

**Date: November 13, 2024**

**Subject: RFO's report to the Corporate Governance Committee (the 'CGC')**

## **1. Finance reports**

### **Summary of income and expenditure (Appendix one)**

Key takeaways are:

- a few individual cost codes are ahead of expectations at this point in the financial year, but overall expenditure is in line with budgets; and
- income is also on target.

### **Payments (Appendix two)**

Expenditure incurred during October 2024 was routine other than Vouchers 240, 243, 244, 245, 246, 251 and 258.

### **Bank reconciliation (Appendix three)**

As of end October, there was £567,740 cash at hand, notionally allocated:

- £4,950 owed to creditors;
- £103,770 for expenditure committed to be spent before the end of this financial year;
- £267,700 in Earmarked Reserves (see further comments under point 3.); and
- £91,750 to maintain the minimum General Reserve.

With no further income expected during this financial year, £99,500 remains to cover the nonrecurring but foreseeable expenses incurred over the period to the end of March 2024.

## **2. Cash investment allocation**

Based on the figures outlined under point 1. and subject to adoption of revised Financial Regulations (see further comments at point 4.) a prudent investment allocation might be:

- £150,000 in the current account with Unity Trust Bank;
- £100,000 in the instant access savings account with Unity Trust Bank;
- £100,000 in an instant access savings account with Cambridge Building Society;
- £100,000 in a 30 days' notice deposit account with Buckinghamshire Building Society; and
- £100,000 in 120 day's notice deposit account with Buckinghamshire Building Society.

As a short-term measure to make best use of cash until new accounts can be opened, £200,000 could be transferred from the current account to the savings account with Unity Trust Bank.

## **3. Earmarked reserves (Appendix four)**

Earmarked Reserves fall into: (1) reserves for planned future investment in new assets or renewal of existing assets at end of life; and (2) reserves held as contingency to replace impaired assets; (3) reserves to cover unplanned additional revenue expenditure; and (4) reserves for another specific planned future purpose.

## **4. Financial Regulations (Appendix five)**

The Financial Regulations were revised in May 2024. Further revisions are necessary to delete processes and controls that have since fallen out of favour. Other changes are needed

to update the thresholds and limits for cash investments to provide greater flexibility (relating to point 3.)

The blackline comparison provided at appendix five shows the proposed changes.

## **Appendices**

- 1. Income and expenditure**
- 2. Payments list**
- 3. Bank reconciliation and lists of creditors and debtors**
- 4. Earmarked reserves**
- 5. Financial Regulations**

1

Summary of Receipts and Payments

Cost Centre Group - Revenue Account (Between 01/04/2024 and 31/10/2024)

**A1 Revenue Income**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1	Precept	364,200.00	364,200.00					(0%)
2	Wayleaves	1.00		-1.00				-1.00 (-100%)
6	Credit Interest	750.00	1,312.81	562.81				562.81 (75%)
53	Community Events	1,000.00	935.60	-64.40		40.00	-40.00	-104.40 (-10%)
55	Burial Ground	4,000.00	5,526.00	1,526.00				1,526.00 (38%)
77	All Other Revenue Income							(N/A)
<b>SUB TOTAL</b>		<b>369,951.00</b>	<b>371,974.41</b>	<b>2,023.41</b>		<b>40.00</b>	<b>-40.00</b>	<b>1,983.41 (0%)</b>

**B1 Staff**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
8	Wages & Salaries				146,700.00	78,384.55	68,315.45	68,315.45 (46%)
9	Employers' NIC				13,600.00	7,612.72	5,987.28	5,987.28 (44%)
10	Non Salaried Benefits				950.00	1,081.00	-131.00	-131.00 (-13%)
11	Employers' Pension				35,208.00	17,319.18	17,888.82	17,888.82 (50%)
13	Training, Membership & Subscrip		51.00	51.00	5,000.00	3,024.84	1,975.16	2,026.16 (40%)
14	Travel & Subsistence				600.00		600.00	600.00 (100%)
<b>SUB TOTAL</b>			<b>51.00</b>	<b>51.00</b>	<b>202,058.00</b>	<b>107,422.29</b>	<b>94,635.71</b>	<b>94,686.71 (46%)</b>

**B2 Office & IT**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
17	Office Supplies & Consumables				1,900.00	420.50	1,479.50	1,479.50 (77%)
20	Telephone & Broadband				2,300.00	938.06	1,361.94	1,361.94 (59%)
22	IT Hardware & Software				4,300.00	4,252.35	47.65	47.65 (1%)
<b>SUB TOTAL</b>					<b>8,500.00</b>	<b>5,610.91</b>	<b>2,889.09</b>	<b>2,889.09 (33%)</b>

**B3 Banking & Finance**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
38	Bank Charges				200.00	137.30	62.70	62.70 (31%)
79	Capital Repayments				16,000.00	8,000.00	8,000.00	8,000.00 (50%)
80	Debit Interest				4,450.00	2,314.00	2,136.00	2,136.00 (48%)
<b>SUB TOTAL</b>					<b>20,650.00</b>	<b>10,451.30</b>	<b>10,198.70</b>	<b>10,198.70 (49%)</b>

