



Standing Financial Regulations

(V1.1 revised 11/03/2025 17:25:00 by L Davison)

Wokingham Town Council Standing Financial Regulations



Contents

1. General.....	4
2. Financial Reports.....	7
3. Risk management and internal control.....	8
4. Accounts and audit.....	9
5. Budget and precept.....	11
6. Procurement, contracts and tenders	13
7. Banking and payments	17
8. Electronic payments.....	19
9. Cheque payments	22
10. Credit cards and Payment cards.....	23
11. Petty Cash	24
12. Payment of salaries and allowances	25
13. Grants.....	26
14. Loans and investments.....	27
15. Income.....	29
16. Payments under contracts for building or other construction works.....	31
17. Value Added Tax	32
18. Stores and equipment.....	33
19. Assets, properties and estates	34
20. Insurance	35
21. Charities.....	36
22. Accountabilities	37
23. Suspension and revision of Financial Regulations.....	38
24. Recording of Officer Decisions	39
ADDENDUM TO STANDING FINANCIAL REGULATIONS	40
Financial Limits for the Council Year Ending 31 st March 2026	40

These Financial Regulations were adopted by the council at its meeting held on 15 October 2024.

Wokingham Town Council Standing Financial Regulations



This page intentionally left blank.

Wokingham Town Council Standing Financial Regulations



1. General

- 1.1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.
- 1.2. The Council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the Council's functions including arrangements for the management of risk.
- 1.3. The Council's accounting control systems must include measures:
 - for the timely production of accounts
 - that provide for the safe and efficient safeguarding of public money
 - to prevent and detect inaccuracy and fraud
 - identifying the duties of officers
 - compliance with GDPR
- 1.4. 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.
- 1.5. Wilful breach of these regulations by an employee may result in disciplinary proceedings.
- 1.6. 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.

Wokingham Town Council

Standing Financial Regulations



- 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.

1.7. 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.

1.8. **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**

Wokingham Town Council Standing Financial Regulations



1.9. 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 £15,000.



2. Financial Reports

2.1. A financial report shall be prepared by the RFO for submission to each meeting of the Council's Finance & Personnel (F&P) Committee, which shall state:-

- The income and expenditure received/incurred to the end of the previous month, actual/projected variations from budget; and the bank reconciliation funds as at the end of the previous month.
- Balance Sheet as at the end of the previous month.
- The RFO shall, on at least two occasions each year (in addition to the yearly Estimates meeting), provide each standing committee with revised estimates and a narrative to explain and suggest actions on actual and likely major deviations from the estimates.



3. Risk management and internal control

- 3.1. The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.
- 3.2. The Town Clerk, with the RFO shall prepare, for approval by the Council's F&P Committee, 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.
- 3.3. When considering any new activity, the Town Clerk with the RFO shall prepare a draft risk assessment including risk management proposals for consideration by the F&P Committee for consideration and adoption.
- 3.4. **At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**
- 3.5. **The accounting control systems determined by the RFO must include measures to:**
 - **ensure that risk is appropriately managed;**
 - **ensure the prompt, accurate recording of financial transactions;**
 - **prevent and detect inaccuracy or fraud; and**
 - **allow the reconstitution of any lost records;**
 - **identify the duties of officers dealing with transactions and**
 - **ensure division of responsibilities.**
- 3.6. At least once in each quarter, and at each financial year end, a member other than the Chair of the Council shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the F&P Committee.
- 3.7. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.



4. Accounts and audit

- 4.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.
- 4.2. **The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonable accuracy at any time. In particular, they must contain:**
- **day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;**
 - **a record of the assets and liabilities of the council;**
- 4.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.
- 4.4. At the year end, the RFO shall balance and reconcile the bank accounts as soon as possible after the 31st March. The Income & Expenditure Account, Balance sheet and supporting documents should be presented to Council at the earliest meeting of the following financial year.
- 4.5. The RFO in consultation with the Town Clerk, will agree with the Auditor the date of the Audit.
- 4.6. 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.
- 4.7. **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.**
- 4.8. **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.

