

## **CROWBOROUGH TOWN COUNCIL**

To all Members of the **FINANCE and GENERAL PURPOSES** Committee (with copies to all other Members for information).

You are summoned to attend a meeting of the **FINANCE and GENERAL PURPOSES** Committee to be held at the Council Offices, Pine Grove, Crowborough on **Tuesday 15<sup>th</sup> October 2024** at 7.30 pm when it is proposed to transact the following business:

**Caroline Miles, Town Clerk**  
**9<sup>th</sup> October 2024**

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MEETINGS OF THE COUNCIL ARE OPEN TO THE PUBLIC.

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### **QUESTIONS FROM MEMBERS OF THE PUBLIC (15 minutes maximum)**

Members of the public are welcome to address the committee on items listed in this agenda. Please note that those addressing the committee shall not speak for more than 3 minutes. Once public question time has concluded members of the public will not be allowed to interrupt the meeting. Council meetings are meetings held in public but are not public meetings.

**IN VIEW OF THE CONFIDENTIAL NATURE OF THE DISCUSSION OF SOME ITEMS ON THIS AGENDA, THE PRESS AND PUBLIC MAY BE EXCLUDED UNDER THE PUBLIC BODIES (ADMISSION TO MEETINGS) ACT 1960**

- 1. APOLOGIES**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES**
  - 3.1 To adopt the minutes of 18<sup>th</sup> June 2024 as a true record of the meeting
- 4. FINANCIAL MATTERS**
  - 4.1 To note the finance report and agree any action
- 5. POLICY REVIEW**
  - 5.1 Grant Awarding policy
  - 5.2 Debtor Policy
- 6. EXEMPT BUSINESS**
  - 6.1 To note the confidential aged debt report

**URGENT MATTERS AT THE DISCRETION OF THE CHAIRMAN FOR NOTING AND/OR INCLUSION ON A FUTURE AGENDA**



**TITLE:** Finance Report

**AGENDA ITEM NUMBER:** 4

**MEETING DATE:** 15<sup>th</sup> October 2024

**COUNCIL/COMMITTEE:** F&GP Committee

**PURPOSE OF REPORT:**

- 4.1 To **note** F&GP's current income and expenditure against budget and Earmarked Reserves (EMR)
- 4.2 To **review** and **note** the external auditors report and comments
- 4.3 To **review** the changes and **recommend** the Financial Regulations to Full Council
- 4.4 To **agree** the budget report for 2025/26 for **recommendation** to Full Council
- 4.5 To **note** the latest Loan Summary
- 4.6 To **review** the proposed expenditure for Pinegrove in line with internal auditors report and **approve** a request to Full Council for the transfer of General Reserves
- 4.7 To **note** the latest information on Insurance Claims and to **note** the insured value
- 4.8 To **review** the current investments and **agree** transfers
- 4.9 To **agree** to continue with the current Internal Auditor until 2027
- 4.10 To **note** the confidential debtors report

**SUPPORTING DOCUMENTS:**

- Appendix A – Income & Expenditure Report
- Appendix B - Earmarked Reserves
- Appendix C – External Auditors Report
- Appendix D – Financial Regulations
- Appendix E - Budget report for 2025/26
- Appendix F – Loan Summary
- Appendix G – Insurance Claim Log
- Appendix H - Confidential Aged Debtor Report

**CONTACT OFFICER:** RFO

**OFFICER RECOMMENDATIONS:**

	<p>The Committee is RECOMMENDED to:</p> <ol style="list-style-type: none"><li>(1) <b>Note</b> the Committee’s current income and expenditure position. Appendix A</li><li>(2) <b>Note</b> this Committee’s Earmarked Reserves and <b>agree</b> any actions. Appendix B</li><li>(3) <b>Note</b> the External Auditors Report and signed AGAR and <b>agree</b> any actions. Appendix C</li><li>(4) <b>Review</b> and <b>recommend</b> the Financial Regulations. Appendix D</li><li>(5) <b>Agree</b> the proposed 25/26 budget for recommendation to Full Council. Appendix E</li><li>(6) <b>Note</b> the latest Loan Summary position. Appendix F</li><li>(7) <b>Note</b> the latest insurance claim information. Appendix G</li><li>(8) <b>Review</b> the current investments. <b>Agree</b> transfers between accounts</li><li>(9) <b>Agree</b> to continue with the current Internal Auditor until 2027</li><li>(10) <b>Note</b> the Confidential Aged Debt Report. Appendix H</li></ol>

**4.1 Income and Expenditure**

4.1.1 Attached as Appendix A is the Income & Expenditure report for this Committee for the financial year 2024/2025. **Any recent significant variances are shown in bold**

Corporate Management (101)

Democratic Representation (102)

Central Admin & Support costs (105)

**4060 Accounting Support – will exceed budget due to the higher than anticipated costs for licenses for the Rialtus software**

Other Operating Income & Expenditure (109)

**1190 Interest Received – has exceeded budget due to higher interest rates and funds being placed with good yield returns**

Pine Grove – Revenue Costs (113)

**1118 Profit Share Basepoint – has exceeded budget by quarter 2**

#### 4.1.2 Earmarked Reserves

This Committees EMR's are attached as Appendix B. Committee is asked to consider if Earmarked Reserves are still required and if not, the amount will be transferred back to the General Reserve.

#### 4.2 External Auditors Report

The signed external auditors report and comments is shown in Appendix C. This forms part of the AGAR and now concludes the accounts for the year 2023/24. The conclusion of the audit has been uploaded to our website as part of the finalisation of this process.

You will note that there are two exceptions listed on the external auditors report. The first point relates to section 2 box 9 for the prior year 2022/23. The asset figures for the prior year were restated after disposals were agreed. The agenda item 4.4 from the meeting on the 18<sup>th</sup> June reflects this. Unfortunately, although the figures were correct, 'restated' was not written on the AGAR form that was signed during the Full Council meeting on the 25<sup>th</sup> June.

The second point refers to the Charitable Trusts. The external auditor has agreed that in the absence of any further guidance, the Practitioners' Guide must be followed. The guide requires the transactions to be included in the figures reported in Section 2. The Council need to acknowledge this by responding 'No' to Assertion 9 in Section 1 as there is not a separate bank account.

#### 4.3 Financial Regulations

Appendix D shows the financial regulations.

There have been significant changes to the Financial Regulations so the model policy from NALC has been used and adapted to fit Crowborough Town Council.

Any wording in **bold** indicates legal requirements, which a Council cannot change or amend. This does impact on some of our existing policies. For example, regulation 5.1 and Crowborough Town Councils Climate Change policy.

This model places much more emphasis on risk management and Section 2, Risk Management and Internal Control has been developed.

It is recommended that the changes are accepted and submitted to Full Council for review.

#### **4.4 Budget Report for 2025/26**

Attached as Appendix E to this report is the draft Committee Budget 2025/26 and the projected budgets to 2030. Explanations of changes are included in the information column. To support the Committees understanding of the budgets, last year's budgets, this year's budgets and this year's spend to date are included on the spread sheet. Significant variances from the previous year's budget are shown at the bottom of the report with variances over 10% or £1,000 being reported.

The bottom line shows that overall this Committee's budget will decrease by 15% on this years budget.

