

**TEWKESBURY TOWN COUNCIL  
FINANCE COMMITTEE  
TUESDAY 2<sup>ND</sup> MARCH 2021**

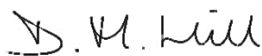
**To: Members of Finance Committee:** Councillors P Aldridge (Chair), H Bowman, K Brennan, C Danter, J Raywood, S Raywood and M Sztymiak

You are summoned to attend a meeting of the Finance Committee which will be held remotely via Zoom on **Tuesday 2<sup>nd</sup> March 2021 commencing at 6.00pm**

**Members of the public and press are welcome to attend.**

**Zoom Meeting id: 958 8907 1431**

**Password: 926852**



Debbie Hill  
Town Clerk  
25<sup>th</sup> February 2021

## **AGENDA**

1. To receive apologies
2. To receive declarations of interests
3. To receive dispensations
4. To approve the minutes of the Finance Committee meeting held on 1<sup>st</sup> February 2021
5. Matters arising from the minutes – for information only
6. To receive correspondence relating to the Finance Committee
7. Public Participation *(to provide members of the public/press with the opportunity to comment on items on the agenda or raise items for future consideration. In accordance with Standing Orders this will not exceed 12 minutes in total and 3 minutes per person.)*
8. To review the financial reports, bank reconciliations and financial position of the Town Council to 31<sup>st</sup> January 2021
9. To consider and agree grant applications from outside bodies
10. To agree the payments list
11. To discuss the External Audit Report for 2019/20
12. To agree the process and timescale for Q3 2020/21 Internal Control Checks
13. To receive an update from the Town Clerk on recent IT issues
14. To retrospectively approve expenditure relating to a replacement fire alarm system at Tewkesbury Museum
15. To review and agree draft financial regulations for recommendation to Full Council



## MINUTES

### *of the*

#### **Remote Finance Committee meeting held on 1st February 2021 at 6:00PM via Zoom**

**Present:** Cllrs P Aldridge (Chair), H Bowman, K Brennan, C Danter, J Raywood, S Raywood, M Sztymiak

**In attendance:** D Hill (Town Clerk)

**F.21.001 To receive apologies**

None

**F.21.002 To receive declarations of interest**

None

**F.21.003 To receive dispensations**

None

**F.21.004 To approve the Minutes of the Finance Committee meeting held on 11<sup>th</sup> January 2021**

It was RESOLVED to approve the Minutes of the Finance Committee meeting held on 11<sup>th</sup> January 2021. Proposed by Cllr Bowman, seconded by Cllr Brennan.

**F.21.005 Matters arising from the Minutes – for information only.**

20.044 **Applying for a Lloyds Charge card:** Carry Forward

20.045 **Expenditure of legal advice for Watson Hall titles:** Carry Forward

**F.21.006 To receive correspondence relating to the Finance Committee**

None

**F.21.007 Public Participation**

None.

**F.21.008 To review the financial reports, bank reconciliations and financial position of the Town Council to 31<sup>st</sup> December 2020**

The financial reports, bank reconciliations and financial position of the Town Council to 31<sup>st</sup> December 2020 were reviewed. The Town Clerk reported that £6,377 grant income in respect of the Watson Hall had been received from Tewkesbury Borough Council. It was noted that the Mayor's Allowance payment of £1,500 seems to be appearing twice. **Action:** Town Clerk to investigate this anomaly.

**F.21.009 To consider and agree grant applications from outside bodies**

None

**F.21.010 To agree to the payments list**

It was RESOLVED to approve the payments list totalling £3,877.40. Proposed by Cllr S Raywood, seconded by Cllr Danter.

- F.21.011**      **To receive an update from the Town Clerk in respect of the External Audit 2019/20**  
The Town Clerk reported that she had received an email from the external auditor and that this had been replied to on 27<sup>th</sup> January 2021.
- F.21.012**      **To appoint GAPTC as the Internal Auditor**  
It was RESOLVED to appoint GAPTC as the internal auditor for 2020/21. Proposed by Cllr J Raywood, seconded by Cllr Brennan.
- F.21.013**      **To receive the Internal Control Checkers report relating to Q1 and Q2 2020/21**  
The committee thanked Cllrs J Raywood and S Raywood for understanding the internal control checks. Cllr J Raywood advised that VAT reclaims were all up to date and extended her thanks to the staff for working hard in difficult circumstances. It was noted that the checking process will need to be reviewed.  
Cllrs Bowman and Brennan happy to become checkers and the requirement for more checkers will be added as an agenda item at Full Council.
- F.21.014**      **To authorize year end close down work**  
It was RESOLVED to authorize Plain English Accounting to complete the year end closedown work for 2020/21 at a cost of £375. Proposed by Cllr Aldridge, seconded by Cllr Brennan.
- F.21.015**      **To approve to release £7,321 from Earmarked Reserves to Buildings & Moorings, Museum Maintenance**  
Cllr Brennan proposed an amendment to release £849 from Earmarked Reserves for Museum Maintenance. It was RESOLVED to release £849 from Earmarked Reserves to Buildings & Moorings Museum Maintenance. Proposed by Cllr Brennan, seconded by Cllr Danter.

There being no further business the meeting closed at 6.27 pm.