Wokingham Town Council

Standing Financial Regulations



- 4.9. 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.
- 4.10. 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
- 4.11. 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.
- 4.12. 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.
- 4.13. 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.
- 4.14. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.



5. Budget and precept

- 5.1. 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.**
- 5.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the F&P Committee at least annually in November for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Town Clerk and the Chair of the F&P Committee.
- 5.3. Each Committee is to formulate and submit proposals to the F&P Committee in the respect of revenue and capital expenditure for the following financial year not later than the end of October each year.
- 5.4. No later than December each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year taking account of the lifespan of assets and cost implications of repair or replacement.
 - For Community Infrastructure Levy (CIL) income statutory criteria for expenditure will apply and the signed Wokingham Borough Council agreement will be considered.
- 5.5. 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 F&P Committee.
- 5.6. Each committee shall review its draft budget and submit any proposed amendments to the F&P Committee not later than the beginning of November each year.
- 5.7. The draft budget with any committee proposals, including any recommendations for the use or accumulation of reserves, shall be considered by the F&P Committee and a recommendation made to the council.
- 5.8. Having considered the proposed budget, the council shall determine its council tax requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.

Wokingham Town Council Standing Financial Regulations



- 5.9. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must and must disclose at the start of the meeting that Section 106 applies to them.**
- 5.10. 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.
- 5.11. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 5.12. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the F&P Committee.



6. Procurement, contracts and tenders

- 6.1. **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.
- 6.2. 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.
 - For orders between £2K and 2% of the Council's budget 3 quotations shall be invited from appropriate suppliers. (Where only one single quote is obtained, the reason should be recorded.)
- 6.3. The value limits for expenditure shall be recorded in the Addendum to these regulations which lay out limits to the value of any expenditure which may be entered into on the authority of the Town Clerk and other staff.
- 6.4. Should an emergency arise which is likely to involve expenditure in excess of the agreed limit, the Town Clerk shall be authorised to incur the cost of such emergency measures as must be undertaken immediately. Any further financial commitment must have the authority of the Chairman and the Vice Chairman of the F&P Committee.
- 6.5. A member may not issue an official order or make any contract on behalf of the Council.
- 6.6. An official purchase order shall be issued in advance of all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained electronically.
- 6.7. A confirmation of order will be sent in advance of delivery. The order should state the price, or agreed basis of pricing, referencing any quotation, estimate or term of agreement (in accordance with the selected supplier's procedure) available. Agreed expenditure should be coded to the appropriate budget. For the regular supply of utility services it is only necessary to raise an order for the initial connection of the service or contract renewal.
- 6.8. In line with Standing Order 35 contracts shall be used for recurring items for the supply of goods, materials or execution of works. Contracts shall refer to the terms of the Bribery Act 2010.

Wokingham Town Council

Standing Financial Regulations



6.9. All contracts shall comply with these financial regulations and no exceptions shall be made otherwise than in an emergency and except under the following circumstances:

- (i) for utility supplies and telephone services
- (ii) specialist services such as solicitors, surveyors, consultants etc
- (iii) for work or goods to be supplied in respect to repairs to for existing
- (iv) machinery, equipment or plant
- (v) work to be executed or goods supplied which constitute an
- (vi) extension of an existing contract
- (vii) additional audit work up to an estimated value of £1,000
- (viii) goods or materials which are propriety articles/sold at fixed price

6.10. Contracts shall comply with the following arrangements:

- £1 - £2,000 VFM best practice shall be followed.
- £2K - £2% of the Council's budget 3 quotations shall be sought.
- In excess of 2.0% in value of the Council's budget a specification will be drawn up and at least three tenders shall be sought.

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

6.12. 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.

6.13. For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation¹ regarding the advertising of contract opportunities and the publication of notices about the award of contracts.