Budgets have been projected until 2030 to inform long term planning. All known future expenditure has been included in these projections.

The Committee is required to **recommend** its budget requirement to Full Council to consider as part of the whole Council budget

#### **4.5 Loan Review**

Appendix F shows the latest loan summary as at 30.09.24

#### **4.6 Internal Auditors Recommendation and Pinegrove Expenditure**

Following the Internal Auditors recommendation and the F&GP meeting in June, please see below a list of upcoming Pinegrove expenditure items:

- a. £40,000.00 for the toilet refurbishment
- b. £35,000.00 for the window works
- c. £20,000.00 general upkeep of the building
- d. £25,000.00 planned replacement of all smoke and heat detectors in 2029
- e. £5,000.00 planned full service of all fire extinguishers
- f. £25,000.00 accessible wheelchair access.

These are predicted known costs that have not had funds allocated previously.

It is recommended that F&GP Committee approve a request to full council for the transfer of £150,000 from general reserves into EMR Pinegrove as per the internal auditors report.

#### **4.7 Insurance Claim Information**

As per financial regulation 15.4, details of any loss or claim should be taken to Committee:

Please refer to Appendix G. There have been three insurance claims logged this financial year.

At the last F&GP meeting, a member enquired about the insurance value listed for Pine Grove. The insurance company have confirmed that the valuation is ascertained from an asset revaluation every five years which includes rebuild costs and is then index linked each year using various indices.

#### 4.8 Investments

As at 30th September the Council had the following investments totalling £3,563,093.11

NatWest Business Reserve	£2,198,824.89
NatWest Current Account	£ 150.00
Lloyds Current Account	£ 85,175.32
CCLA Funds	£1,278,942.90

Current interest rates are as follows:

NatWest Business Reserve	1.71%
CCLA Funds – Average Yield	5.04%
Lloyds Current Account	0%

It is good practice to hold around £100,000 in the Lloyds accounts as we are restricted on the daily amount that we can pay from the NatWest account, so the committee is requested to agree to £25,000 being transferred to the Lloyds account from the NatWest account.

It is anticipated that the Council will spend approximately £1,000,000 over the next 6 months. This means that there is the option of transferring a further £750,000 into the CCLA funds which offers a higher return rate.

#### 4.9 Internal Auditor

In August 2022, F&GP Committee **RESOLVED** (Res 9857) to review the internal auditor at two years, with a view to making a decision to continue with the same auditor for up to five years.

It is recommended that we continue with the current internal auditor until 2027

#### **4.10 Confidential Aged Debtors Report**

Appendix H shows the Aged Debt Report.

**RFO**

## Detailed Income &amp; Expenditure by Budget Heading 30/09/2024

Month No: 6

## Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<b><u>Finance and General Purposes</u></b>								
<b><u>101 Corporate Management</u></b>								
1051 Income-Miscellaneous	40	0	0	0			0.0%	
1120 Income- Rechargeable	1,976	(1,100)	0	1,100			0.0%	
Corporate Management :- Income	<b>2,016</b>	<b>(1,100)</b>	<b>0</b>	<b>1,100</b>				<b>0</b>
4055 Stripe Charges	23	12	175	163		163	7.1%	
4056 Bank Charges	906	559	1,200	641		641	46.6%	
4057 Audit Fees	2,945	571	3,100	2,530		2,530	18.4%	
4058 Legal & Professional Fees	6,308	3,270	12,000	8,730	2,100	6,630	44.8%	
4060 Accounting Support	2,488	2,459	2,625	166		166	93.7%	
4065 Bad Debt Write Off	2,715	0	0	0		0	0.0%	
4998 Vision Document	0	51	0	(51)		(51)	0.0%	
Corporate Management :- Indirect Expenditure	<b>15,385</b>	<b>6,921</b>	<b>19,100</b>	<b>12,179</b>	<b>2,100</b>	<b>10,079</b>	<b>47.2%</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>(13,369)</b>	<b>(8,021)</b>	<b>(19,100)</b>	<b>(11,079)</b>				
<b><u>102 Democratic Representation</u></b>								
1051 Income-Miscellaneous	0	284	0	(284)			0.0%	
Democratic Representation :- Income	<b>0</b>	<b>284</b>	<b>0</b>	<b>(284)</b>				<b>0</b>
4119 Members Allowances	19,239	8,857	25,777	16,920		16,920	34.4%	
4120 Members Expenses	144	26	200	174		174	13.1%	
4121 Members Courses	1,134	160	1,000	840	480	360	64.0%	
4122 Civic Expenses	935	0	1,000	1,000		1,000	0.0%	
Democratic Representation :- Indirect Expenditure	<b>21,451</b>	<b>9,043</b>	<b>27,977</b>	<b>18,934</b>	<b>480</b>	<b>18,454</b>	<b>34.0%</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>(21,451)</b>	<b>(8,759)</b>	<b>(27,977)</b>	<b>(19,218)</b>				
<b><u>105 Central Support-Admin Costs</u></b>								
1050 Income-Pension Forms	270	90	0	(90)			0.0%	
1051 Income-Miscellaneous	6	0	0	0			0.0%	
Central Support-Admin Costs :- Income	<b>276</b>	<b>90</b>	<b>0</b>	<b>(90)</b>				<b>0</b>
4015 IT Support	7,118	5,710	7,250	1,540		1,540	78.8%	
4020 Telephone & Postage	6,262	4,204	6,600	2,396	80	2,316	64.9%	
4021 Stationery and Printing	3,609	1,786	4,305	2,519	3	2,516	41.6%	
4022 Insurance	22,446	0	20,700	20,700		20,700	0.0%	
4023 Subscriptions	4,396	5,781	5,569	(212)	11	(222)	104.0%	
4024 Equipment rental/Lease	2,312	859	2,000	1,141		1,141	43.0%	
4110 New IT Equipment	2,137	4,885	17,000	12,115	12,013	102	99.4%	