Signature of Chairman upon approval of the minutes ..... 25<sup>th</sup> February 2021

## Detailed Income &amp; Expenditure by Budget Heading 31/01/2021

Month No: 10

Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<b>Finance</b>							
<b>120 Finance</b>							
1076 Precept	0	314,087	314,087	0			
1090 Interest Received	4	77	250	173			
1100 Grants & Donations Received	0	18	0	(18)			
1999 Unreconciled Receipt	0	93	0	(93)			
<b>Finance :- Income</b>	<b>4</b>	<b>314,275</b>	<b>314,337</b>	<b>62</b>			<b>0</b>
4100 Professional Fees	145	1,378	2,000	622		622	
4150 Mayors Allowance	(1,500)	1,500	1,500	0		0	
4160 Bank Charges	40	112	60	(52)		(52)	
4170 Audit Fees	0	0	2,000	2,000		2,000	
4180 Legal Fees	0	4,781	12,000	7,219		7,219	
4190 Subscriptions & Memberships	0	2,936	4,000	1,064		1,064	
4195 Health & Safety	3	3	0	(3)		(3)	
4200 Insurance	(268)	6,394	8,000	1,606		1,606	
4210 Stationery Office Equipment	0	849	1,600	751		751	
4211 Contingency	0	0	6,000	6,000		6,000	
4212 Councillor Expenses	0	0	600	600		600	
4220 Telephone & Broadband (TC)	64	1,374	800	(574)		(574)	
4230 Photocopier	0	1,390	2,500	1,110		1,110	
4240 Website	0	600	350	(250)		(250)	
4250 IT	90	1,889	3,200	1,311		1,311	
4260 Publications	0	13	200	187		187	
4270 Newsletter	0	0	1,000	1,000		1,000	
4280 Events & Services	0	58	3,200	3,142		3,142	
4290 Regalia	0	0	400	400		400	
4300 Civic	0	353	1,000	647		647	
4310 Tourism & Marketing	0	0	1,000	1,000		1,000	
4320 Town Crier	0	1,000	1,000	0		0	
4330 Grants Paid	0	7,320	20,000	12,680		12,680	
4350 Elections	0	0	1,000	1,000		1,000	
4960 Equipment	0	35	0	(35)		(35)	
4990 Sundries/Petty Cash	25	147	1,000	853		853	
4999 Unknown - Needs Attention	0	145	0	(145)		(145)	
<b>Finance :- Indirect Expenditure</b>	<b>(1,402)</b>	<b>32,274</b>	<b>74,410</b>	<b>42,136</b>	<b>0</b>	<b>42,136</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>1,407</b>	<b>282,000</b>	<b>239,927</b>	<b>(42,073)</b>			

## Detailed Income &amp; Expenditure by Budget Heading 31/01/2021

Month No: 10

## Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<b>130 Mayor's Charity</b>							
1200 Mayor's Charity Income	0	1,100	0	(1,100)			
Mayor's Charity :- Income	<b>0</b>	<b>1,100</b>	<b>0</b>	<b>(1,100)</b>			<b>0</b>
4410 Mayor's Charity Expenditure	0	4,000	0	(4,000)		(4,000)	
Mayor's Charity :- Indirect Expenditure	<b>0</b>	<b>4,000</b>	<b>0</b>	<b>(4,000)</b>	<b>0</b>	<b>(4,000)</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>0</b>	<b>(2,900)</b>	<b>0</b>	<b>2,900</b>			
<b>Finance :- Income</b>							
	<b>4</b>	<b>315,375</b>	<b>314,337</b>	<b>(1,038)</b>			
<b>Expenditure</b>							
	<b>(1,402)</b>	<b>36,274</b>	<b>74,410</b>	<b>38,136</b>	<b>0</b>	<b>38,136</b>	
<b>Movement to/(from) Gen Reserve</b>	<b>1,407</b>	<b>279,100</b>					
<b>Building &amp; Moorings</b>							
<b>200 Moorings</b>							
1300 Moorings Income	1,102	3,594	5,500	1,906			
Moorings :- Income	<b>1,102</b>	<b>3,594</b>	<b>5,500</b>	<b>1,906</b>			<b>0</b>
4450 Maintenance	43	8,714	4,000	(4,714)		(4,714)	
4460 Rates	70	1,098	1,500	402		402	
4470 Mooring Leases	0	100	100	0		0	
4480 Projects - Moorings	0	4,867	5,000	133	650	(517)	
4550 Water	0	17	0	(17)		(17)	
4960 Equipment	0	15	0	(15)		(15)	
Moorings :- Indirect Expenditure	<b>113</b>	<b>14,810</b>	<b>10,600</b>	<b>(4,210)</b>	<b>650</b>	<b>(4,860)</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>989</b>	<b>(11,216)</b>	<b>(5,100)</b>	<b>6,116</b>			
<b>210 Museum</b>							
4195 Health & Safety	0	(208)	0	208		208	
4450 Maintenance	0	12,849	12,000	(849)		(849)	
4500 Museum Projects	(18,750)	(18,750)	3,000	21,750		21,750	
4590 Projects	3,228	3,228	0	(3,228)		(3,228)	
Museum :- Indirect Expenditure	<b>(15,522)</b>	<b>(2,881)</b>	<b>15,000</b>	<b>17,881</b>	<b>0</b>	<b>17,881</b>	<b>0</b>
<b>Net Expenditure</b>	<b>15,522</b>	<b>2,881</b>	<b>(15,000)</b>	<b>(17,881)</b>			
<b>220 Town Hall</b>							
1400 Garden Income	0	0	100	100			
1410 Town Hall Income	212	3,747	18,000	14,253			
Town Hall :- Income	<b>212</b>	<b>3,747</b>	<b>18,100</b>	<b>14,353</b>			<b>0</b>

