

## Detailed Income &amp; Expenditure by Budget Heading 31/01/2026

Month No: 10

## Cost Centre Report

	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<b>100 General Income</b>							
1076 Precept	270,623	270,623	0			100.0%	
1077 LPC CIL	43,425	0	(43,425)			0.0%	43,425
1079 Funding Awards	2,000	0	(2,000)			0.0%	2,000
1080 Bank Interest	843	0	(843)			0.0%	
1081 CCLA Dividends	17,529	22,800	5,271			76.9%	
1999 Other Income	9,254	0	(9,254)			0.0%	2,890
General Income :- Income	<b>343,674</b>	<b>293,423</b>	<b>(50,251)</b>			<b>117.1%</b>	<b>48,315</b>
<b>Net Income</b>	<b>343,674</b>	<b>293,423</b>	<b>(50,251)</b>				
6001 less Transfer to EMR	48,315	0	(48,315)				
<b>Movement to/(from) Gen Reserve</b>	<b>295,359</b>	<b>293,423</b>	<b>(1,936)</b>				
<b>150 Administration</b>							
4000 Salaries	31,943	98,482	66,539		66,539	32.4%	
4005 Pension	17,967	22,181	4,214		4,214	81.0%	
4009 Bank Charges	92	0	(92)		(92)	0.0%	
4010 Casual Labour	989	0	(989)		(989)	0.0%	
4055 Expenses	749	1,000	251		251	74.9%	
4060 Training	1,044	450	(594)		(594)	231.9%	
4065 Chairman's Allowance	220	500	280		280	44.0%	
4070 Insurance	3,589	4,225	636		636	84.9%	
4075 Telephone & Internet	802	850	48		48	94.4%	
4080 IT Software and support	1,133	2,559	1,426		1,426	44.3%	
4090 Stationery	294	300	6		6	98.0%	
4091 Cleaning products	2	50	48		48	4.9%	
4100 Printer/copier	317	675	358		358	46.9%	
4105 Office Equipment	68	800	732		732	8.5%	
4106 Office IT equipment	0	500	500		500	0.0%	
4115 Audit	1,740	1,800	60		60	96.7%	
4120 Subscriptions	1,023	1,750	727		727	58.5%	
4135 CCTV Maintenance	0	350	350		350	0.0%	
4136 Alarm Maintenance	335	0	(335)		(335)	0.0%	
4140 Communication & Engagement	6	200	194		194	3.2%	
9990 24/25 Errors	118	0	(118)		(118)	0.0%	
Administration :- Indirect Expenditure	<b>62,432</b>	<b>136,672</b>	<b>74,240</b>	<b>0</b>	<b>74,240</b>	<b>45.7%</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(62,432)</b>	<b>(136,672)</b>	<b>(74,240)</b>				

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<b>200 Grounds Maintenance</b>							
4200 Equipment Repairs & Servicing	324	500	176		176	64.8%	
4205 Equipment Replacement	346	500	155		155	69.1%	
4210 Vehicle Insurance & Road Tax	562	1,000	438		438	56.2%	
4215 Fuel	212	900	688		688	23.5%	
4225 Play Equipment Repairs	483	2,500	2,017		2,017	19.3%	
4230 Playground Inspection	600	265	(335)		(335)	226.4%	
4235 Grass Cutting	5,943	9,250	3,307		3,307	64.2%	
4245 Other Grounds Costs	4,131	5,130	999		999	80.5%	
4246 Himalayan Balsam Removal	672	2,000	1,328		1,328	33.6%	
4250 Waste Disposal	1,001	1,550	549		549	64.6%	
4255 Tree Surgery	3,180	5,000	1,820		1,820	63.6%	
4260 Hedge Cutting	73	312	239		239	23.3%	
4265 Mill Road Water Supply	192	0	(192)		(192)	0.0%	
4600 Miscellaneous expenditure	977	0	(977)		(977)	0.0%	
Grounds Maintenance :- Indirect Expenditure	<b>18,695</b>	<b>28,907</b>	<b>10,212</b>	<b>0</b>	<b>10,212</b>	<b>64.7%</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(18,695)</b>	<b>(28,907)</b>	<b>(10,212)</b>				
<b>210 Village Planting</b>							
1205 Liss in Bloom Fundraising	2,510	0	(2,510)			0.0%	
Village Planting :- Income	<b>2,510</b>	<b>0</b>	<b>(2,510)</b>				<b>0</b>
4300 Village Planting Expenditure	1,487	1,500	14		14	99.1%	
Village Planting :- Indirect Expenditure	<b>1,487</b>	<b>1,500</b>	<b>14</b>	<b>0</b>	<b>14</b>	<b>99.1%</b>	<b>0</b>
<b>Net Income over Expenditure</b>	<b>1,023</b>	<b>(1,500)</b>	<b>(2,523)</b>				
<b>220 LCR</b>							
1225 EHDC LCR grant	(32)	0	32			0.0%	
LCR :- Income	<b>(32)</b>	<b>0</b>	<b>32</b>				<b>0</b>
<b>Net Income</b>	<b>(32)</b>	<b>0</b>	<b>32</b>				
<b>500 Grants &amp; Donations</b>							
5050 Community Group Grants	12,520	16,586	4,066		4,066	75.5%	
5060 LPC Charity Grants	65,280	65,280	0		0	100.0%	
Grants & Donations :- Indirect Expenditure	<b>77,800</b>	<b>81,866</b>	<b>4,066</b>	<b>0</b>	<b>4,066</b>	<b>95.0%</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(77,800)</b>	<b>(81,866)</b>	<b>(4,066)</b>				