## Detailed Income &amp; Expenditure by Budget Heading 30/09/2024

Month No: 6

## Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4255 Equipment	938	234	1,200	966		966	19.5%	
Central Support-Admin Costs :- Indirect Expenditure	<b>49,217</b>	<b>23,459</b>	<b>64,624</b>	<b>41,165</b>	<b>12,107</b>	<b>29,059</b>	<b>55.0%</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>(48,942)</b>	<b>(23,369)</b>	<b>(64,624)</b>	<b>(41,255)</b>				
<u>109 Other Operating Income &amp; Exp.</u>								
1176 Precept Received	1,595,929	1,678,041	1,678,041	0			100.0%	
1190 Income-Interest Received	65,794	36,411	15,000	(21,411)			242.7%	
1196 Income-CIL receipts	693,299	146,254	0	(146,254)			0.0%	146,254
Other Operating Income & Exp. :- Income	<b>2,355,022</b>	<b>1,860,706</b>	<b>1,693,041</b>	<b>(167,665)</b>			<b>109.9%</b>	<b>146,254</b>
4175 PWLB - CCA Hall	99,371	49,685	99,370	49,685		49,685	50.0%	
4950 PWLB -G/MOD/GS/S/OA	46,238	23,119	46,240	23,121		23,121	50.0%	
4951 PWLB - Pine Grove	169,734	84,867	169,735	84,868		84,868	50.0%	
Other Operating Income & Exp. :- Indirect Expenditure	<b>315,343</b>	<b>157,672</b>	<b>315,345</b>	<b>157,673</b>	<b>0</b>	<b>157,673</b>	<b>50.0%</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>2,039,679</b>	<b>1,703,034</b>	<b>1,377,696</b>	<b>(325,338)</b>				
6002 less Transfer to EMR	693,299	146,254						
<b>Movement to/(from) Gen Reserve</b>	<b>1,346,380</b>	<b>1,556,780</b>						
<u>113 Pine Grove-Revenue Costs</u>								
1051 Income-Miscellaneous	2,715	0	0	0			0.0%	
1103 Income-insurance	7,390	0	0	0			0.0%	
1114 Income - Ashdown Radio	802	0	0	0			0.0%	
1115 Income-Library Rechargeable	24,454	2,106	19,500	17,394			10.8%	
1116 Income-Basepoint Rechargeable	53,469	25,824	60,000	34,176			43.0%	
1117 Income-Basepoint Rent	60,000	59,569	70,000	10,431			85.1%	
1118 Income-Basepoint Profit share	105,897	50,293	25,000	(25,293)			201.2%	
Pine Grove-Revenue Costs :- Income	<b>254,728</b>	<b>137,792</b>	<b>174,500</b>	<b>36,708</b>			<b>79.0%</b>	<b>0</b>
4012 Rates	14,876	10,742	15,498	4,756		4,756	69.3%	
4017 Health & Safety	963	0	1,000	1,000		1,000	0.0%	
4041 Grounds Maintenance	1,500	375	1,500	1,125		1,125	25.0%	
4250 Buildings Maintenance	21,243	7,079	50,000	42,921	4,905	38,017	24.0%	
4335 Security, Fire & Alarms	10,406	3,898	15,000	11,102	432	10,670	28.9%	
4800 Caretaking/ Cleaning	16,753	8,542	21,000	12,458		12,458	40.7%	
4801 Refuse & Hygiene	2,692	2,184	3,000	816		816	72.8%	
4805 Electricity	37,091	18,595	40,000	21,405		21,405	46.5%	
4806 Gas	16,345	5,344	30,000	24,656		24,656	17.8%	

## Detailed Income &amp; Expenditure by Budget Heading 30/09/2024

Month No: 6

Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4807 Water and Sewage	3,436	1,642	3,750	2,108		2,108	43.8%	
Pine Grove-Revenue Costs :- Indirect Expenditure	<b>125,307</b>	<b>58,400</b>	<b>180,748</b>	<b>122,348</b>	<b>5,337</b>	<b>117,011</b>	<b>35.3%</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>129,421</b>	<b>79,392</b>	<b>(6,248)</b>	<b>(85,640)</b>				
<u>115 Other Services to the Public</u>								
4112 Service Level Agreements	45,150	50,000	50,000	0		0	100.0%	
4150 Grants	16,000	17,000	17,000	0		0	100.0%	
Other Services to the Public :- Indirect Expenditure	<b>61,150</b>	<b>67,000</b>	<b>67,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.0%</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(61,150)</b>	<b>(67,000)</b>	<b>(67,000)</b>	<b>0</b>				
<u>309 Civic &amp; Community Centres</u>								
1010 Income-Toilet Scheme	617	333	617	284			54.0%	
Civic & Community Centres :- Income	<b>617</b>	<b>333</b>	<b>617</b>	<b>284</b>			<b>54.0%</b>	<b>0</b>
<b>Net Income</b>	<b>617</b>	<b>333</b>	<b>617</b>	<b>284</b>				
<u>901 Earmarked F &amp; GP</u>								
9009 Election Reserve	8,348	0	0	0		0	0.0%	
9010 Pine Grove - Water	19,926	975	0	(975)	523	(1,498)	0.0%	975
9011 Legal & Professional Fees	1,744	0	0	0		0	0.0%	
9012 Grants	5,125	3,425	0	(3,425)		(3,425)	0.0%	3,425
9071 Pine Grove Buildings Maintenan	58,649	29,094	0	(29,094)		(29,094)	0.0%	29,094
Earmarked F & GP :- Indirect Expenditure	<b>93,791</b>	<b>33,494</b>	<b>0</b>	<b>(33,494)</b>	<b>523</b>	<b>(34,016)</b>		<b>33,494</b>
<b>Net Expenditure</b>	<b>(93,791)</b>	<b>(33,494)</b>	<b>0</b>	<b>33,494</b>				
6001 plus Transfer from EMR	86,151	33,494						
<b>Movement to/(from) Gen Reserve</b>	<b>(7,640)</b>	<b>0</b>						
Finance and General Purposes :- Income	<b>2,612,658</b>	<b>1,998,105</b>	<b>1,868,158</b>	<b>(129,947)</b>			<b>107.0%</b>	
Expenditure	<b>681,645</b>	<b>355,988</b>	<b>674,794</b>	<b>318,806</b>	<b>20,546</b>	<b>298,260</b>	<b>55.8%</b>	
<b>Net Income over Expenditure</b>	<b>1,931,013</b>	<b>1,642,117</b>	<b>1,193,364</b>	<b>(448,753)</b>				
plus Transfer from EMR	<b>86,151</b>	<b>33,494</b>						
less Transfer to EMR	<b>693,299</b>	<b>146,254</b>						
<b>Movement to/(from) Gen Reserve</b>	<b>1,323,865</b>	<b>1,529,357</b>						

## Detailed Income &amp; Expenditure by Budget Heading 30/09/2024

Month No: 6

## Committee Report

	Actual Last Year	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Grand Totals:- Income	2,612,658	1,998,105	1,868,158	(129,947)			107.0%	
Expenditure	681,645	355,988	674,794	318,806	20,546	298,260	55.8%	
<b>Net Income over Expenditure</b>	<u>1,931,013</u>	<u>1,642,117</u>	<u>1,193,364</u>	<u>(448,753)</u>				
plus Transfer from EMR	86,151	33,494						
less Transfer to EMR	693,299	146,254						
<b>Movement to/(from) Gen Reserve</b>	<u>1,323,865</u>	<u>1,529,357</u>						

<u>Nominal Code</u>	<u>Cost Centre</u>	<u>Earmarked Reserves</u>	<u>Opening Balance</u>	<u>In</u>	<u>Out</u>	<u>Balance as at</u>	<u>Committed</u>	<u>Projected</u>
			<u>01/04/2024</u>			<u>26/09/2024</u>		
<b>314</b>		<b><u>Finance &amp; General Purposes</u></b>						
9009	901	Election Reserve	25,161			25,161		25,161
9010	901	PineGrove	7,422			7,422		7,422
9011	901	Legal & Professional Fees	9,665			9,665		9,665
9012	901	Grants	3,425		3,425	0		0
9022	901	Training	1,545			1,545		1,545
<b>314</b>		<b>F &amp; GP Total</b>	<b>47,218</b>	<b>0</b>	<b>3,425</b>	<b>43,793</b>	<b>0</b>	<b>43,793</b>

# Annual Governance and Accountability Return 2023/24 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities\*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
  - are unable to certify themselves as exempt (fee payable); or
  - have requested a limited assurance review (fee payable)

## Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
  - **The Annual Internal Audit Report must** be completed by the authority's internal auditor.
  - **Sections 1 and 2 must** be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2024**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2024**. Reminder letters will incur a charge of £40 +VAT:
  - the Annual Governance and Accountability Return Sections 1 and 2, together with
  - a bank reconciliation as at 31 March 2024
  - an explanation of any significant year on year variances in the accounting statements
  - notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2023/24

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

## Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2024 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.



## Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide\** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (Section 2, page 5). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide\**.
- Explain fully significant variances in the accounting statements on page 5. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2024**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights, been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2024 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested.	✓	

\**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)



# Annual Internal Audit Report 2023/24

## CROWBOROUGH TOWN COUNCIL

<https://www.crowboroughtowncouncil.gov.uk/>

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

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

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

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

Date(s) internal audit undertaken

02/11/2023 15/05/2024

Name of person who carried out the internal audit

M PLATTEN CPFA

Signature of person who carried out the internal audit



Date

17/05/2024

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

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



## Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

### CROWBOROUGH TOWN COUNCIL

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

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

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

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

14/05/2024

and recorded as minute reference:

10521

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

Chair

Clerk



CROWBOROUGH TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
Balances brought forward	1,985,179	2,164,120	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
(+) Precept or Rates and Levies	1,522,738	1,595,929	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
(+) Total other receipts	627,373	1,165,458	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
(-) Staff costs	563,680	712,435	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
(-) Loan interest/capital repayments	315,343	315,343	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
(-) All other payments	1,092,147	1,272,807	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
(=) Balances carried forward	2,164,120	2,624,922	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
Total value of cash and short term investments	2,125,417	2,593,338	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
Total fixed assets plus long term investments and assets	7,493,572	7,713,987	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
Total borrowings	3,096,950	2,871,566	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only			
11	Disclosure note re Trust funds (including charitable)	✓	The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
12	Disclosure note re Trust funds (including charitable)		The figures in the accounting statements above exclude any Trust transactions.

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

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

*K. Whaley*

Date

06/06/2024

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

25.6.24

as recorded in minute reference:

10592

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

*[Signature]*



## Section 3 – External Auditor's Report and Certificate 2023/24

In respect of

Crowborough Town Council-ES0021

### 1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>

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 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

### 2 External auditor's limited assurance opinion 2023/24

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:

- The smaller authority has not restated the prior year figure when reviewing assets in Section 2, Box 9. Please note that the Practitioners' Guide allows smaller authorities to use any reasonable valuation method, provided that the prior year figure is restated for consistency and comparability.
- Section 1, Assertion 9 has been incorrectly completed. Information has come to our attention that it has not met its responsibilities as a sole managing trustee during 2023/24 as transactions in relation to the trust fund have been included in the Section 2 reported figures.

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

None

### 3 External auditor certificate 2023/24

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

*[Handwritten Signature]*

Date

24/09/2024



## **Financial Regulations**

**Responsibility:** Full Council

**Review Cycle:** Annually, or earlier in the event of legislative changes

<b><u>Date of Adoption / Renewal</u></b>	<b><u>Resolution Number</u></b>
18 January 2011	6047
10 January 2012	6367
8 January 2013	6683
16 September 2014	7269
21 March 2017	8019
23 May 2017	8070
21 November 2017	8236
23 January 2018	8287
22 May 2018	8391
14 May 2019	8738
12 November 2019	8920
27 October 2020	9155
15 December 2020 - revoked	9208
12 <sup>th</sup> January 2021	9216
21 <sup>st</sup> September 2021	9508
15 <sup>th</sup> March 2022	9702 & 9703

22 <sup>nd</sup> November 2022	9957
14 <sup>th</sup> March 2023	10072
21 <sup>st</sup> November 2023	10334
19 <sup>th</sup> November 2024	

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## 1. General

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

- ensures the accounting records are kept up to date.
- seeks economy, efficiency and effectiveness in the use of council resources; and
- produces financial management information as required by the council.

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

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

1.7. In addition, the council shall:

- determine and regularly review the bank mandate for all council bank accounts.
- authorise any grant or single commitment in excess of £10,000

**2. Risk management and internal control**

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

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

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

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

- **ensure that risk is appropriately managed.**
- **ensure the prompt, accurate recording of financial transactions.**

- **prevent and detect inaccuracy or fraud; and**
  - **allow the reconstitution of any lost records.**
  - **identify the duties of officers dealing with transactions and**
  - **ensure division of responsibilities.**
- 2.5. At least once in each quarter, and at each financial year end, the Chairperson of the Finance and General Purposes Committee (or the Deputy), shall verify the monthly bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and copies of the bank statements as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Finance and General Purposes Committee.
- 2.6. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

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

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

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



#### 4. Budget and precept

- 4.1. **Before setting a precept, the council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**
- 4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the council at least annually, normally around November for the following financial year. The RFO will inform committees of any salary implications before they consider their draft budgets.
- 4.3. No later than the end of November each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year along with a forecast for the following three financial years, taking account of the lifespan of assets and cost implications of repair or replacement.
- 4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the full council.
- 4.5. Each committee shall review its draft budget including its three-year forecast and submit any proposed amendments to the Finance & General Purposes committee not later than the end of November each year.
- 4.6. The draft budget with any committee proposals and three-year forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the Finance & General Purposes committee and a recommendation made to Full Council.
- 4.7. Having considered the proposed budget and three-year forecast, the council shall determine its council tax requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.
- 4.8. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.**
- 4.9. The RFO shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of the agreed annual budget. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned. The RFO shall regularly provide the Council and duly delegated Committees with a statement of income and expenditure to date under each head of the budgets, comparing actual

expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose, "material" shall be in excess of £1,000 or 15% of the budget, whichever is the lower amount.

4.10. Unspent provisions in the income and expenditure budgets shall not be carried forward to a subsequent year, unless placed in an Earmarked Reserve by resolution of the relevant spending committee.

4.11. Changes in earmarked reserves shall be reported to Council as part of the budgetary control process.

4.12. Reserves will be managed, controlled and reviewed by the RFO

- Reserves will be managed, controlled and reviewed by the RFO on a transaction by transaction basis to ensure the correct expenditure is being taken from the correct reserve and no reserve is being overspent.
- Twice per year, once during the budget review and once at the year end, in consultation with the Town Clerk, the RFO will review the appropriateness of each reserve, making recommendations to the relevant Committee as to which reserves should be earmarked next financial year. At such time any reserves considered no longer appropriate will be transferred back to the General Reserve.

4.13. At the year-end, the RFO will earmark underspends from previously agreed budgets after approval from the relevant committees.

## 5. Procurement

5.1. **Members and officers are responsible for obtaining value for money at all times.**

All officers are responsible for buying local wherever possible and always obtaining value for money. 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.

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

5.3. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**

5.4. Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 5.12) obtain prices as follows:

- 5.5. For contracts estimated to exceed £60,000 including VAT, the Clerk shall advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.
- 5.6. **For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation<sup>1</sup> regarding the advertising of contract opportunities and the publication of notices about the award of contracts.**
- 5.7. When the Council is to enter into a contract of less than £30,000 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, Deputy Town Clerk, Operations Manager, Head Groundsperson, Events Manager, Facilities Officer, or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 and above £1,000 the Clerk or RFO shall strive to obtain the best value for money and for buying local wherever possible.
- 5.8. For each estimated value of cost of works, goods, materials or services as set about below, and the provision has been made in the budget, the arrangements for quotations and tenders are as the following table.