## Detailed Income &amp; Expenditure by Budget Heading 31/01/2021

Month No: 10

## Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
4450 Maintenance	3	5,279	12,000	6,721	800	5,921	
4460 Rates	419	4,192	4,100	(92)		(92)	
4550 Water	235	752	700	(52)		(52)	
4560 Electric	80	643	1,500	857		857	
4570 Gas	340	1,127	2,500	1,373		1,373	
4580 Garden Expenditure	0	0	300	300		300	
4590 Projects	0	0	15,000	15,000		15,000	
4960 Equipment	(47)	1,040	2,000	960		960	
Town Hall :- Indirect Expenditure	<b>1,030</b>	<b>13,032</b>	<b>38,100</b>	<b>25,068</b>	<b>800</b>	<b>24,268</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>(818)</b>	<b>(9,286)</b>	<b>(20,000)</b>	<b>(10,714)</b>			
<b><u>230 War Memorial</u></b>							
1450 Fundraising	0	0	200	200			
1990 Other Income	0	0	100	100			
War Memorial :- Income	<b>0</b>	<b>0</b>	<b>300</b>	<b>300</b>			<b>0</b>
4450 Maintenance	0	0	1,000	1,000		1,000	
War Memorial :- Indirect Expenditure	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>0</b>	<b>0</b>	<b>(700)</b>	<b>(700)</b>			
Building & Moorings :- Income	<b>1,314</b>	<b>7,341</b>	<b>23,900</b>	<b>16,559</b>			
Expenditure	<b>(14,379)</b>	<b>24,961</b>	<b>64,700</b>	<b>39,739</b>	<b>1,450</b>	<b>38,289</b>	
<b>Movement to/(from) Gen Reserve</b>	<b>15,692</b>	<b>(17,620)</b>					

**Environment & Amenities****300 Play Parks**

1500 Grants & Donations Received	0	500	0	(500)			
Play Parks :- Income	<b>0</b>	<b>500</b>	<b>0</b>	<b>(500)</b>			<b>0</b>
4590 Projects	2,142	2,317	10,000	7,683	3,118	4,565	
4600 Maintenance - Derek Graham	0	357	2,000	1,643		1,643	
4610 Maintenance - Mitton	0	420	1,000	580		580	
4620 Maintenance - Warwick Place	0	125	1,500	1,375		1,375	
4630 Annual Playground Inspection	0	1,500	1,500	0		0	
Play Parks :- Indirect Expenditure	<b>2,142</b>	<b>4,718</b>	<b>16,000</b>	<b>11,282</b>	<b>3,118</b>	<b>8,164</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>(2,142)</b>	<b>(4,218)</b>	<b>(16,000)</b>	<b>(11,782)</b>			

## Detailed Income &amp; Expenditure by Budget Heading 31/01/2021

Month No: 10

## Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<b>310 Spring Gardens</b>							
4450 Maintenance	23	1,511	3,000	1,489		1,489	
4460 Rates	304	3,044	3,000	(44)		(44)	
4550 Water	439	1,155	2,000	845		845	
4560 Electric	69	507	650	143		143	
4590 Projects	0	0	2,000	2,000		2,000	
4960 Equipment	0	86	0	(86)		(86)	
Spring Gardens :- Indirect Expenditure	<b>835</b>	<b>6,302</b>	<b>10,650</b>	<b>4,348</b>	<b>0</b>	<b>4,348</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(835)</b>	<b>(6,302)</b>	<b>(10,650)</b>	<b>(4,348)</b>			
<b>320 Gloucester Road</b>							
4450 Maintenance	182	771	1,750	979		979	
4460 Rates	232	2,320	2,200	(120)		(120)	
4550 Water	439	987	650	(337)		(337)	
4560 Electric	46	425	400	(25)		(25)	
Gloucester Road :- Indirect Expenditure	<b>899</b>	<b>4,504</b>	<b>5,000</b>	<b>496</b>	<b>0</b>	<b>496</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(899)</b>	<b>(4,504)</b>	<b>(5,000)</b>	<b>(496)</b>			
<b>330 Cleaning &amp; Consumables</b>							
4700 Cleaning & Maintenance Equip	214	800	1,500	700		700	
4710 Combined Consumables	0	1,518	2,500	982		982	
4720 Hygiene Contract	0	828	1,200	372		372	
Cleaning & Consumables :- Indirect Expenditure	<b>214</b>	<b>3,146</b>	<b>5,200</b>	<b>2,054</b>	<b>0</b>	<b>2,054</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(214)</b>	<b>(3,146)</b>	<b>(5,200)</b>	<b>(2,054)</b>			
<b>340 Outside Spaces</b>							
4450 Maintenance	0	45	0	(45)		(45)	
4750 CCTV	0	128	9,000	8,872	2,472	6,400	
4755 Tree Maintenance	0	370	3,000	2,630		2,630	
4760 Street Furniture & Clock	0	4,049	6,000	1,951	295	1,656	1,096
4765 EmergencyPlan/Adverse Weather	0	0	1,000	1,000		1,000	
4770 Youth Budget	0	492	4,500	4,008		4,008	
4775 Insurance - Arrivall	0	0	280	280		280	
4780 Bus Shelter	0	340	3,000	2,660	260	2,400	
4785 GIS	0	450	475	25		25	
4790 Grass Cutting	190	1,897	2,840	943		943	
4795 Notice Boards	89	1,959	2,000	41	197	(156)	1,500
Outside Spaces :- Indirect Expenditure	<b>279</b>	<b>9,730</b>	<b>32,095</b>	<b>22,365</b>	<b>3,224</b>	<b>19,141</b>	<b>2,596</b>
<b>Net Expenditure</b>	<b>(279)</b>	<b>(9,730)</b>	<b>(32,095)</b>	<b>(22,365)</b>			
6000 plus Transfer from EMR	0	2,596					