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

Wokingham Town Council

Standing Financial Regulations



- 6.14. 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 F&P Committee. Avoidance of competition is not a valid reason.
- 6.15. Tenders will be submitted to the appropriate standing committee, except where effective competition is prevented by Government control or where the Town Clerk reports in writing to the Council or the appropriate Committee that effective competition is prevented by the special nature of the works, goods and service required.
- 6.16. Tenders will be considered if submitted electronically in accessible PDF format, to the email address tenders@wokingham-tc.gov.uk or else sent as a paper copy in a plain envelope, which must be securely sealed and shall not bear any distinguishing marks that indicate the identity of the sender. The envelope will be endorsed with the words 'Tender for' and must be forwarded to reach the Town Hall, Market Place, Wokingham. All tenders submitted must arrive not later than 12 noon on the date fixed for the return of the tender. Until the time appointed for their opening, envelopes shall remain in the custody of the Town Clerk or RFO to whom they are addressed, and electronic tenders will remain unread.
- 6.17. After the appointed time the Town Clerk or RFO, in the presence of another Officer, shall open and prepare a list of tenders, with the lowest costs in ascending order, for decision either by the delegated Officer or the appropriate Committee.
- 6.18. If less than three tenders are received or if all the tenders are identical the council may make such arrangements as it thinks fit.
- 6.19. A tender other than the lowest tender where payment is to be made by the Council or the highest tender where payment is to be received by the Council, shall not be accepted until the relevant Committee shall have considered a written report from the appropriate officer or professional advisor.
- 6.20. All Committees may incur any expenditure which has been specified and approved in the Estimates for the appropriate year. Major development projects require the approval of F&P Committee or Council, as per the Addendum.
- 6.21. Authorisation must be obtained from the "Budget Owner" of a budget cost code accessible to multiple officers (e.g "Subscriptions") prior to creating a purchase order against that cost code. The email confirming approval has been granted must be retained.

Wokingham Town Council

Standing Financial Regulations



- 6.22. Any increase over the estimated figures incurred by mandatory commitment (eg. National Insurance rates, tax) may be automatically met by diversion or, if this is not feasible, from the balances.
- 6.23. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- 6.24. Any of the regulations that apply to the post holder within this heading can be assigned, in their absence, as detailed in the Addendum.
- 6.25. Once a contract has been awarded, the Council may extend the agreement beyond the initial term by a further period of up to 2 years. If the Council wishes to extend this agreement, it shall give the Supplier at least 3 months' written notice.
- 6.26. No individual member, or informal group of members may issue an official order or make any contract on behalf of the council.
- 6.27. At the discretion of the Town Clerk and RFO expenditure may be authorised that will exceed the budget for that type of expenditure providing the total budget for that cost centre is not overspent.
- 6.28. In cases of serious risk to the delivery of council services or to public safety on council premises, the Town Clerk may authorise expenditure of up to £2,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Town Clerk shall report such action to the Chair as soon as possible and to the council as soon as practicable thereafter.
- 6.29. 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.
- 6.30. A purchase order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared (e.g. for utilities) or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.
- 6.31. Any ordering system can be misused and access to them shall be controlled by the RFO. Details of purchase orders stored in spreadsheets must not be changed retrospectively by Officers.



7. Banking and payments

- 7.1. 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 Barclays Bank Plc. The arrangements, including confirmation that only the RFO and Town Clerk are signatories for the ensuing Council year shall be reviewed annually for security and efficiency.
- 7.2. Should there be any change in the RFO or Town Clerk a new bank mandate will be completed.
- 7.3. Due to the volume of payments, the primary method of payment shall be via electronic banking but other payments to be used as required to include direct debit, banker's standing order and internet transfer. Cheques may also be used subject to supporting documentation (purchase order, invoice, officer approval) being provided and saved with a record of the payment.
- 7.4. 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.
- 7.5. All invoices for payment should be verified by the officer placing the order to confirm that the work, goods or services were received. The invoice should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and, checked and represent expenditure previously authorised by the council by the Finance Assistant before being put forward for payment. 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.
- 7.6. 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.
- 7.7. 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 F&P committee may authorise in advance for the year.