**B4 Professional Services**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
24	Internal Audit				1,600.00	755.00	845.00	845.00 (52%)
25	External Audit				1,100.00	1,050.00	50.00	50.00 (4%)

Summary of Receipts and Payments

Cost Centre Group - Revenue Account (Between 01/04/2024 and 31/10/2024)

40 Professional Fees		33,500.00	4,465.93	29,034.07	29,034.07 (86%)
<b>SUB TOTAL</b>		<b>36,200.00</b>	<b>6,270.93</b>	<b>29,929.07</b>	<b>29,929.07 (82%)</b>

B5 Other Admin

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
21 Communications & Advertising				1,200.00	320.00	880.00	880.00 (73%)
36 Insurance				10,000.00	7,227.77	2,772.23	2,772.23 (27%)
37 Corporate Subscriptions				2,000.00	1,524.91	475.09	475.09 (23%)
75 Chairman's Allowance				200.00	81.46	118.54	118.54 (59%)
998 Uncategorised Expenditure							(N/A)
999 Accounting Adjustment		456.00	456.00		207.03	-207.03	248.97 (N/A)
<b>SUB TOTAL</b>		<b>456.00</b>	<b>456.00</b>	<b>13,400.00</b>	<b>9,361.17</b>	<b>4,038.83</b>	<b>4,494.83 (33%)</b>

CA1 Grounds

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
27 Buildings & Car Parks				9,000.00	2,442.53	6,557.47	6,557.47 (72%)
30 Play Areas				5,000.00	1,385.00	3,615.00	3,615.00 (72%)
31 Grounds Maintenance				17,000.00	9,213.51	7,786.49	7,786.49 (45%)
52 Tools & Consumables				1,000.00	336.92	663.08	663.08 (66%)
57 Burial Ground				3,000.00	2,302.07	697.93	697.93 (23%)
67 Misuse & Vandalism				3,000.00	467.83	2,532.17	2,532.17 (84%)
94 Motor Vehicle				1,200.00	450.27	749.73	749.73 (62%)
<b>SUB TOTAL</b>				<b>39,200.00</b>	<b>16,598.13</b>	<b>22,601.87</b>	<b>22,601.87 (57%)</b>

CA2 Streets

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
50 Streetlights - ex. Electricity				6,000.00	3,669.70	2,330.30	2,330.30 (38%)
81 Street Furniture				3,500.00	576.13	2,923.87	2,923.87 (83%)
84 Streetlights - Electricity				15,000.00	1,532.53	13,467.47	13,467.47 (89%)
96 Footpaths				1,000.00		1,000.00	1,000.00 (100%)
<b>SUB TOTAL</b>				<b>25,500.00</b>	<b>5,778.36</b>	<b>19,721.64</b>	<b>19,721.64 (77%)</b>

CS1 Community Services

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
54 Community Events		6.65	6.65	6,000.00	1,208.22	4,791.78	4,798.43 (79%)
70 Grants				5,000.00	3,959.60	1,040.40	1,040.40 (20%)
91 Community Safety				4,000.00	368.95	3,631.05	3,631.05 (90%)
104 Community Services				500.00	189.49	310.51	310.51 (62%)
105 Road Safety				3,000.00	2,500.00	500.00	500.00 (16%)

**Summary of Receipts and Payments**

Cost Centre Group - Revenue Account (Between 01/04/2024 and 31/10/2024)

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<b>SUB TOTAL</b>	<b>6.65</b>	<b>6.65</b>	<b>18,500.00</b>	<b>8,226.26</b>	<b>10,273.74</b>	<b>10,280.39 (55%)</b>
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**Summary**

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<b>NET TOTAL</b>	<b>369,951.00</b>	<b>372,488.06</b>	<b>2,537.06</b>	<b>364,008.00</b>	<b>169,759.35</b>	<b>194,248.65</b>	<b>196,785.71 (26%)</b>
<b>V.A.T.</b>		27,300.95			6,850.25		
<b>GROSS TOTAL</b>		<b>399,789.01</b>			<b>176,609.60</b>		

Summary of Receipts and Payments

Cost Centre Group - Capital Account (Between 01/04/2024 and 31/10/2024)

**A2 Capital Receipts**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
3	Gifts & Donations		100,000.00	100,000.00				100,000.00 (N/A)
4	City Council Grants	1,000.00		-1,000.00				-1,000.00 (-100%)
5	Other Grants	203,741.00		-203,741.00				-203,741.00 (-100%)
7	LCTS Administration Subsidy	5,259.00	5,259.00					(0%)
<b>SUB TOTAL</b>		<b>210,000.00</b>	<b>105,259.00</b>	<b>-104,741.00</b>				<b>-104,741.00 (-49%)</b>

**Q Capital Expenditure**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
23	IT Equipment				3,000.00	1,681.76	1,318.24	1,318.24 (43%)
103	Comm Assets - New Projects (su					825.30	-825.30	-825.30 (N/A)
207	Jansma Park				200,000.00		200,000.00	200,000.00 (100%)
208	Grounds Machinery		200.00	200.00	2,000.00	450.00	1,550.00	1,750.00 (87%)
209	Bus Shelters - Holly Rd & Whea				10,000.00		10,000.00	10,000.00 (100%)
<b>SUB TOTAL</b>			<b>200.00</b>	<b>200.00</b>	<b>215,000.00</b>	<b>2,957.06</b>	<b>212,042.94</b>	<b>212,242.94 (98%)</b>