## Detailed Income &amp; Expenditure by Budget Heading 31/01/2021

Month No: 10

Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<b>Movement to/(from) Gen Reserve</b>	<b>(279)</b>	<b>(7,134)</b>					
<u>700 Memorial Benches</u>							
1720 Memorial Benches Income	0	803	0	(803)			
Memorial Benches :- Income	<u>0</u>	<u>803</u>	<u>0</u>	<u>(803)</u>			<u>0</u>
4725 Memorial Benches Expenditure	0	1,003	0	(1,003)		(1,003)	
Memorial Benches :- Indirect Expenditure	<u>0</u>	<u>1,003</u>	<u>0</u>	<u>(1,003)</u>	<u>0</u>	<u>(1,003)</u>	<u>0</u>
<b>Net Income over Expenditure</b>	<u>0</u>	<u>(200)</u>	<u>0</u>	<u>200</u>			
Environment & Amenities :- Income	0	1,303	0	(1,303)			
Expenditure	<u>4,369</u>	<u>29,403</u>	<u>68,945</u>	<u>39,542</u>	<u>6,342</u>	<u>33,200</u>	
<b>Net Income over Expenditure</b>	<u>(4,369)</u>	<u>(28,101)</u>	<u>(68,945)</u>	<u>(40,844)</u>			
plus Transfer from EMR	0	2,596					
<b>Movement to/(from) Gen Reserve</b>	<u>(4,369)</u>	<u>(25,505)</u>					
<b>Planning</b>							
<u>400 Planning</u>							
4718 Community Development Planning	0	0	2,000	2,000		2,000	
4810 Outreach	0	0	500	500		500	
Planning :- Indirect Expenditure	<u>0</u>	<u>0</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>	<u>2,500</u>	<u>0</u>
<b>Net Expenditure</b>	<u>0</u>	<u>0</u>	<u>(2,500)</u>	<u>(2,500)</u>			
Planning :- Income	0	0	0	0			
Expenditure	<u>0</u>	<u>0</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>	<u>2,500</u>	
<b>Movement to/(from) Gen Reserve</b>	<u>0</u>	<u>0</u>					
<b>Severn Ham</b>							
<u>500 Severn Ham</u>							
1620 Hay Auction	0	2,158	190	(1,968)			
1630 Single Payment	0	14,874	13,000	(1,874)			
1640 Wayleaves	0	384	390	6			
1700 Fishing Rights	0	1,500	1,500	0			
1710 Natural England (HLS Payment)	0	22,066	22,248	183			
Severn Ham :- Income	<u>0</u>	<u>40,981</u>	<u>37,328</u>	<u>(3,653)</u>			<u>0</u>
4450 Maintenance	0	125	500	375		375	

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Month No: 10

## Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
4550 Water	44	433	250	(183)		(183)	
4850 Commoners Grazing Compensation	0	3,683	5,500	1,817		1,817	
4855 Hay Sowing Project	0	1,325	5,000	3,675		3,675	
4860 Volunteers (Rec & Prom)	0	0	2,000	2,000		2,000	
4865 Auction Fees	0	400	459	59		59	
4870 Weeding	0	0	1,000	1,000		1,000	
4875 Tree Conservation	0	0	3,000	3,000	3,200	(200)	
4885 Nesting Project	0	0	2,000	2,000		2,000	
4890 Carver Knowles	0	200	2,295	2,095		2,095	
4895 Cross Compliance Consultant	0	440	510	70		70	
4900 Conservation Advisor	1,250	5,000	5,355	355		355	
4910 Reinstatement Expenditure	0	910	0	(910)	520	(1,430)	
<b>Severn Ham :- Indirect Expenditure</b>	<b>1,294</b>	<b>12,516</b>	<b>27,869</b>	<b>15,353</b>	<b>3,720</b>	<b>11,633</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>(1,294)</b>	<b>28,465</b>	<b>9,459</b>	<b>(19,006)</b>			
<b>Severn Ham :- Income</b>	<b>0</b>	<b>40,981</b>	<b>37,328</b>	<b>(3,653)</b>			
<b>Expenditure</b>	<b>1,294</b>	<b>12,516</b>	<b>27,869</b>	<b>15,353</b>	<b>3,720</b>	<b>11,633</b>	
<b>Movement to/(from) Gen Reserve</b>	<b>(1,294)</b>	<b>28,465</b>					

Watson Hall

<u>600 Watson Hall</u>							
1800 Watson Hall Income	6,080	19,735	22,000	2,265			
1810 Leases	0	0	135	135			
1820 Tudor Bar Income	0	6,615	40,000	33,386			
1830 Events Income	(249)	1,596	10,000	8,404			
<b>Watson Hall :- Income</b>	<b>5,830</b>	<b>27,946</b>	<b>72,135</b>	<b>44,189</b>			<b>0</b>
4195 Health & Safety	0	277	1,000	723		723	
4221 Telephone/IT (WH)	42	1,207	0	(1,207)		(1,207)	
4280 Events & Services	0	4,452	10,000	5,548	2,069	3,479	
4450 Maintenance	0	11,360	10,000	(1,360)		(1,360)	
4550 Water	0	1,606	700	(906)		(906)	
4560 Electric	233	1,871	1,500	(371)		(371)	
4570 Gas	118	583	2,000	1,417		1,417	
4590 Projects	2,850	5,160	18,000	12,840		12,840	
4912 Bar Payroll Processing	0	53	0	(53)		(53)	
4913 Bar Equipment	0	1,410	0	(1,410)		(1,410)	
4914 Bar Card Charges	0	134	0	(134)		(134)	
4915 Events Card Charges	(7)	15	0	(15)		(15)	