Wokingham Town Council Standing Financial Regulations



- 7.8. A list of such payments shall be reported to the next appropriate meeting of the F&P Committee for information only.
- 7.9. The RFO shall present a list of payments made in the preceding month/ months including transfers between bank accounts forming part of the agenda for the meeting, to the F&P Committee. The committee shall review the schedule for compliance and, having satisfied itself, shall approve the payments by resolution. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.



8. Electronic payments

- 8.1. Where internet banking arrangements are made with any bank, the Finance Assistant shall be authorised to set up payments and intra-bank transfers, the RFO shall also have this role profile to be able to provide cover within the Finance team. The Town Clerk and RFO shall be able to authorise payments. In all instances divisions of duties between the Finance Assistant/ RFO and Town Clerk shall be utilised to their fullest and an electronic file kept of who has set up and authorised each payment.
- 8.2. Access to any internet banking accounts will be directly to the access page (which may be saved under “favourites”), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for Council banking work. No employee 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. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 8.3. On receipt of the relevant invoice, the managing officer will electronically approve the invoice only when the goods have been received; confirm the value is correct and that any agreed discounts have been allowed. The invoice must quote the relevant purchase order number.
- 8.4. Invoices that meet the following requirements can be paid through the Clerk’s Drawings Account, the maintained balance for which is set out in the Addendum. It is the RFO’s responsibility to ensure that adequate funds are available in each account before releasing payments. This account is to be used only for:
- Salaries
 - Small items, the limit of which is set out in the Addendum
 - Non-invoiced items, for example return of hirer deposits or staff expenses, shall be supported by documents for the Financial Assistant/ RFO/ Town Clerk to review.
- 8.5. Payments through the Clerk’s Drawing Account will be as follows:
- by BACS manually authorised by the RFO and electronically authorised on the banking system by the Town Clerk.
 - electronic evidence is retained showing how the payment was approved.

Wokingham Town Council Standing Financial Regulations



- 8.6. Payments through the Main Account (for all other payments not made from the Town Clerk's Drawing Account) will be as follows
- by BACS manually authorised by the RFO and electronically authorised on the banking system by the Town Clerk.
 - electronic evidence is retained showing how the payment was approved.
- 8.7. Electronic evidence shall include:
- copies of invoices or other supporting documentation
 - verification from the appropriate officer that goods/ services have been delivered
 - list of payments from the purchase ledger
 - list of payments set up at the bank
 - documentation of review checks performed
 - payment approval
- 8.8. A schedule of all payments from both accounts will be presented to the next F&P Committee meeting.
- 8.9. All Members of Wokingham Town Council will have access to copies of bank statements should they wish to see them.
- 8.10. With the approval of the F&P Committee in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed by the two bank signatories. The approval of the use of each variable direct debit shall be reviewed by the F&P Committee at least every two years.
- 8.11. Account details for new suppliers shall be verified by a phone call to the company or individual. If possible, the phone number used should not be the one quoted on the invoice but from a separate source, for example a website.
- 8.12. Account details for suppliers may only be changed upon written notification by the supplier verified by the Town Clerk and the RFO. This is a potential area for fraud and the individuals involved should ensure that any change is genuine.

Wokingham Town Council Standing Financial Regulations



- 8.13. 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.



9. Cheque payments

- 9.1. Cheques for payment in accordance with supporting documentation shall be signed by The Town Clerk and RFO.
- 9.2. 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. Should this arise, the F&P Committee shall review and resolve authorisation for such payment prior to a cheque being issued.
- 9.3. 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/ documentation.