**Summary**

<b>NET TOTAL</b>	<b>210,000.00</b>	<b>105,459.00</b>	<b>-104,541.00</b>	<b>215,000.00</b>	<b>2,957.06</b>	<b>212,042.94</b>	<b>107,501.94 (25%)</b>
<b>V.A.T.</b>					<b>501.42</b>		
<b>GROSS TOTAL</b>		<b>105,459.00</b>			<b>3,458.48</b>		



2

## Stanway Parish Council PAYMENTS LIST

Voucher Code	Date	Minute	Bank	Cheque No	Description	Supplier	VAT Type	Net	VAT	Total
221	01/10/2024		1. Unity Trust XXXXX	STANDING ORDER	IT software and support	Saint IT Ltd	S	176.61	35.32	211.93
222	01/10/2024		1. Unity Trust XXXXX	STANDING ORDER	IT software and support	Saint IT Ltd	S	99.00	19.80	118.80
223	01/10/2024		1. Unity Trust XXXXX		Grounds maintenance	COUNTRYWIDE GROUNDS	S	466.67	93.33	560.00
228	01/10/2024		1. Unity Trust XXXXX	STANDING ORDER	Home working allowance					
229	01/10/2024		1. Unity Trust XXXXX	STANDING ORDER	Home working allowance					
230	01/10/2024		1. Unity Trust XXXXX	STANDING ORDER	Home working allowance					
231	01/10/2024		1. Unity Trust XXXXX		Salaries					
232	01/10/2024		1. Unity Trust XXXXX		Salaries					
233	01/10/2024		1. Unity Trust XXXXX		Salaries					
234	01/10/2024		1. Unity Trust XXXXX		Salaries					
235	01/10/2024		1. Unity Trust XXXXX		PAYE & National Insurance					
235	01/10/2024		1. Unity Trust XXXXX		PAYE & National Insurance					
236	01/10/2024		1. Unity Trust XXXXX		Pensions					
236	01/10/2024		1. Unity Trust XXXXX		Pensions					
237	02/10/2024		1. Unity Trust XXXXX	DIRECT DEBIT	Bank charges	Lloyds Banking Group	X	6.00		6.00
239	03/10/2024		1. Unity Trust XXXXX		IT software and support	Adobe Systems Software Ir	S	199.68	39.94	239.62
240	02/10/2024		1. Unity Trust XXXXX		Drains	Creasey Drainage	X	1,400.00		1,400.00
241	08/10/2024		1. Unity Trust XXXXX		Waste collection	TBS Hygiene Ltd	S	218.00	43.60	261.60
242	09/10/2024		1. Unity Trust XXXXX		Burial ground	Daniel Anthony Bowman t/	S	120.00	24.00	144.00
243	10/10/2024		1. Unity Trust XXXXX		Grant	Stanway Preschool	X	1,000.00		1,000.00
244	09/10/2024		1. Unity Trust XXXXX		Grant	Hope For Tomorrow	X	1,484.00		1,484.00
245	09/10/2024		1. Unity Trust XXXXX		Drains	Creasey Drainage	X	395.00		395.00
246	09/10/2024		1. Unity Trust XXXXX		Drains	Creasey Drainage	X	395.00		395.00
247	10/10/2024		1. Unity Trust XXXXX		Refund		X	16.00		16.00
248	09/10/2024		1. Unity Trust XXXXX		Refund		X	16.00		16.00
249	09/10/2024		1. Unity Trust XXXXX		Refund		X	8.00		8.00
250	10/10/2024		1. Unity Trust XXXXX		Office consumables	Saint IT Ltd	S	16.32	3.26	19.58
251	10/10/2024		1. Unity Trust XXXXX		Office equipment	Computer Risk Manager	S	241.33	48.27	289.60
253	10/10/2024		1. Unity Trust XXXXX		Streetlights maintenance	A&J Lighting Solutions Ltd	S	439.00	87.80	526.80
254	09/10/2024		1. Unity Trust XXXXX		Event expenditure	Karl Semmence t/a DJ Buzl	X	50.00		50.00
256	14/10/2024		1. Unity Trust XXXXX		Event expenditure	Applause Rural Touring	X	162.50		162.50
257	10/10/2024		1. Unity Trust XXXXX	DIRECT DEBIT	Telephone and broadband	New Star Networks Ltd	S	121.29	24.26	145.55
258	15/10/2024		1. Unity Trust XXXXX		Road safety	Colchester City Council	S	2,500.00	500.00	3,000.00
259	16/10/2024		1. Unity Trust XXXXX	DEBIT CARD	Poppy wreath	The Royal British Legion Tr	X	24.49		24.49