## Detailed Income &amp; Expenditure by Budget Heading 31/01/2021

Month No: 10

Committee Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
4916 Bar Sales Charges	0	6	0	(6)		(6)	
4950 Bar Stock	0	4,475	12,000	7,525		7,525	
4955 Bar Salaries	860	3,878	4,000	122		122	
4960 Equipment	0	381	2,000	1,619		1,619	
4970 Telephone/Broadband	0	(1)	0	1		1	
4990 Sundries/Petty Cash	0	0	500	500		500	
<b>Watson Hall :- Indirect Expenditure</b>	<b>4,096</b>	<b>36,867</b>	<b>61,700</b>	<b>24,833</b>	<b>2,069</b>	<b>22,763</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>1,734</b>	<b>(8,922)</b>	<b>10,435</b>	<b>19,357</b>			

Watson Hall :- Income **5,830** **27,946** **72,135** **44,189**

Expenditure **4,096** **36,867** **61,700** **24,833** **2,069** **22,763**

**Movement to/(from) Gen Reserve** **1,734** **(8,922)**

**Staffing**110 Staffing

4000 Staff Salary	5,881	69,092	101,476	32,384		32,384	
4030 PAYE and NI	1,709	10,989	16,000	5,011		5,011	
4040 Pension	23,110	39,104	23,000	(16,104)		(16,104)	
4050 Staff Travel	0	0	150	150		150	
4060 Councillor Travel	0	0	50	50		50	
4070 Staff Other Expenses	0	900	100	(800)		(800)	
4080 FM Contractor	(3,250)	42,900	46,800	3,900		3,900	
4090 Payroll Processing	0	279	500	222		222	
4100 Professional Fees	1,165	6,413	2,500	(3,913)		(3,913)	
4110 Training	0	261	2,000	1,739		1,739	
<b>Staffing :- Indirect Expenditure</b>	<b>28,615</b>	<b>169,938</b>	<b>192,576</b>	<b>22,638</b>	<b>0</b>	<b>22,638</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(28,615)</b>	<b>(169,938)</b>	<b>(192,576)</b>	<b>(22,638)</b>			

Staffing :- Income **0** **0** **0** **0**

Expenditure **28,615** **169,938** **192,576** **22,638** **0** **22,638**

**Movement to/(from) Gen Reserve** **(28,615)** **(169,938)**

Grand Totals:- Income **7,149** **392,946** **447,700** **54,754**

Expenditure **22,593** **309,960** **492,700** **182,740** **13,581** **169,159**

**Net Income over Expenditure** **(15,445)** **82,985** **(45,000)** **(127,985)**

plus Transfer from EMR **0** **2,596**

**Movement to/(from) Gen Reserve** **(15,445)** **85,581**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Lloyds Bank Current A/c	31/01/2021		249,955.98
			<u>249,955.98</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
30/06/2020 18340 Hy-Clean Supplies Limited		32.33	
22/10/2020 DEBT107869 Tewkesbury Borough Council		210.00	
24/11/2020 HAR001 NOV Harcourt Players		250.00	
08/12/2020 MCF11NOV The Royal British Legion Poppy		71.00	
19/01/2021 1 Countryside Consultants LTD		336.00	
19/01/2021 2 Greenfields Garden Services Lt		2,570.40	
19/01/2021 3 Locksmiths Gloucester		65.00	
19/01/2021 4 The Photo Studio (Tewkesbury)		6.00	
19/01/2021 5 Plain English Accounting		702.86	
31/01/2021 4495517 Waterplus (Toilet Block - 0513		439.22	
			<u>4,682.81</u>
			245,273.17
<u>Receipts not Banked/Cleared (Plus)</u>			
19/01/2021 CN1050		-150.00	
21/01/2021 Refund		-80.00	
26/01/2021 Refund		-31.00	
28/01/2021 Refund		-20.47	
30/01/2021 Grant		18,750.00	
30/01/2021 Grant		6,477.00	
			<u>24,945.53</u>
			270,218.70
		Balance per Cash Book is :-	270,218.50
		Difference Excluding Adjustments is :-	0.20
<u>Adjustments to Reconciliation</u>			
19/01/2021 Avon N Tru Underpayment at bank 20p		0.20	
			<u>0.20</u>
		Unreconciled Difference is :-	<u>0.00</u>

Bank Reconciliation Statement as at 29/01/2021  
for Cashbook 4 - Lloyds - 32 Day Notice A/C

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<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Lloyds Bank Savings A/c	29/01/2021	38	112,069.68
			<hr/> 112,069.68
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<hr/> 0.00
			112,069.68
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<hr/> 0.00
			112,069.68
		Balance per Cash Book is :-	112,069.68
		Difference is :-	0.00

## Final External Auditor Report and Certificate 2019/20 in respect of Tewkesbury Town Council GL0227

### Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with Proper Practices which:

- summarises the accounting records for the year ended 31 March 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

### External auditor report 2019/20

On 29 November 2020, we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2020. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR.:

- Trust fund transactions and balances have not been excluded from the figures in Section 2. The smaller authority has confirmed that it is taking action to address the circumstances and determine the correct treatment of these figures and balances going forward. The authority should ensure that the 2019/20 figures are restated as necessary when completing next year's AGAR once the correct treatment of these balances and transactions has been determined.