10. Credit cards and Payment cards

- 10.1. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Town Clerk, RFO and officers and any balance shall be paid in full each month.
- 10.2. The Council Credit Cards shall be used for purchases where this is most appropriate. All purchases should be accompanied by an order note. The card must be signed in and out and the purchase approved by either the RFO or Town Clerk.
- 10.3. Personal credit or debit cards of members or staff shall not be used except for expenses of up to £100 including VAT, incurred in accordance with council policy. Expenses above this value may be authorised for payment at the discretion of the Town Clerk or RFO and where possible before payment is made.



11. Petty Cash

- 11.1. A petty cash float is kept by the RFO and should not be used when an official order is more appropriate. The petty cash float is only to be used to meet small items of expenditure 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. Reimbursement without a receipt shall be at the discretion of the Town Clerk or RFO.
 - b) Due to the lack of a local branch of the Bank, cash income received may be paid into the petty cash float providing its value has been verified as soon as possible to its receipt by the Town Clerk or RFO and a record of the transaction from which the income has arisen being kept. Balances exceeding the agreed float, and for which there is no immediate demand, must be banked at the earliest opportunity. In any case, cash on the council's premises must not exceed the insured value of £1,000 nor must cheques received exceed £10,000.
 - c) Payments from the bank to maintain the petty cash float shall be shown separately on any schedule of payments presented for approval by the F&P Committee.
 - d) The petty cash balance must be reconciled each month and recorded in the council's accounting system. The petty cash spreadsheet shall be signed and dated by the RFO to indicate this has been done



12. Payment of salaries and allowances

- 12.1. As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 12.2. PRP salary rates shall be agreed by the F&P Committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the F&P Committee.
- 12.3. The grades and job description for any new staff must be approved in advance by the F&P Committee.
- 12.4. Claims for overtime are to be submitted on the relevant timesheet/overtime claim form and are to be certified by the relevant member of staff. Any overtime must have the prior approval of the manager or Town Clerk, except for an emergency.
- 12.5. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, must be in accordance with payroll records and on the dates stipulated in employment contracts. It is the RFO's responsibility to ensure that this is undertaken.
- 12.6. 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.
- 12.7. 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.
- 12.8. Payment of salaries is to be authorised by the Town Clerk.
- 12.9. Staff expenses will be paid by BACS if over £10.
- 12.10. 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.
- 12.11. Before employing interim staff, the council must consider a full business case.



13. Grants

- 13.1. In respect of grants the F&P Committee shall approve expenditure within any limits set by Council and in accordance with the Policy statement approved by Council.
- 13.2. Grant recipients should provide the bank details to which the grant should be paid on letter headed paper with the signature of their treasurer. The bank details should be cross checked to those previously used if applicable. If these have changed then an explanation should be sought from the charity/organisation.



14. Loans and investments

- 14.1. 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.
- 14.2. 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.
- 14.3. The council's Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, relevant regulations, proper practices and guidance shall be reviewed by the F&P Committee and presented at the Annual Council Meeting.
- 14.4. The credit rating of any bank the Town Council uses will be considered by the F&P Committee prior to any investment or re-investment over £250K. The RFO will research ratings to inform any investment.
- 14.5. Barclays to remain the main bank for the Town Council's day-to-day financial transactions.
- 14.6. Unless agreed by the F&P Committee, investments are to be kept under two years and to be spread across both Barclays and another provider. Investments to be overlapping i.e. different start and end dates.
- 14.7. A regular statement is to be produced and presented to the F&P Committee for investments made in line with 14.4 and any changes made since publication of the previous statement.
- 14.8. The RFO is authorised in conjunction with the Town Clerk to make short term investments with Barclays or another provider with a view of maximising the return on amount up to £250K over a period of one month to a maximum of 12 months. Anything outside these parameters requires the approval of the F&P Committee.
- 14.9. No long-term investment (12 months or above) is to exceed £250K in any financial institution.
- 14.10. The RFO is to ensure that there are sufficient funds to meet Council's cash flow requirements whenever an investment is made.