## Stanway Parish Council

## PAYMENTS LIST

Voucher Code	Date	Minute	Bank	Cheque No	Description	Supplier	VAT Type	Net	VAT	Total
260 Misuse & Vandalism	16/10/2024		1. Unity Trust XXXXX		Grounds maintenance		X	447.00		447.00
261 Training, Membership & Subscr	16/10/2024		1. Unity Trust XXXXX	DEBIT CARD	Training	SLCC Enterprises Ltd	S	30.00	6.00	36.00
262 Training, Membership & Subscr	16/10/2024		1. Unity Trust XXXXX		Training	Essex Association of Local	S	400.00	80.00	480.00
263 Community Safety	18/10/2024		1. Unity Trust XXXXX		Signage	Signace Limited	S	46.00	9.20	55.20
264 Grounds Machinery	17/10/2024		1. Unity Trust XXXXX		Grounds maintenance machine	GRASSHOPPER (HORTICU	X	450.00		450.00
265 Training, Membership & Subscr	21/10/2024		1. Unity Trust XXXXX		Training	Essex Association of Local	S	400.00	80.00	480.00
266 Grounds Maintenance	21/10/2024		1. Unity Trust XXXXX		Grounds maintenance	Tony Smithers t/a A Smith	X	170.00		170.00
268 Community Services	28/10/2024		1. Unity Trust XXXXX		Poppy wreath	The Royal British Legion	X	65.00		65.00
269 Communications & Advertising	29/10/2024		1. Unity Trust XXXXX		Advertising	Regional Life Ltd	S	40.00	8.00	48.00
270 IT Hardware & Software	29/10/2024		1. Unity Trust XXXXX		IT software and support	Starboard Systems Limited	S	751.68	150.34	902.02
271 Streetlights - ex. Electricity	29/10/2024		1. Unity Trust XXXXX		Streetlights maintenance	A&J Lighting Solutions Ltd	S	439.00	87.80	526.80
272 Accounting Adjustment	10/10/2024		1. Unity Trust XXXXX	DEBIT CARD	Accounting Adjustment	Lloyds Banking Group	X	85.98		85.98
273 Accounting Adjustment	21/10/2024		1. Unity Trust XXXXX	DEBIT CARD	Accounting Adjustment	Lloyds Banking Group	X	49.40		49.40
274 Bank Charges	31/10/2024		1. Unity Trust XXXXX	DIRECT DEBIT	Bank charges	Unity Trust Bank plc	X	14.10		14.10
283 Accounting Adjustment	30/10/2024		1. Unity Trust XXXXX	DEBIT CARD	Accounting Adjustment	Lloyds Banking Group	X	22.21		22.21
<b>Total</b>								<b>27,804.29</b>	<b>1,340.92</b>	<b>29,145.21</b>

3



**Stanway Parish Council**  
**Uncashed payments/transfers out (All banks)**  
**(Upto 31/10/2024)**

Voucher	Date	Cheque No.	Description	Total	Bank
226	02/09/2024		Grounds maintenance machinery	72.00	1. Unity Trust XXXXX053
186	04/09/2024		Grounds maintenance machinery	17.06	1. Unity Trust XXXXX053
272	10/10/2024	DEBIT CARD	Accounting Adjustment	85.98	1. Unity Trust XXXXX053
250	10/10/2024		Office consumables	19.58	1. Unity Trust XXXXX053
257	10/10/2024	DIRECT DEBIT	Telephone and broadband	145.55	1. Unity Trust XXXXX053
258	15/10/2024		Road safety	3,000.00	1. Unity Trust XXXXX053
259	16/10/2024	DEBIT CARD	Poppy wreath	24.49	1. Unity Trust XXXXX053
261	16/10/2024	DEBIT CARD	Training	36.00	1. Unity Trust XXXXX053
263	18/10/2024		Signage	55.20	1. Unity Trust XXXXX053
273	21/10/2024	DEBIT CARD	Accounting Adjustment	49.40	1. Unity Trust XXXXX053
270	29/10/2024		IT software and support	902.02	1. Unity Trust XXXXX053
271	29/10/2024		Streetlights maintenance	526.80	1. Unity Trust XXXXX053
274	31/10/2024	DIRECT DEBIT	Bank charges	14.10	1. Unity Trust XXXXX053
<b>Total-----</b>				<b>4,948.18</b>	

**Stanway Parish Council**  
**Uncashed receipts\transfers in (All banks)**  
**(Upto 31/10/2024)**

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Voucher	Date	Cheque No.	Description	Total	Bank
			Total-----		

4



## **Earmarked Reserves**

### **Planned future investment and renewal**

Upkeep and maintenance of Jansma Park (2026–27 onwards) £100,000

Replace van (2028–29) £3,000

Replace outdoor gym (2031–32) £6,000

Replace playground equipment (2032–33) £24,000

**Subtotal** **£133,000**

### **Contingencies**

Burial ground £2,700

Bus shelters £5,000

Car park £6,000

Community safety £3,000

Elections £4,000

Footpaths £19,000

Maintenance machinery £1,000

Noticeboards £3,000

Office equipment £4,000

Planning £1,500

Professional fees £6,000

Staffing £40,000

Streetlights £6,000

Grounds £5,500

Village halls £25,000

Workshop and store £3,000

**Subtotal** **£134,700**

**Total** **£267,700**

5



# **Stanway**

## **Parish Council**

### **FINANCIAL REGULATIONS**

## Table of Contents

1.	General.....	3
2.	Roles and responsibilities.....	3
3.	Accounting records (general principles).....	4
4.	Financial control systems (general principles) .....	4
5.	Precept, budgets, reserves, and virements .....	4
6.	Banking arrangements and financial investments .....	5
7.	Corporate debit cards and out-of-pocket expenses.....	6
8.	Assets, property and estates.....	6
9.	Income.....	7
10.	Loans .....	7
11.	Grants.....	7
12.	Micro Grants .....	7
13.	Payments to members of staff.....	8
14.	Authority to spend (excluding staff costs and grants).....	8
15.	Procedures for payments .....	9