Other matters not affecting our opinion which we draw to the attention of the authority:

None

### External auditor certificate 2019/20

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2020.



**PKF Littlejohn LLP 29/01/2021**

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**TEWKESBURY TOWN COUNCIL**  
**DRAFT FINANCIAL REGULATIONS**

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These Financial Regulations were adopted by the council at its meeting held on [enter date].

## **1. General**

1.1. These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial regulations are one of the council's three governing policy documents providing procedural guidance for members and officers. Financial regulations must be observed in conjunction with the council's standing orders and any individual financial regulations relating to contracts.

1.2. The council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.

1.3. The council's accounting control systems must include measures:

- for the timely production of accounts;
- that provide for the safe and efficient safeguarding of public money;
- to prevent and detect inaccuracy and fraud; and
- identifying the duties of officers.

1.4. These financial regulations demonstrate how the council meets these responsibilities and requirements.

1.5. At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.

1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.

1.7. Members of council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.

1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. The Clerk has been appointed as RFO for this council and these regulations will apply accordingly.

1.9. 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 accounting control systems;
- ensures the accounting control systems are observed;
- maintains the accounting records of the council up to date in accordance with proper practices;
- assists the council to secure economy, efficiency and effectiveness in the use of its resources; and



- produces financial management information as required by the council.

1.10. The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

1.11. The accounting records determined by the RFO shall in particular contain:

- entries from day to day of all sums of money received and expended by the council and the matters to which the income and expenditure or receipts and payments account relate;
- a record of the assets and liabilities of the council; and
- 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.

1.12. The accounting control systems determined by the RFO shall include:

- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
- procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records; and
- measures to ensure that risk is properly managed.

1.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:

- setting the final budget or the precept (council tax requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- declaring eligibility for the General Power of Competence.

1.14. In addition, the council must:

- determine and keep under regular review the bank mandate for all council bank accounts;
- approve any grant in excess of £1,000 or a single commitment in excess of £10,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference.

1.15. In these financial regulations, references to the Accounts and Audit Regulations or ‘the regulations’ shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

In these financial regulations the term ‘proper practice’ or ‘proper practices’ shall refer to guidance issued in *Governance and Accountability for Local Councils - a Practitioners’ Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

## **2. Accounting and audit (internal and external)**

2.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.

2.2. On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman or a cheque signatory shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.

2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.

2.4. The council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be 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 for that purpose.

2.5. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.

2.6. The internal auditor shall:

- be competent and independent of the financial operations of the council;
- report to council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
- to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the financial decision making, management or control of the council

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

- perform any operational duties for the council;

- initiate or approve accounting 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.

2.8. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.

2.9. 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 statements of account required by Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.

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

### **3. Annual estimates (budget) and forward planning**

3.1. Each committee shall review its three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the **Finance Committee** not later than the end of **October** each year including any proposals for revising the forecast.

3.2. The RFO must each year, by no later than **the end of November**, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the **Finance Committee** and the council.

3.3. The council shall consider annual budget proposals in relation to the council's three year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.

3.4. The council shall fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.

3.5. The approved annual budget shall form the basis of financial control for the ensuing year.

### **4. Budgetary control and authority to spend**

4.1. 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 by:

- the council for all items over **£10,000;**
- a duly delegated committee of the council for items over **£1,500;**
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for items below **£1,500;**
- the Clerk, for any items in relation to the day-to-day running of the Council, Council's buildings and public facilities, up to **£1,500; or**

- the Clerk, for any items in relation to stocking the bar, up to £2,500 and for events up to £5,000.

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.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. 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').

4.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.

4.4. In cases of extreme risk to the delivery of council services and for matters of health and safety, the Clerk 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, whether or not there is any budgetary provision for the expenditure, subject to a limit of £10,000. The Clerk shall report such action to the relevant committee chairman as soon as possible and to the council as soon as practicable thereafter.

4.6. 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.

4.7. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4.8. 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.

4.9. Changes in earmarked reserves shall be approved by the relevant committee as part of the budgetary control process.

## **5. Banking arrangements and authorisation of payments**

5.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Finance Committee. They shall be regularly reviewed for safety and efficiency.

5.2. The RFO shall prepare a schedule of payments requiring authorisation, together with the relevant invoices and present the schedule to council or committee. The council / committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council or committee. The approved schedule shall be initialled by the Chairman of the Meeting. The total value of all payments shall be disclosed within the minutes of the meeting at

which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.

5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available council or committee meeting.

5.5. The Clerk/RFO shall have delegated authority to authorise the payment of items only in the following circumstances:

- a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of council, where the Clerk/RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council or committee;
- b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance committee; or
- c) fund transfers within the council's 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.
- d) salaries, PAYE and pension payments
- e) payments which fall within budgetary control and authority to spend, but which have to be paid in advance

5.6. Members are subject to the Code of Conduct that has been adopted by the council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.

5.7. The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.

## **6. Instructions for the making of payments**

6.1. The council will make safe and efficient arrangements for the making of its payments.

6.2. Following authorisation under Financial Regulation 5 above, the council, a duly delegated committee or, if so delegated, the Clerk/RFO shall give instruction that a payment shall be made.