Estimated Value (net of VAT)			Method of Invitation	Acceptance by
0	to	£1,000	Best Practice to be followed.	Town Clerk
£1,000	to	£5,000	Best Practice to be followed.	Town Clerk
£5,000	to	£25,000	Minimum of three invitations for quotations	Committee or Council
£25,000	to	£60,000	Minimum of three invitations for quotations with discretion to invite tenders by public advertisement in accordance with the Public Contracts Regulation 2015	Delegated Committee through budget setting process or resolution by Council committee

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

above		£60,000	Invite tenders by public advertisement in accordance with the Public Contracts Regulation 2015	

5.9. **Contracts must not be split into smaller lots to avoid compliance with these rules.**

5.10. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (vii) below:

- i. specialist services, such as legal professionals acting in disputes.
- ii. repairs to, or parts for, existing machinery or equipment.
- iii. works, goods or services that constitute an extension of an existing contract.
- iv. goods or services that are only available from one supplier or are sold at a fixed price.
- v. contracts of employment
- vi. for the supply of gas, electricity, water, sewerage and other telephone services
- vii. for additional audit work up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairperson and Vice Chairperson of Council)

5.11. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the council or relevant committee. Avoidance of competition is not a valid reason.

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

5.13. Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- the Clerk, for any items below £5000 (£10,000 in exceptional circumstances) excluding VAT.
- a duly delegated committee of the council for all items of expenditure through the budget setting process.

- the council for all items over £10,000.

Such authorisation must be supported by a minute (in the case of council or committee decisions) or other auditable evidence trail.

5.14. No individual member, or informal group of members may issue an official order unless instructed to do so in advance by a resolution of the council or make any contract on behalf of the council.

5.15. In cases of serious risk to the delivery of council services or to public safety on council premises, the Clerk may authorise expenditure on behalf of the Council which in the Clerk's judgement it is necessary to carry out, regardless to whether there is any budget for such expenditure. Such expenditure includes repair, replacement or other work that in their judgement is necessary, The Clerk shall report such action to the Chair as soon as possible and to the relevant committee as soon as practicable thereafter.

5.16. No expenditure shall be authorised, no contract entered into, or tender accepted in relation to any major project, unless the council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.

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

5.18. All orders should be signed by a duly authorised officer who shall be

- The Town Clerk – must sign all orders over £750
- The Deputy Town Clerk - can sign all orders over £750 (in the TCs absence)
- The RFO – only in the absence of another duly authorised officer.
- The following staff up to £750 on set budgets for which they have day to day responsibility.
  - Operations Manager
  - Deputy Town Clerk
  - Head Grounds Person (or Lead Groundsperson in HG absence)
  - Events Manager
  - Facilities Officer

## **6. Banking and payments**

6.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the council; banking arrangements shall not be

delegated to a committee. The council has resolved to bank with NatWest and Lloyds. The arrangements shall be reviewed periodically for security and efficiency.

- 6.2. The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised, and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.
- 6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO. Where the certification of invoices is done as a batch, this shall include a statement by the RFO that all invoices listed have been 'examined, verified and certified' by the RFO.
- 6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.
- 6.5. For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items, which the council or a duly delegated committee may authorise in advance for the year.
- 6.6. A copy of this schedule of regular payments shall be reviewed by two members on each and every occasion when payment is made - to reduce the risk of duplicate payments.
- 6.7. A list of such payments shall be reported to the next appropriate meeting of Full Council for information only.
- 6.8. The Clerk, Deputy Town Clerk and RFO shall have delegated authority to authorise payments only in the following circumstances:
  - i. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of council, where the Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of the Finance & General Purposes committee.

- ii. Fund transfers within the councils banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of the Finance & General Purposes committee.
- 6.9. In respect of grants, a duly authorised Committee shall approve expenditure within any limits set by Council and in accordance with any policy statement approved by Council. Any revenue or capital grant in excess of £10,000 shall before payment, be subject to ratification by resolution of the Council.
- 6.10. 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.
- 6.11. 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.
- 6.12. Authority to deal with the bank accounts on a daily basis to be delegated to the RFO, Town Clerk and Deputy Town Clerk.

## **7. Electronic payments**

- 7.1. Where internet banking arrangements are made with any bank, the Clerk, Deputy Town Clerk and RFO shall be appointed as the Service Administrator. The Finance Officer shall be authorised to input BACS payments and to print bank statements. The bank mandate agreed by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process.
- 7.2. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council or a duly delegated committee.
- 7.3. The Finance Officer/RFO shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent by email for approval by two authorised signatories.
- 7.4. In the prolonged absence of the Finance Officer and RFO, the Clerk or Deputy Town Clerk shall set up any payments due.
- 7.5. Two councillors who are authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system.

- 7.6. Evidence shall be retained showing which members approved the payment and a printout of the transaction confirming that the payment has been made shall be appended to the invoice for audit purposes.
- 7.7. A full list of all payments made in a month shall be provided to the next Full Council meeting.
- 7.8. With the approval of the council in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are approved by two authorised members. The approval of the use of each variable direct debit shall be reviewed by the council at least every two years.
- 7.9. Payment may be made by BACS or CHAPS by resolution of the council provided that each payment is approved by two authorised bank signatories, evidence is retained, and any payments are reported to the council at the next meeting.
- 7.10. The BACS procedure will be as follows:
- a) two Councillors (authorised signatories) to sign the appropriate paper documentation or approve by email e.g. BACs form.
  - b) Finance Officer to input the payments on to Bankline.
  - c) RFO to authorise the payment on Bankline.
  - d) The Town Clerk or Deputy Town Clerk to perform step c) in the absence of the RFO.
  - e) The RFO, Town Clerk or Deputy Town Clerk to perform step b) in the absence of the Finance Officer.
  - f) Steps b) & c) must be carried out by separate Officers.
- 7.11. If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed or approved by two members, evidence of this is retained and any payments are reported to council when made. The approval of the use of Banker's Standing Orders shall be reviewed by the council at least every two years
- 7.12. Account details for suppliers may only be changed upon written notification by the supplier and verified by the Finance Officer and the RFO. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. A programme of regular checks of standing data with suppliers will be followed.
- 7.13. Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.



7.14. Remembered password facilities other than secure password stores requiring separate identity verification should not be used on any computer used for council banking.