### Version Control

Version No:	2. <del>32</del>
Dated approved by Council:	<del>November</del> May 2024
Summary of changes:	Replaces: version 2. <del>42</del> dated <del>28-September-May</del> 2024 <del>3</del>
Date next review due:	May 2025

## 1. General

- 1.1. These Financial Regulations (these 'Regulations'):
- a) govern the administration of the financial affairs of Stanway Parish Council (the 'Council');
  - ~~b) are part of the Council's risk management framework;~~
  - ~~c) must be read in conjunction with the Council's Standing Orders;~~
  - ~~d)b) contain policy statements, which provide guiding principles; and~~
  - ~~e)c) set out:~~
    - i) control objectives; and
    - ii) procedures for certain activities,
- which Councillors and members of staff must follow.
- 1.2. In these Regulations:
- a) 'Accounts and Audit Regulations' means the regulations issued by the Secretary of State pursuant to s.27 of the Audit Commission Act 1998, or any superseding legislation;
  - b) 'Clerk' means the person appointed by the Council pursuant to s.112 of the Local Government Act 1972;
  - c) 'Council' means Stanway Parish Council;
  - d) 'Councillor' and 'Councillors' means a member or members of Stanway Parish Council;
  - e) 'Proper Practice' and 'Proper Practices' refers to the guidance in *Governance and Accountability for Local Councils – a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group; and
  - f) 'Responsible Financial Officer' and 'RFO' means the person appointed by the Council pursuant to s.151 of the Local Government Act 1972.
- 1.3. The Council is not empowered by these Regulations to delegate any decision regarding:
- a) setting the budget or the precept;
  - b) approving annual financial statements;
  - c) borrowing; or
  - d) writing off bad debts;
- each of which is a matter reserved for the Council only.
- 1.4. The provisions of these Regulations will prevail over any additional, conflicting, or inconsistent provisions in the Council's Standing Orders or in any by-law, regulation, policy, standard, procedure or other document self-published by the Council.

## 2. Roles and responsibilities

- 2.1. The Council will:
- a) prepare its annual financial statements in line with the Accounts and Audit Regulations; and
  - ~~b) ensure its financial management is adequate and effective, and that it has a sound system of internal control which facilitates the effective exercise of the Council's functions.~~
  - ~~e)b) rotate the duties of Councillors pursuant to these Regulations so that onerous duties are shared over time.~~
- 2.2. The RFO:
- a) holds a statutory office appointed by the Council;
  - b) determines:
    - i) the form of the Council's accounting records and supporting records; and
    - ii) the financial control systems;
  - c) ensures the financial control systems are observed;

- d) maintains up to date accounting records of the Council;
- e) monitors changes in legislation relevant to the financial affairs; and
- f) assists the Council to secure economy, efficiency and effectiveness in the use of its financial resources.

- 2.3. The same person (be they a Councillor or a member of staff) will not approve more than two stages of the ~~procurement and~~ payments procedures described in these Regulations related to the same supplier, contract or payment. In particular, the procedures described in sections 14 and 15 of these Regulations.
- 2.4. Deliberate or wilful breach of these Regulations by a member of staff may give rise to disciplinary proceedings.
- 2.5. Councillors will observe the requirements of these Regulations and will not entice members of staff to breach them. Failure to comply with these Regulations brings the office of councillor into disrepute.

### 3. Accounting records (general principles)

- 3.1. The Council's accounting records will be determined by the RFO and will:
  - a) contain
    - i) entries of all sums received and expended by the Council and the matters to which the income and expenditure relate;
    - ii) a record of the Council's assets and liabilities; and
    - iii) wherever relevant, a record of the Council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy; and
  - b) be sufficient to:
    - i) show and explain the Council's financial transactions;
    - ii) provide for the timely production of financial statements;
    - iii) provide management information as requested by Members from time to time; and
    - iv) reconstruct lost records.
- 3.2. As soon as reasonably practicable after the end of the financial year the RFO will prepare and certify the annual Accounting Statements, which will be in accordance with legislation as amended from time to time. The Council will approve such Accounting Statements and the Chair of the meeting at which they were approved will countersign them.

### 4. Financial control systems (general principles)

- 4.1. The Council's financial control systems will be determined by the RFO and will:
  - a) include measures:
    - i) to safeguard public money;
    - ii) to manage risks,
    - iii) to detect and prevent inaccuracies and fraud; and
  - b) ~~to~~ identify the duties of members of staff dealing with financial transactions and the division of responsibilities of those members of staff in relation to significant transactions.
- 4.2. The financial control systems determined by the RFO are described in Sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 of these Regulations.