6.3. All payments shall be affected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of council or duly delegated committee.

6.4. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of council and counter-signed by the Clerk in accordance with a resolution instructing that payment. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.

6.5. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

6.6. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council or Finance Committee at the next convenient meeting.

6.7. Certain payments if thought appropriate by the council, may be made by direct debit provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a direct debit shall be renewed by resolution of the council at least every year.

6.8. If thought appropriate by the council, payment for certain items may be made by banker's standing order provided that the instructions are signed, or otherwise evidenced by two members and any payments are reported to council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the council at least every year.

6.9. If thought appropriate by the council payment for items may be made by internet banking transfer provided evidence is retained showing which members approved the payment.

6.10. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be filed in a secure location in the office. The access code for the secure location shall be retained by the Town Mayor in a sealed envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.

6.11. No employee or councillor shall disclose any PIN or password, relevant to the working of the council or its bank accounts, to any person not authorised by the council or a duly delegated committee.

6.12. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.

6.13. The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.

6.14. Where internet banking arrangements are made with any bank, the Clerk / RFO shall be appointed as the Service Administrator. The Service Administrator will ensure that the appropriate authorisation has been obtained before payments are made.

6.15. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.

6.16. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and agreed by the Clerk / RFO.

6.17. 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 £250 unless authorised by council or finance committee in writing before any order is placed.

6.18. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Finance Committee. Transactions and purchases made will be reported to the relevant committee and authority for topping-up shall be at the discretion of the relevant committee.

6.19. Any trade card account opened by the council will be specifically restricted to use as directed by the Clerk / RFO.

6.20. The RFO may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the Finance Officer for reimbursement.

a) The RFO shall maintain a petty cash float of no more than £150 only for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

b) 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 made by cheque and transferred from the main account cashbook to the petty cash cashbook.

## **7. Payment of salaries**

7.1. As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall

be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Staffing Committee or council.

7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that a summary of payments is reported to the next available council meeting, as set out in these regulations above.

7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Staffing Committee.

7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions are considered confidential and as such these records are not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

- a) by any councillor who can demonstrate a need to know;
- b) by the internal auditor;
- c) by the external auditor; or
- d) by any person authorised under Audit Commission Act 1998, or any superseding legislation.

7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.

7.6. An effective system of personal performance management should be maintained for all officers.

7.7. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.

7.8. The Town Clerk has delegated powers to deal with interim staffing cover in periods of staff absence and for day to day staffing matters in conjunction with the Mayor or Deputy Mayor.

## **8. Loans and investments**

8.1. All borrowings shall be affected in the name of the council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full council.

8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.



8.3. The council will arrange with the council's banks and investment providers for the sending of a copy of each statement of account to the council.

8.4. All loans and investments shall be negotiated in the name of the council and shall be for a set period in accordance with council policy.

8.5. The council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.

8.6. All investments of money under the control of the council shall be in the name of the council.

8.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

8.8. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## **9. Income**

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

9.2. The relevant committee or council will review all fees and charges at least annually, following a report of the Clerk.

9.3. Any sums found to be irrecoverable and any bad debts shall be reported to the Finance Committee and shall be written off in the year.

9.5. All sums received on behalf of the council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.

9.6. The origin of each receipt shall be entered on the paying-in slip.

9.7. Personal cheques shall not be cashed out of money held on behalf of the council.

9.8. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

9.9. Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to 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 such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

9.10. Any income arising which is the property of a charitable trust shall be recorded separately and in accordance with Regulation 16 below.

## **10. Orders for work, goods and services**

10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.

10.2. All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below.

10.4. An individual member may not issue an official order or make any contract on behalf of the council.

10.5. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order.

## **11. Contracts**

11.1. Procedures as to contracts are laid down as follows:

a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:

- i. for the supply of gas, electricity, water, sewerage and telephone services;
- ii. for specialist services;
- iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
- iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;
- v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk / RFO shall act after consultation with the Chairman and Vice Chairman of council); and
- vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.

b) Where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 (“the Regulations”) which is valued at £25,000 or more, the council shall comply with the relevant requirements of the Regulations<sup>1</sup>.

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<sup>1</sup> The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts

c) The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)<sup>2</sup>.

d) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the council.

e) Such 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. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. 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.

f) 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.

g) Any invitation to tender issued under this regulation shall be subject to Standing Orders 18d, <sup>3</sup>and shall refer to the terms of the Bribery Act 2010.

h) When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk / RFO shall obtain 3 quotations (priced descriptions of the proposed supply). Where the value is below £3,000 and above £250 the Clerk / RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.

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

j) Should it occur that 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, provided that the specification does not change, 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.

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

12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).

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<sup>2</sup> Thresholds currently applicable are:

a) For public supply and public service contracts 209,000 Euros (£181,302)

b) For public works contracts 5,225,000 Euros (£4,551,413)

<sup>3</sup> Based on NALC's Model Standing Order 18d ©NALC 2018

12.2. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the council.

12.3. Any variation to a contract or addition to or omission from a contract must be approved by the council and Clerk to the contractor in writing, the council being informed where the final cost is likely to exceed the financial provision.

### **13. Stores and equipment**

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

13.2. 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.

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

13.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually.

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

14.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the 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.

14.2. 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, save where the estimated value of any one item of tangible movable property does not exceed £250.

14.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a report in writing 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).

14.4. No real property (interests in land) shall be purchased or acquired without the authority of the full council. In each case a report in writing 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).