## **8. Cheque payments**

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

## **9. Payment cards**

- 9.1. Any Debit Card issued for use will be specifically restricted to the Clerk and the RFO and will also be restricted to a single transaction maximum value of £5000 unless authorised by Full Council or the Finance & General Purposes committee in writing before any order is placed.
- 9.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Finance & General Purposes committee. Transactions and purchases made will be reported to the committee and authority for topping-up shall be at the discretion of the committee.
- 9.3. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk/Deputy Town Clerk/RFO/Operations Manager and any balance shall be paid in full each month.
- 9.4. The Charge Card purchase procedure will be as follows:
  - a) Monthly expenditure on the Business Charge Card shall be limited to £5,000.
  - b) Only the Town Clerk (or Deputy Clerk/RFO in their absence) shall be authorised to use the Business Charge Card. With his/her written instructions the use of the card may be delegated
  - c) The Town Clerk (or as above) shall be authorised to purchase any one item that is identified in the budget (e.g. stationery) or has previously been approved by Committee
  - d) Prior to a purchase being made or an order placed.
    - i. An official purchase order shall be raised by a duly authorised officer.
    - ii. A Business Charge Card authorisation form shall be completed with purchase details attached, signed by the Town Clerk or Deputy Town Clerk/RFO in their absence.

- e) When the monthly Business Charge Card statement is received, any payments going through this shall be included with the schedule of payments to be signed by the authorised cheque signatories.

9.5. Personal credit or debit cards of members or staff shall not be used except for expenses of up to £250 including VAT, incurred in accordance with council policy.

## **10. Petty Cash**

10.1. The Finance Officer/RFO shall maintain a petty cash imprest account of £350 and may provide petty cash to officers for the purpose of defraying operational and other expenses.

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

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

**11.1. As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**

**11.2. Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**

11.3. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

11.4. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

11.5. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

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

Payroll reports will be reviewed by the Chair/Deputy Chair of Personnel committee to ensure that the correct payments have been made.

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

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

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

## **12. Loans and investments**

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

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

12.3. The council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.

12.4. All investment of money under the control of the council shall be in the name of the council.

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

12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

## **13. Income**

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

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

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

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

- 14.1. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.
- 14.2. Any variation of, addition to or omission from a contract must be made to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 10% or more, or likely to exceed the budget available.

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

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

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

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

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

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

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

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

No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, except where the estimated value of any one item does not exceed £1000. In each case a written report shall be provided to council with a full business case.

16.5. Capital receipts from the disposal of fixed assets cannot be used for revenue purposes and can only be used for capital purposes – that is the purchase of fixed assets, the making of capital grants or the repayment of long-term loans. The Council will keep a separate record to demonstrate compliance of this requirement.

## **17. Insurance**

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

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

17.3. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the council at the next available meeting.

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

## **18. Charities**

18.1. Where the council is sole managing trustee of a charitable body the Clerk and 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 and RFO shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

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

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

19.2. The council may, by resolution duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations, provided that reasons for the suspension are recorded and that an assessment of the risks arising has been presented to all members. Suspension does not disapply any legislation or permit the council to act unlawfully.

19.3. The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.



## **Appendix 1 - Tender process**

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

**Finance & General Purposes Draft Budget**

Code	Budget	Spend to date	Approved Budget 2023/24	Approved Budget 2024/25	Projected Budget 2025/26	Projected Budget 2026/27	Projected Budget 2027/28	Projected Budget 2028/29	Projected Budget 2029/30	Projected Budget 2030 +	Change
<b>101</b>	<b>Corporate Management</b>										
1051	Income - Miscellaneous	(1,100)									
4055	Card Charges	12	175	175	100	100	100	100	100	100	-42.9%
4056	Bank Charges	371	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	0.0%
4057	Audit Fees	(1,950)	2,750	3,100	3,500	3,605	3,713	3,825	3,939	4,057	12.9%
4058	Legal & Professional Fees	1,570	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	0.0%
4060	Accounting Support	2,306	2,500	2,625	5,700	5,871	6,047	6,229	6,415	6,608	117.1%
	<b>Expenditure</b>	<b>1,209</b>	<b>18,625</b>	<b>19,100</b>	<b>22,500</b>	<b>22,776</b>	<b>23,060</b>	<b>23,353</b>	<b>23,655</b>	<b>23,965</b>	<b>17.8%</b>
<b>102</b>	<b>Democratic Representation</b>										
4119	Members Allowances	3,942	24,000	25,777	26,550	27,081	27,623	28,175	28,739	29,314	3.0%
4120	Members Expenses	16	200	200	200	200	200	200	200	200	0.0%
4121	Members Courses	120	1,000	1,000	2,000	2,000	2,000	2,000	2,000	2,000	100.0%
4122	Civic Expenses	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	0.0%
	<b>Expenditure</b>	<b>4,078</b>	<b>26,200</b>	<b>27,977</b>	<b>29,750</b>	<b>30,281</b>	<b>30,823</b>	<b>31,375</b>	<b>31,939</b>	<b>32,514</b>	<b>6.3%</b>
<b>105</b>	<b>Central Support-Admin Costs</b>										
1050	Income - Pension Forms	(20)									
1051	Income - Miscellaneous										
4015	IT support	5,066	6,750	7,250	13,000	13,390	13,792	14,205	14,632	15,071	79.3%
4020	Telephone, Postage	2,691	5,750	6,600	6,000	6,180	6,365	6,556	6,753	6,956	-9.1%
4021	Stationery & Printing	1,276	4,100	4,305	4,434	4,567	4,704	4,845	4,991	5,140	3.0%
4022	Insurance	0	19,500	20,700	23,000	23,000	25,300	25,300	25,300	26,565	11.1%
4023	Subscriptions	5,561	5,460	5,569	5,950	6,129	6,312	6,502	6,697	6,898	6.8%
4024	Equipment rental	594	1,830	2,000	2,100	2,100	2,100	2,100	2,500	2,500	5.0%
4110	IT Equipment	4,885	2,500	17,000	8,500	10,000	10,300	10,609	10,927	11,255	-50.0%
4255	Equipment - Office	0	1,100	1,200	1,300	1,300	1,300	1,300	1,300	1,300	8.3%
	<b>Expenditure</b>	<b>20,053</b>	<b>46,990</b>	<b>64,624</b>	<b>64,284</b>	<b>66,666</b>	<b>70,174</b>	<b>71,418</b>	<b>73,099</b>	<b>75,684</b>	<b>37.5%</b>
<b>109</b>	<b>Other Operating I &amp; E</b>										
1176	Precept Received	(839,021)	(1,595,930)								
1190	Interest Received	(18,612)	(4,000)	(15,000)	(55,000)	(50,000)	(30,000)	(30,000)	(30,000)	(30,000)	266.7%
1196	Income - CiL Receipts	(146,254)	-	-	-	-	-	-	-	-	#DIV/0!