### 5. Precept, budgets, ~~and reserves, and virements~~

- 5.1. Setting budgets and earmarked reserves ~~and authorising virements~~ may not be delegated to a Committee.
- 5.2. The Council will:
  - a) prepare its budget for the next financial year in good time; and
  - b) thereafter calculate the precept for the financial year and issue the precept to the billing authority in accordance with statute.

- 5.3. The Council will maintain adequate earmarked reserves to meet future planned capital expenditure. Such earmarked reserves may be built up over time to:
- a) replace tangible fixed assets at the end of life;
  - b) acquire new tangible fixed assets; and
  - c) cover reasonably foreseeable losses or liabilities not otherwise recoverable from insurance,
- but not to carry forward unspent provisions in a budget from an earlier financial year, unless placed in an earmarked reserve by resolution of the Council and then only for the purpose of identified future expenditure.
- 5.4. In addition to earmarked reserves, the Council will maintain a general reserve that is equivalent to at least 25 per cent of its total budgeted annual revenue expenditure.
- ~~5.5. During the financial year and by resolution of the Council, having considered fully the implications for public services, expenditure and income budgets and earmarked reserves may be adjusted (a 'virement'). However, virements will not be made to mask a budget deficit arising from planned expenditure incurred over budgeted provision.~~
- ~~5.6. Unspent budget provisions will not be carried forward to a subsequent year unless placed in an earmarked reserve by resolution of the Council and then only for the purpose of identified future expenditure.~~

## 6. Banking arrangements and financial investments

- 6.1. The Council will have efficient and secure arrangements to deposit funds and make payments.
- 6.2. Banking arrangements, including bank mandates will be reviewed regularly for financial security and efficiency.
- 6.3. A bank signatory may be a Councillor or a member of staff.
- 6.4. The Council may seek credit references in respect of any Councillor or a member of staff who is a bank signatory.
- 6.5. Where internet banking arrangements are made with any bank:
- a) the Clerk or the RFO will be the account administrator;
  - b) the bank mandate will:
    - i) identify the Councillors and members of staff who are authorised to approve transactions on such accounts; and
    - ii) state the value of payments that can be instructed by the account administrator alone, or by the account administrator with a stated number of approvals.
- 6.6. The Council's current account(s) will be with a UK clearing bank.
- 6.7. The balance of the current account will be equivalent to at least 25 percent of the Council's annual expenditure budget not exceed £100,000 at any one time unless payments of more than this amount are due to made during the following 14 days.
- 6.8. ~~Balances of more than £100,000 Cash~~ may be ~~placed deposited~~ in one or more instant access or fixed term deposit accounts with the Council's main banker or another UK financial institution, subject to the following conditions:
- a) the financial institution is authorised and regulated by the Financial Conduct Authority for the type of financial product;
  - b) the amount placed in balance of any one ~~fixed term~~ deposit account is not more 30 percent of the total cash in hand at the time than £75,000;
  - ~~c) the funds will not be required during the following three calendar months;~~
  - ~~d)c) the term of the deposit is no longer than twelve months; and~~
  - ~~e)d) the deposit is authorised by resolution of the Council.~~
- 6.9. Balances of more than £500,000 may be considered for investment in gilts, equities, property and other recognised investment vehicles, subject to the following conditions:
- a) the provider is authorised and regulated by the Financial Conduct Authority for the type of financial product;

- b) such funds will not be required during the following 12 month period; and
  - c) the investment is authorised by resolution of the Council.
- 6.10. No more than 50 percent £100,000 of the total cash in hand will be deposited with any one counterparty.
- 6.11. Deposits in accounts, respect of short term or long term investments and transfers between accounts are subject to:
- a) the same authority thresholds as set out in paragraph 14.444.6 of these Regulations; and
  - b) the same payment procedures as set out in paragraph 15.6 of these Regulations.
- 6.12. The RFO will retain all investment certificates and other documents relating thereto.
- 6.13. Any instruction to transfer funds between accounts will be authorised by at least two persons, at least one of whom will be a Councillor.
- 6.14. The RFO will deliver a bank reconciliation report and copies of the most recent supporting bank statements to the Corporate Governance Committee prior to each meeting. ~~A Councillor will countersign the reconciliation as evidence of verification.~~

## 7. Corporate debit cards and out-of-pocket expenses

- 7.1. A corporate debit card may be issued to a member of staff subject to an appropriate single transaction limit that will not be more than the spending authority limit for that person as described in paragraph 14.444.6.
- 7.2. The member of staff to whom such debit card is issued will report to the Council promptly details of all transactions and purchases made with such debit card, and will furnish the Council with evidence of each transaction in the form of a receipt or, where the supplier is VAT registered business, a 'VAT Invoice' as defined in Schedule 11 of the Value Added Tax Act 1994.
- 7.3. For the avoidance of doubt, the member of staff to whom a debit card is issued is solely responsible for compliance with the card issuer's terms, and breach of such terms will be a disciplinary matter.
- 7.4. Any corporate debit card or trade card account opened by the Council will be restricted to use as authorised by the Clerk and the RFO.
- 7.5. Councillors and members of staff will not use personal debit or credit cards to pay for goods or services on behalf of the Council, except where, in the absence of trade credit facilities, alternative forms of payment are not practicable.
- 7.6. Councillors and members of staff may incur out-of-pocket expenses from time to time necessary to discharge their respective duties. Claims for reimbursement of such expenses will be:
- a) made promptly by the Councillor or member of staff employee in writing; and
  - b) evidenced by a receipt or, where necessary the supplier is a VAT registered business, a 'VAT Invoice' as defined in Schedule 11 of the Value Added Tax Act 1994.
- 7.7. With the exception of Mileage Allowance Payments, ~~T~~the Council will not reimburse out-of-pocket expenses that are not evidenced by a receipt or invoice.