14.5. Subject only to the limit set in Regulation 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the Clerk / RFO or appropriate committee.

14.6. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. 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.

## **15. Insurance**

15.1. Following the annual risk assessment (per Regulation 17), the Clerk / RFO shall effect all insurances and negotiate all claims on the council's insurers.

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

15.3. The Clerk / RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.

15.4. The Clerk / RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim and shall report these to **appropriate committee** at the next available meeting.

15.5. 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 internal auditor**.

## **16. Charities**

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

## **17. Risk management**

17.1. The council is responsible for putting in place arrangements for the management of risk. The Clerk / RFO shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually.

17.2. When considering any new activity, the Clerk / RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the **Finance Committee**.

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

18.1. It shall be the duty of the council to review the Financial Regulations of the council from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these Financial Regulations.

18.2. The council may, by resolution of the council 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 drawn up and presented in advance to all members of council.

Date of next review .....

DRAFT

## **Notes to accompany Draft Financial Regulations – Feb 2021**

The financial regulations have been drafted using the NALC model document and as few changes as possible have been made. Changes that have been made are to reflect what actually happens, and to suggest appropriate limits for a Council of our size.

### **Part 1 – General**

1.13 Currently the Finance Committee reviews bad debts and initially looks at recommendations from the auditors before referring it back to Full Council. These items have been removed from the list as it states that they should only be addressed by Full Council and this is not our process.

1.14 Full Council only approves grants over £1000 and the wording has been adjusted to reflect this. It also states that any single commitment over £10,000 should be referred to Full Council. Costs between £1,500 and £10,000 are approved by Committee.

### **Part 2 – Accounting & Audit & Part 3 – Annual estimates and forward planning**

2.3 Bank reconciliations are noted by Full Council, not the Finance Committee as in the model regulations.

3.1 & 3.2 Updated to reflect Finance Committee reviews the budgets and the dates by which they require them.

### **Part 4 – Budgetary Control & Authority to Spend**

4.1 All spending over £10,000 is referred to Full Council.

A Committee can authorise spend between £1,500 & £10,000. As is the current case, all spending must be authorised by a majority vote at Committee level and is set out as a detailed resolution on the agenda. Agendas are circulated to all Councillors, and any Councillor may attend any Committee meeting that they wish to, so the process remains clear and transparent.

The Clerk with the Chairman of Council or Chair of Committee can authorise up to £1,500.

The Clerk, for any items relating to the day to day running of the Council, its building and public facilities up to £1,500

The Clerk for any items in relation to the day to day running of the bar up to £2,500 and for events up to £5,000. This allows for the bar to be restocked between large events and for acts to be booked and deposits paid.

4.4 “The salary budgets are to be reviewed at least annually in October 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.” This was removed as salaries are set by the National Local Government Pay Scales over which the Council has no control.

4.9 Earmarked reserves are approved by each committee. Approval for this is not required by Full Council as may be the case at a smaller Parish Council.

### **Part 5 – Banking Arrangements & Authorisation of Payments**

These have been updated to reflect the process we follow

5.1 Banking arrangements and mandates are approved by Finance Committee.

5.2 Payments lists do not form part of agendas as by the time they get to the Committee they can be a week out of date. A Council the size of Tewkesbury needs to be able to be more dynamic due to

the volume of payments and the payments list is therefore presented at the meeting and read out by the Clerk of the meeting, prior to approval. Minutes confirm the amount approved.

5.6 / 5.7 / 5.8 Removed as relevant to smaller councils. Payments lists go before Committees on a regular basis and 5.5 sets out the conditions where the Clerk may make a payment without prior Committee approval. Additions to this list are contractual requirements – such as 5.5(d) salary, pension & PAYE and 5.5(e) payments which fall within budgetary control and authority to spend, but which have to be paid in advance (these are the retrospective payments that then appear on the payments list – for example booking an act for the Watson Hall where the deposit is due immediately)

#### **Part 6 – Instructions for the making of payments**

Changes are minor and self-explanatory to reflect how payments are currently made and approved, including online banking.

#### **Part 7 – Payment of Salaries**

Minor changes set out that Staffing matters are overseen by the staffing committee.

7.8 This was updated to reflect the decision made in the Staffing Committee on 30<sup>th</sup> August 2018. 'It was agreed to delegate powers to the Town Clerk to deal with interim staffing cover in periods of staff absence and for day to day staffing matters in conjunction with the Mayor or Deputy Mayor.'

#### **Part 8 Loans & Investments**

8.3 The bank statement is received monthly and reviewed by the Finance Committee – there is therefore no need to send one to the Chairman of the Council directly (this may be deemed appropriate for smaller Councils)

#### **Part 9 Income**

9.2 Removed as appropriate for smaller Councils. 9.3 states that charges will be reviewed by the relevant committee or Council at least annually.

9.10 The Watson Hall does not have a separate bank account, but has a separate cost code within the accounts. Councillors are aware of the ongoing situation regarding the Watson Hall, but Financial Regulations should reflect what is happening now and be updated should the situation change; based on appropriate legal advice.

#### **Part 10 Orders for work, goods and services**

10.5 The RFO has General Power of Competence, so the statutory authority does not need to be recorded in the minutes.

#### **Part 11 Contracts**

11(h) Council will strive to get three quotes for work between £250 and £3000. Updated to reflect current position.

#### **Parts 12-17**

Minor changes to reflect referring to appropriate Committee rather than Full Council – due to the size of the Council.

#### **Part 18 Suspension & revision of Financial Regulations**

No changes to model regulations.