**Finance & General Purposes Draft Budget**

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	<b>Income</b>	<b>(1,003,887)</b>	<b>(1,599,930)</b>	<b>(15,000)</b>	<b>(55,000)</b>	<b>(50,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(30,000)</b>	-99.1%
4175	Loan Repayment - CCA Hall	49,685	99,370	99,370	99,370	99,370	99,370	99,370	99,370	99,370	0.0%
4950	Loan Repayment Costs	-	46,240	46,240	46,240	37,078	37,078	28,275	13,576	13,576	0.0%
4951	Loan Repayment - Pine Grove	84,867	169,735	169,735	169,735	169,735	169,735	169,735	169,735	169,735	0.0%
	<b>Expenditure</b>	<b>134,552</b>	<b>315,345</b>	<b>315,345</b>	<b>315,345</b>	<b>306,183</b>	<b>306,183</b>	<b>297,380</b>	<b>282,681</b>	<b>282,681</b>	0.0%
	<b>Net Expenditure</b>	<b>-869,335</b>	<b>-1,284,585</b>	<b>300,345</b>	<b>260,345</b>	<b>256,183</b>	<b>276,183</b>	<b>267,380</b>	<b>252,681</b>	<b>252,681</b>	-123.4%

**Finance & General Purposes Draft Budget**

Code	Budget	Spend to date	Approved Budget 2023/24	Approved Budget 2024/25	Projected Budget 2025/26	Projected Budget 2026/27	Projected Budget 2027/28	Projected Budget 2028/29	Projected Budget 2029/30	Projected Budget 2030 +	Change
<b>113</b>	<b>Pine Grove - Revenue Costs</b>										
1051	Income - Miscellaneous	-									
1103	Income - Insurance	-									
1114	Income - Ashdown Radio	-			(800)	(800)	(800)	(800)	(800)	(800)	
1115	Income - Library	(1,186)	(17,500)	(19,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	15.4%
1116	Income - Recharges	(15,165)	(52,000)	(60,000)	(60,000)	(61,200)	(62,424)	(63,672)	(64,946)	(66,245)	0.0%
1117	Income - basic rent	(38,142)	(60,000)	(70,000)	(85,000)	(85,000)	(85,000)	(85,000)	(90,000)	(90,000)	21.4%
1118	Income - 'profit share'	(50,293)		(25,000)	(50,000)	(50,000)	(50,000)	(40,000)	(35,000)	(35,000)	100.0%
	<b>Income</b>	<b>(104,786)</b>	<b>(129,500)</b>	<b>(174,500)</b>	<b>(218,300)</b>	<b>(219,500)</b>	<b>(220,724)</b>	<b>(211,972)</b>	<b>(213,246)</b>	<b>(214,545)</b>	25.1%
4012	Rates	7,162	14,500	15,498	18,437	18,990	19,560	20,147	20,751	21,374	19.0%
4017	Health & Safety	0	1,000	1,000	1,030	1,061	1,093	1,126	1,159	1,194	3.0%
4041	Grounds maintenance	200	1,500	1,500	1,545	1,591	1,639	1,688	1,739	1,791	3.0%
4250	Building Maintenance	5,530	25,000	50,000	60,000	65,000	70,000	75,000	75,000	75,000	20.0%
4335	Security Fire & Alarm	2,945	6,000	15,000	15,000	15,000	15,000	7,500	7,500	7,500	0.0%
4800	Caretaking/ Cleaning	4,542	21,000	21,000	21,000	19,000	21,630	19,570	22,279	20,157	0.0%
4801	Refuse & Hygiene	1,726	3,500	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3.0%
4805	Electricity	12,523	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	0.0%
4806	Gas	5,233	30,000	30,000	18,000	18,000	18,000	18,000	18,000	18,000	-40.0%
4807	Water and sewerage	937	3,750	3,750	3,938	4,134	4,341	4,558	4,786	5,025	5.0%
	<b>Expenditure</b>	<b>40,798</b>	<b>146,250</b>	<b>180,748</b>	<b>182,040</b>	<b>185,959</b>	<b>194,541</b>	<b>190,965</b>	<b>194,692</b>	<b>193,623</b>	0.7%
	<b>Net Expenditure</b>	<b>(63,988)</b>	<b>16,750</b>	<b>6,248</b>	<b>(36,261)</b>	<b>(33,541)</b>	<b>(26,183)</b>	<b>(21,007)</b>	<b>(18,554)</b>	<b>(20,922)</b>	-680.4%
<b>115</b>	<b>Other services to the public</b>										
4123	Election costs		0	0	0	2,500	2,500	2,500	2,500	2,500	
4112	Service Level Agreements	50,000	47,408	50,000	50,000	50,000	55,000	55,000	55,000	55,000	0.0%
4150	Grants	17,000	16,000	17,000	20,000	20,000	20,000	22,500	22,500	22,500	17.6%
	<b>Expenditure</b>	<b>67,000</b>	<b>63,408</b>	<b>67,000</b>	<b>70,000</b>	<b>72,500</b>	<b>77,500</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	4.5%
<b>309</b>	<b>Civic &amp; Community Centres</b>										

**Finance & General Purposes Draft Budget**

Code	Budget	Spend to date	Approved Budget 2023/24	Approved Budget 2024/25	Projected Budget 2025/26	Projected Budget 2026/27	Projected Budget 2027/28	Projected Budget 2028/29	Projected Budget 2029/30	Projected Budget 2030 +	Change
1010	Income Toilet Scheme	(333)	(617)	(617)	(617)	(617)	(617)	(617)	(617)	(617)	0.0%
	<b>Income</b>	<b>(333)</b>	<b>(617)</b>	<b>(617)</b>	<b>(617)</b>	<b>(617)</b>	<b>(617)</b>	<b>(617)</b>	<b>(617)</b>	<b>(617)</b>	<b>0.0%</b>
	<b>F &amp; GP Expenditure</b>	<b>267,690</b>	<b>616,818</b>	<b>674,794</b>	<b>683,919</b>	<b>684,365</b>	<b>702,281</b>	<b>694,491</b>	<b>686,066</b>	<b>688,468</b>	<b>1.4%</b>
	<b>F &amp; GP Income</b>	<b>(1,109,006)</b>	<b>(134,117)</b>	<b>(190,117)</b>	<b>(273,917)</b>	<b>(270,117)</b>	<b>(251,341)</b>	<b>(242,589)</b>	<b>(243,863)</b>	<b>(245,162)</b>	<b>44.1%</b>
	<b>F &amp; GP Expenditure Over Income</b>	<b>(841,316)</b>	<b>482,701</b>	<b>484,677</b>	<b>410,002</b>	<b>414,248</b>	<b>450,940</b>	<b>451,902</b>	<b>442,203</b>	<b>443,306</b>	<b>-15.4%</b>

**Crowborough Town Council Loan Summary**

**PWLB**

Purpose	Nominal Code	Loan Number	Date Borrowed	Interest Rate	Maturity Date	Original Amount	Balance Outstanding 30/09/2024	Payments	Dates paid
								Capital & Interest	
Purchase of Summersales and development of land	<b>4950/109</b>	495348	18/02/2009	4.06%	18/02/2029	£200,000	£59,903.94	£14,699.34	18th February & 18th August
Community Centre 1	<b>4175/109</b>	498941	18/08/2011	3.75%	18/08/2031	£1,000,000	£436,741.77	71,518.26	
Community Centre 2	<b>4175/109</b>	499357	18/02/2012	3.45%	18/02/2032	£400,000	£182,680.15	27,852.68	
Purchase of land at the Ghyll and MOD	<b>4950/109</b>	491397	2006	4.50%	27/03/2026	£120,000	£13,147.97	£9,162.56	27th March & 27th September
Purchase of Owsbury land	<b>4950/109</b>	494541	2008	4.53%	27/03/2028	£115,000	£28,199.76	£8,803.46	
Development of Goldsmiths including public toilets, play area, skate park, running track & perimeter path	<b>4950/109</b>	496912	27/03/2010	4.62%	27/03/2035	£200,000	£111,918.92	£13,572.74	
Pine Grove 1	<b>4951/109</b>	504938	13/05/2016	2.57%	13/05/2036	£1,100,000	£751,611.82	£70,685.60	26th April & 26th October
Pine Grove - development of former Council Offices	<b>4951/109</b>	507949	26/10/2018	2.51%	25/10/2038	£1,550,000	£1,231,718.22	£99,048.54	26th April & 26th October
					<b>Total</b>		<b>£2,815,922.55</b>	<b>£315,343.18</b>	