## 8. Assets, property and estates

- 8.1. The Council will not purchase, acquire, sell, lease or otherwise acquire or dispose of tangible moveable property, without resolution of the Council and any other consents required by law, save where the value of any one item of tangible movable property is not more than £25010,000.
- 8.2. The Council will not purchase or otherwise acquire any real property (interests in land) without resolution of the Council. In each case a report in writing will be provided to the 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).
- 8.3. The Council will not sell, lease or otherwise dispose of any real property (interests in land) without resolution of the Council and any other consents required by law. In each case a written report will 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 appropriate level of consultation with the electorate).



~~8.4. Subject only to the limit stated in paragraph 8.1 of these Regulations, no tangible moveable property will be purchased or acquired without resolution of the Council. In each case a report in writing will be provided to the Council with a full business case.~~

~~8.5-8.4.~~ The Council will maintain a Register of Assets and Investments and keep it up to date. The continued existence of tangible assets shown in such Register of Assets and Investments will be verified at least annually.

~~8.6-8.5.~~ The member of staff in charge of each department will ensure the care and custody of stores and equipment in that department.

~~8.7-8.6.~~ Stocks will be kept at the minimum levels consistent with operational requirements.

## 9. Income

- 9.1. The Council will review its schedule of fees and charges at least annually, following a report by the Clerk.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied by the Council will be agreed annually by resolution of the Council.
- 9.3. Irrecoverable sums and bad debts will be reported to the Council and will be written off in the financial year.
- 9.4. The Council will not maintain any form of cash float. Any cash received by the Council will be deposited with the Council's bankers promptly. ~~The origin of each receipt will be entered on the paying in slip, or receipt where issued.~~
- 9.5. Personal cheques will not be cashed out of money held on behalf of the Council.
- 9.6. Where significant sums of cash are received regularly by the Council:
  - a) more than one person will be present when the cash is counted;
  - b) there will be a reconciliation or another appropriate form of control such as ticket issues.

## 10. Loans

- 10.1. All borrowing will be in the name of the Council.
- 10.2. The Council will approve the terms and purpose of any application for borrowing. The application for borrowing approval, and subsequent arrangements for the loan may not be delegated to a Committee.
- 10.3. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as hire purchase or leasing of tangible assets) will be approved by resolution of the Council. In each case, a report in writing will be provided to the Council in respect of value for money for the proposed transaction.

## 11. Grants

- 11.1. Grants to be made in the name of the Council will be approved by the Council or a Committee:
  - a) subject to any limits set by the Council; and
  - b) in accordance with any policy statement approved by the Council.
- 11.2. Grants will be subject to the approval thresholds stated at out at paragraph 14.6 of these Regulations, but any grant of more than £5,000 will be authorised only by resolution of the Council.

## 12. Micro Grants

- 12.1. A Councillor may award a grant to a beneficiary within the Stanway Parish.
- 12.2. The minimum individual grant is £50 and the total amount available to each Councillor each year for the three financial years ending 31 March 2026 is £300.
- 12.3. Two or more Councillors may combine their individual allowance to create a larger grant (always subject to the individual £300 allowance for each Councillor).
- 12.4. For grants of up to £200 the Councillor will complete a short form providing details of the amount of the grant, the beneficiary and purpose.
- 12.5. For grants of more than £200 the beneficiary must complete a formal application form.

- 12.6. For grants of more than £1,000 the beneficiary must also provide the previous year's financial accounts.
- 12.7. Payment may be made (but not by cash) subject the process set out in section 15 of these Regulations.
- 12.8. Alternatively, payment may be made directly to an independent supplier of goods or services provided the supplier has no personal or business relationship with the beneficiary or, if relevant, the beneficiary's members.
- 12.9. The Council's Code of Conduct applies at all times to ensure complete transparency and impartiality in the award of grants. Each Councillor is responsible for the probity of any grant initiated by him/her.
- 12.10. A list, with details of the grants awarded by each Councillor, will be published on the Council's website, with a running balance of funds still available.
- 12.11. Application forms will be available to download from the Council's website.
- 12.12. In all cases, the Clerk will be the sole arbiter as to the suitability of any grant and their decision is final and binding.

### 13. Payments to members of staff

- 13.1. Salaries, other emoluments and terms of conditions of employment are matters reserved for the Staffing Committee.
- 13.2. Gross and net payments to members of staff will be calculated in accordance with payroll records and the rules of PAYE and National Insurance in force at the time and will be made on the appropriate dates stipulated in employment contracts.
- 13.3. Payment of deductions such income tax, National Insurance and pension contributions, or similar statutory or discretionary deductions will be made in accordance with:
  - a) the payroll records;
  - b) the rules of PAYE and National Insurance; and
  - c) the pension scheme administrator's rules, as in force at the time.
- 13.4. The total of such payments in each calendar month will be reported alongside the other payments as set out in paragraph 15.8 of these Regulations.