Wokingham Town Council Standing Financial Regulations



- 14.11. All investment of money under the control of the council shall be in the name of the council.
- 14.12. All investment of money under the control of the council shall be in the name of the council.
- 14.13. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 14.14. 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.



15. Income

- 15.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
- 15.2. The RFO will be responsible for ensuring that reminders in respect of outstanding invoices are despatched each month. The Financial Assistant will send monthly statements.
- 15.3. 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 Town Clerk.
- 15.4. Bad debts may be written off only with the approval of the Town Clerk and reported to the next meeting of the F&P Committee. The appropriate limits for approval will be recorded in the Addendum to these regulations. Any sums found to be irrecoverable and any bad debts shall be reported to the F&P Committee or council by the RFO depending on the required approval limit and shall be written off in the year. The council's approval shall be shown in the accounting records.
- 15.5. Money and cheques received through the post are to be recorded in the Receipts Book (cash book) by the Information Centre Officers. All receipts are to be dealt with by the Information Centre Officers. A receipt is to be issued for all monies received, except for money that is paid directly into the bank account (such as precept, investment income), which can be entered directly into the Cash Book as long as the date of banking is noted, together with an indication that it is a direct banking. Income received in the Information Centre shall be put in the Information Centre safe except when cash totals over £750, in which case it is immediately to be deposited in the RFO's safe. It is the RFO's responsibility to allocate income to the relevant cost headings, to extract VAT and to reconcile the bank statements every month.
- 15.6. On each occasion income (cash or cheques) are removed from the Information Centre it should be delineated in the Receipts Book (cash book) and reported in the petty cash reconciliation.
- 15.7. The Receipts and Payments Book shall be located in the Information Centre and secured when the Centre is closed.

Wokingham Town Council

Standing Financial Regulations



- 15.8. Banking by the Financial Assistant or RFO will be as frequently as is required to meet the limits of the petty cash float and insured values of month unless the income has reached the insurance cash/cheque limits for the safe of £1,000 (cash) and £10,000 (cheque).
- 15.9. Personal cheques shall not be cashed out of money held on behalf of the council.
- 15.10. The 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.
- 15.11. 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.
- 15.12. 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.



16. Payments under contracts for building or other construction works

- 16.1. 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.
- 16.2. Any variation of, addition to or omission from a contract must be authorised by the Town Clerk to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.



17. Value Added Tax

- 17.1. It is the RFO's responsibility to ensure that the VAT return is completed and despatched to HMRC by the end of the month following the month claimed (*or in accordance with current VAT legislation*) and that the VAT reclaimed/paid is correct.



18. Stores and equipment

- 18.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 18.2. 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.
- 18.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 18.4. The RFO shall be responsible for periodic checks of stocks and stores, at least annually.



19. Assets, properties and estates

- 19.1. The Town Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.
- 19.2. The RFO in conjunction with the Town Clerk shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.
- 19.3. 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.
- 19.4. 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).
- 19.5. No asset can be disposed of without Council approval unless within the disposal levels as designated in the Addendum. In each case a written report shall be provided to council with a full business case.



20. Insurance

- 20.1. The RFO shall keep a record of all insurances effected by the council and the property and risks covered. The Town Clerk and RFO shall review these annually before the renewal date in conjunction with the council's review of risk management.
- 20.2. Valuations for insurance purposes of buildings and high value assets should be considered every 3-5 years.
- 20.3. Changes to the scope of insurance cover or the provider of insurance shall be determined by the F&P Committee.
- 20.4. The Town 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.
- 20.5. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the F&P Committee at the next available meeting. The RFO shall negotiate all claims on the council's insurers in consultation with the Town Clerk.
- 20.6. 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.



21. Charities

- 21.1. Where the council is sole managing trustee of a charitable body the Town Clerk and RFO shall ensure that separate accounts are kept of the funds held in 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 Town Clerk and RFO shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.



