The RFO shall be responsible for periodic checks of stocks and stores, at least annually.

16. Assets, properties and estates

- 16.1. The Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.
- 16.2. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.
- 16.3. The continued existence of tangible assets shown in the Register shall be verified at least annually, 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 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 shall give prompt notification to the council/ Finance Committee of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 17.3. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the council/ Finance Committee 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. Not applicable to this council

19. Suspension and revision of Financial Regulations

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

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 – Procurement

#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.

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

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

#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. 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:

#6. For contracts estimated to exceed £60,000 including VAT, the Clerk shall seek formal tenders from at least three suppliers or advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with the procedure set out below.

#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.

#8. For contracts greater than £2,500 excluding VAT the Clerk/ RFO shall seek at least 3 quotes;

#9. where the value is between £500 and £2,500 excluding VAT, the Clerk/ RFO shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.

#10. For smaller purchases, the Clerk/ RFO shall seek to achieve value for money.

#11. Contracts must not be split into smaller lots to avoid compliance with these rules.

#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;

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.

- 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.

#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 relevant committee}. Avoidance of competition is not a valid reason

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

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.