### 14. Authority to spend (excluding staff costs and grants)

- 14.1. This section 14 of these Regulations does not apply to:
  - a) salaries and other emoluments;
  - b) employers' National Insurance contributions;
  - c) employers' pension contributions;
  - d) grants made by the Council; and
  - e) Micro Grants,
 for which there are separate authorisation procedures described in these Regulations.
- 14.2. Expenditure will not be authorised unless the Council has the ~~statutory~~ legal power to incur such expenditure.
- ~~14.3. Expenditure will not be authorised that exceeds the budget for that cost code, other than by resolution of the Council.~~
- ~~14.4. Capital expenditure will not be authorised unless adequate funds have been secured from grants, loans or a combination of both.~~
- ~~14.5-14.3.~~ Contracts for the supply of goods or services will not be disaggregated to circumvent the authority thresholds imposed by these Regulations.
- ~~14.6-14.4.~~ Expenditure will be authorised, subject to the authority thresholds in the following table.

<b>Expenditure</b>	<b>Required authority</b>
£10,000 or more	Resolution of the Council.
£2,500 to £9,999	Resolution of a duly delegate Committee.

£500 to £2,499	The Clerk or the Deputy Clerk in consultation with the Chair of the Council or the Chair of a duly delegated Committee.
Up to £499	The Clerk or the Deputy Clerk in the necessary discharge or their respective duties.
Up to £250	Any other member of staff in the necessary discharge of their duties.

~~14.7-14.5.~~ Notwithstanding the thresholds stated at paragraph ~~14.4-14.6~~ of these Regulations, the Clerk may authorise expenditure of up to £2,500 which, in their reasonable opinion, is necessary to prevent an inevitable interruption to the performance of the Council's statutory duties. ~~Notwithstanding the prohibition stated a paragraph 14.3 of these regulations, such vital expenditure may be incurred regardless of any budgetary provision.~~ The Clerk will report such vital expenditure to the Chair of the Council as soon as reasonably practicable and to the Council as soon as reasonably practicable thereafter.

~~14.8-14.6.~~ Authorisation to incur expenditure by:

- a) the Council or a Committee will be recorded in the minutes of the meeting at which the resolution was made; and
- b) a member of staff will be recorded in an email to the ~~RFO~~Clerk.

In all cases, the minutes or email will record the ~~statutory duty or statutory authority~~ legal power upon which the decision to incur expenditure was based.

~~14.9.~~ All goods and services will be necessary to the Council's operations and will represent value for money.

~~14.10.~~ All invitations to tender and requests for proposals issued by the Council will:

- a) ~~be subject to Standing Order 30;~~
- b) ~~comply with the procurement procedures as determined by the Council from time to time.~~

~~14.11.~~ The Council is not obliged to accept the lowest or any tender, priced proposal, quotation or estimate.

~~14.12.~~ All supplies of goods or services will be subject to a written agreement between the Council and the supplier which sets out, as a minimum:

- a) ~~the goods or services to be supplied;~~
- b) ~~the value of the goods or services; and~~
- c) ~~the payment terms.~~

~~14.13.~~ The type of written agreement and the level of detail will be appropriate for the value of the goods or services. At a simplest it may be an exchange of correspondence whereas a lengthier agreement may be necessary for higher value goods or services or more complex supplies.

## 15. Procedures for payments

15.1. Invoices for payment will:

- a) be delivered in good time to meet payment terms;
- b) be for expenditure properly authorised in accordance with section 14 of these Regulations;
- c) be for goods or services that have been delivered;
- d) in the case of payments in advance or on account, be strictly in accordance with the terms of a written agreement with the payee;
- e) if the payee is VAT registered business, be a 'VAT Invoice' as defined in Schedule 11 of the Value Added Tax Act 1994; and
- f) not be a disputed invoice.

15.2. Liability to make a payment that is not evidenced by an invoice (for example, salaries and out-of-pocket expenses) will be evidenced in writing, demonstrating liability for expenditure was properly authorised in accordance with section 11, 12 and/or 14 of these Regulations.

15.3. Payments will be made only to payees whose bank details have been verified using the Confirmation of Payee name checking service.

- 15.4. Payments may be made by direct debit or standing order, provided the use of a direct debit or standing order is authorised by resolution of the Council at least every two years.
- 15.5. Payments may be made by electronic bank transfer (including BACS, CHAPS or Faster Payments), provided the use of electronic bank transfer is authorised by resolution of the Council at least every two years.
- 15.6. Any cheque, standing order, direct debit instruction, electronic bank transfer or any other instruction for payment for a sum greater than £500 will be signed or otherwise authorised by two bank signatories, at least one of whom will be a Councillor. Payment instructions for sums of up to and including £500 may be authorised by one bank signatory.
- 15.7. A Councillor or member of staff who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, will not be a signatory to the payment in question.
- 15.8. Regardless of the method of payment, all payments will be reported to the Council at least monthly.
- 15.9. Copies of invoices, payment instructions and other records relating to payments will be retained for a period of at least six years and will be available for inspection by any Councillor.