CTC OFFICER HANDLING CLAIM	CLAIM NO.	DATE OF INCIDENT	DATE CLAIM SUBMITTED	DATE RESPONSE RECEIVED	CLAIM UPHELD (Y/N)	AMOUNT CLAIMED	POLICY XS	DATE PAYMENT RECD	LOCATION OF INCIDENT or ITEM	DETAILS OF INCIDENT	POLICE CRIME REFERENCE NUMBER	ADDITIONAL INFORMATION
James Webber	27241336641	18/07/2024	26/07/2024	12/08/2024	Y	£1718.94 (inc VAT)	£150.00	Paid direct to garage £436.49 on 18.9.24	Summersales	Damage to GU66 GZZ - flat bed with crew cab. Body tipped it hit the tow bar and has damaged the tailgate so that is no longer useable. Bent the tow bar	N/A	
James Webber	27241336646	25/07/2024	26/07/2024	19/09/2024	Y				Western Road	Damage to GU66 GZZ after hitting bin lorry. Damage to the front wing. It has pulled off the plastic trim and dented the wing so it is pushed in and now the passenger door rubs on the wing when opening and closing the door. No damage to other vehicle	N/A	
James Webber	MOTOR-0910-071818-559	06/09/2024	10/09/2024	10/09/2024	Y				Green Lane	Passenger side/side restraint bar and rear tailgate- Driving along Green lane and when went over speed bump side fall restraint bar fell off the van bent under the truck and also damaged corner post and rear/side droppste	N/A	



## Grant Awarding Policy

**Responsibility:** F & GP committee

**Review Cycle:** Every three years, or earlier in the event of legislative changes

<u>Date of Adoption / Renewal</u>	<u>Resolution Number</u>
5 July 2011	6193
3 July 2012	6546
9 July 2013	
8 September 2015	
4 July 2017	8122
23 October 2018	8580/1/2/3
7 September 2021	9497
12 December 2023	10373

## **GRANT AWARDING POLICY**

### **1. Introduction**

- 1.1 Crowborough Town Council welcomes and values the work of local voluntary groups and organisations. The council has a policy for making grants to groups and organisations which contribute to the welfare of the community by improving or supporting facilities and/or activities. Applicants must be able to demonstrate a clear need for financial support.

### **2. Guidelines**

- 2.1 An overall limit for the annual provision of grant aid will be determined as part of the budget setting process, and applications will be invited to be assessed once during the year.
- 2.2 Applicants must complete a grant application and return it, together with the required financial information, to the council to meet the following deadline:
- By 20 February, for decision at March committee meeting
- 2.3 Grants awarded at the March meeting will be paid by the end of April.
- 2.4 Grants will not routinely exceed 50% of the cost of the project or activity.
- 2.5 Any grant awarded in excess of £10,000 shall be subject to ratification by resolution of Full Council
- 2.6 Applicants will provide details of the project/activity and the number of Crowborough residents expected to benefit.
- 2.7 Any unspent money by the end of the financial year in which the grant was awarded must be returned to the council.
- 2.8 As a condition of the grant organisations must provide evidence as to how the grant was spent.
- 2.9 As a condition of receiving a grant, organisations will be required to acknowledge the council's support in publicity material.
- 2.10 Further grant applications will not be considered if conditions in 2.6 and 2.7 and 2.8 are not met.
- 2.11 Applications will not be considered if not accompanied by the most recent accounts, or in the case of new organisations a budget forecast.
- 2.12 The council will not normally support commercial organisations, major charities, bodies considered to be self-funded or provided for by other authorities.
- 2.13 In exceptional circumstances, a grant may be awarded outside the grant timetable at the discretion of the Full Council. The council reserves the right to refuse any grant application, or offer an alternate amount to that originally requested.

2.14 Any grant awarded to CTC trusts falls outside of the scope of this policy and CTC reserves the right to make larger payments to those trusts.



### 1. Introduction

The Council has a responsibility to act at all times with financial propriety and to ensure long term financial stability.  
This policy outlines Crowborough Town Council's procedures for dealing with late payments and outstanding accounts (bad debts) in accordance with Financial Regulations.

### 2. Policy Objectives

The aim of this policy is to

- make clear the procedure that Crowborough Town Council will follow to identify, minimise and recover potential bad debts and write off any debts which cannot be recovered
- To provide the Accounts team with direction and support when dealing with debtors.
- To ensure that potential debtors are aware of the Council's debt management policy and of the actions it will take.

### 3. Credit Control

All income due will be collected in accordance with Financial Regulations and any sums found to be irrecoverable or any subsequent bad debts shall be reported to the Finance & General Purposes Committee and Full Council.

Unpaid income and bad debts shall be treated in the following manner:

Stage	Nature of Document/Action	Action by	Timing
1	Invoices will be sent with payment terms clearly shown	Accounts Team	On raising of invoice
2	First contact with customer, normally via email or telephone call reminding them to make payment	Accounts Team	After 30 days from invoice
3	Second contact with customer normally via email or letter requesting payment and reminding them that late payment interest will be charged at 5% p.a above base rate	Accounts Team	After 45 days from invoice

4	Third contact with customer stating that if payment isn't received, then interest is accruing and that all bad debts will be published on the website	RFO	After 60 days from invoice
5	Final contact, assuming no payment informing customer that matter would now be dealt with through legal system	RFO	After 90 days from invoice
6	A firm of Solicitors (a local company to be used wherever possible) or Debt Recovery Agent will be instructed to pursue the debt	Local Solicitor	

#### 4. Write off bad debts

Crowborough Town Council will seek to minimise the cost of write offs by taking all necessary action to recover what is due. Debts will be subject to the full recovery, collection and all reasonable legal procedures.

The Town Council recognises that where a debt is irrecoverable, prompt and regular write off of such debts is good practice. Whilst writing off bad debts is a non-routine function; all practical means should be taken to recover outstanding amounts due to the Town Council before the RFO recommends writing off a bad debt to the Finance & General Purposes Committee. Before this decision is made, due diligence consideration should include the following: -

- The cost of recovery against the amount owed.
- The likelihood of success.
- Where the correct credit control procedures followed.
- Could procedure and practices be improved.



Any debts to be written off should be reported ~~in the form of a write off schedule~~ to the Finance & General Purposes Committee, who have delegated powers to write off bad debts of up to £3,000; any larger debts must be reported to Full Council. ~~The write off schedule should contain the following information:~~

- ~~• Customer Reference.~~
- ~~• Invoice number.~~
  - Date of invoice.
  - Amount of debt.
  - Reason for write off.
- ~~• Recovery history.~~
- ~~• Date of write off.~~
- ~~• Authorisation of write off.~~

**5. Year-end write offs**

The RFO should ensure any bad debts and doubtful debts are correctly accounted for at year end.

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