22. Accountabilities

The Town Clerk, under the policy direction of the F&P Committee, shall be responsible overall for the proper administration of the Council's financial affairs.



23. Suspension and revision of Financial Regulations

- 23.1. It shall be the duty of the F&P Committee to review the financial requirements of the Council from time to time and to make sure recommendations to Council as the Committee considers are required.
- 23.2. As regards the items set out in the Addendum, the F&P Committee shall recommend annually to Council any variations it considers necessary.
- 23.3. 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.
- 23.4. 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.



24. Recording of Officer Decisions

The Access to Local Government Meetings and Documents (England) Local Audit and Accountability Act 2014, section 40 provide that, where officers' financial decisions materially affect the Council's budget they should be recorded separately.

- 24.1. The Town Clerk and other officers have the authority to incur expenditure as laid out in the Addendum to these financial regulations.
- 24.2. The Addendum shall be considered annually by the F&P Committee.
- 24.3. In accordance with 24.1 & 24.2 of these Financial Regulations together with the Council's Standing Orders Wokingham Town Council does not consider that such expenditure is likely to significantly affect the financial position of the Town Council.



ADDENDUM TO STANDING FINANCIAL REGULATIONS

Financial Limits for the Council Year Ending 31st March 2026

6. Procurement, Contracts and Tenders:

6.3 The limits of expenditure budget for year ending 31 March 2026 with delegated authority are:

Town Clerk	3%	£50,405
------------	----	---------

Any payments above these limits to be countersigned by Chair or Vice Chair of F&P and the Mayor.

Responsible Financial Officer	1%	£16,801
Grounds & Bloom Officer	1%	£16,801
Buildings & Market Officer	0.5%	£8,400
Amenities Officer	1%	£16,801
Civic Officer	0.25%	£4,200
Technical Officer	0.25%	£4,200
Allotments Officer	0.25%	£4,200
Events Co-Ordinator	0.25%	£4,200
Financial Assistant	0.25%	£4,200

6. Procurement, Contracts and Tenders:

6.20 The extent of new items and increases over estimated figures that can be agreed by committees as a percentage of the Council budget:

- (a) In the case of the F&P Committee, 1% (£16,801 2025/6)
- (b) Anything above 1% to be determined by Full Council
- (c) All other Council Committees, should not exceed their overall annual budget.

6. Procurement, Contracts and Tenders:

6.24	<p><u>Postholder</u> Town Clerk Responsible Finance Officer Buildings and Market Officer Amenities Officer Arts and Culture Officer Planning and Technical Officer Civic Officer</p>	<p><u>Deputy</u> Responsible Finance Officer Town Clerk Grounds and Bloom Officer Responsible Finance Officer Responsible Finance Officer Responsible Finance Officer Responsible Finance Officer</p>
------	---	--

8. Electronic payments:

8.4 (i) The maintained balance for the Town Clerk's Drawing Account is 60,000.

Wokingham Town Council Standing Financial Regulations



- (ii) The limit for payment for small items, from the Town Clerk's Drawing Account is £1,000.

11. Petty Cash:-

The Petty Cash float must not exceed the insured value of £1,000. The limit for any one purchase is £75.

15. Income Collection:

15.4 Bad debts may be written off as follows:

- (i) The Town Clerk has delegated authority for one or more debts up to a total of 0.25% of income budget (£3,995 2025/6) in any one fiscal year.
- (ii) By Finance & Personnel Committee up to 1% (£15,983 2025/6) of income budget.
- (iii) By Full Council if above 1% of income budget.

19. Property & Assets:-

19.4 Equipment may be removed from the inventory and disposed of as follows:

- (i) By the RFO up to £500
- (ii) By the Town Clerk up to £2,000
- (iii) By Finance & Personnel Committee up to £10,000
- (iv) By Finance & Personnel Committee and Full Council if above £10,000