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	Actual Year To Date	Current Annual	Variance Annual	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>600</u> <u>Loan Servicing</u>							
6005 Pavilion Loan	24,199	27,478	3,279		3,279	88.1%	
Loan Servicing :- Indirect Expenditure	<u>24,199</u>	<u>27,478</u>	<u>3,279</u>	<u>0</u>	<u>3,279</u>	<u>88.1%</u>	<u>0</u>
<b>Net Expenditure</b>	<u>(24,199)</u>	<u>(27,478)</u>	<u>(3,279)</u>				
<u>700</u> <u>Capital Projects</u>							
6105 Play equip. & safety surfacing	0	5,000	5,000		5,000	0.0%	
6110 Grounds equipment replacement	0	5,000	5,000		5,000	0.0%	
6150 EMR Expenditure	30,793	0	(30,793)		(30,793)	0.0%	30,793
6555 Feasibility Studes	0	7,000	7,000		7,000	0.0%	
Capital Projects :- Indirect Expenditure	<u>30,793</u>	<u>17,000</u>	<u>(13,793)</u>	<u>0</u>	<u>(13,793)</u>	<u>181.1%</u>	<u>30,793</u>
<b>Net Expenditure</b>	<u>(30,793)</u>	<u>(17,000)</u>	<u>13,793</u>				
6000 plus Transfer from EMR	30,793	0	(30,793)				
<b>Movement to/(from) Gen Reserve</b>	<u>0</u>	<u>(17,000)</u>	<u>(17,000)</u>				
Grand Totals:- Income	<u>346,152</u>	<u>293,423</u>	<u>(52,729)</u>			<u>118.0%</u>	
Expenditure	<u>215,406</u>	<u>293,423</u>	<u>78,017</u>	<u>0</u>	<u>78,017</u>	<u>73.4%</u>	
<b>Net Income over Expenditure</b>	<u>130,746</u>	<u>0</u>	<u>(130,746)</u>				
plus Transfer from EMR	<u>30,793</u>	<u>0</u>	<u>(30,793)</u>				
less Transfer to EMR	<u>48,315</u>	<u>0</u>	<u>(48,315)</u>				
<b>Movement to/(from) Gen Reserve</b>	<u>113,224</u>	<u>0</u>	<u>(113,224)</u>				

## Earmarked Reserves

Account	Opening Balance	Net Transfers	Closing Balance
324 EMR - Play Equipment & Surface	31,776.53		31,776.53
329 EMR - Xmas Decorations	950.04	-16.67	933.37
335 EMR - RiversideWalk Volunteers	1,137.83	-318.36	819.47
336 EMR - Village Planting (LIB)	2,407.55	-41.93	2,365.62
339 EMR - CIL	12,694.76	27,760.85	40,455.61
340 EMR - VH EnergyWks (HCC Grant)	2,499.00		2,499.00
346 EMR - Mill Road Community Gdn	2,568.55	-2,568.55	0.00
348 EMR - Elections	7,310.00		7,310.00
349 EMR - Grounds and Building Pro	18,734.34		18,734.34
350 EMR - NC Rec Improvements	8,592.74	-2,890.00	5,702.74
356 EMR - Ceremonial Costs	1,217.59	-474.00	743.59
358 EMR - VillageCentreImp. (CIL)	37,571.50		37,571.50
359 EMR - NC MUGA (CIL)	47,000.00	-5,050.00	41,950.00
360 EMR - Drainage & Pitch Improve	1,280.00	-1,280.00	0.00
361 EMR - School Zone Imp. (s106)	10,000.68	-10,000.68	0.00
362 EMR - Liss Forest Imp. (CIL)	5,573.34	1,280.00	6,853.34
363 EMR - Allotment Improvements	2,193.12	-890.34	1,302.78
367 EMR - Enviromental Imp. (CIL)	7,156.36	-1,145.00	6,011.36
368 EMR - Highways Improvements	14,480.43	1,800.68	16,281.11
369 EMR - Emergency Response	2,970.39		2,970.39
370 EMR - In Year Grants	600.00	-600.00	0.00
374 EMR - Eco Appraisal	73.10	-73.10	0.00
376 EMR - NC Signage Grant	20.00	-20.00	0.00
377 EMR - Riverside Walk Path(CIL)	994.10		994.10
378 EMR - Bug Hotels (DC Grant)	1,145.00	-940.00	205.00
379 EMR - Energy Funding(HCCGrant)	4,990.00	-4,990.00	0.00
380 EMR - VC Feas. Study (CIL)	130,000.00	10,000.00	140,000.00
383 EMR - Wildlife Boxes (CIL)	0.00	500.00	500.00
384 EMR - Table Tennis-LF/NC (CIL)	0.00	10,355.14	10,355.14
385 EMR - Pav. Solar (EHDC Grant)	0.00	-4,405.00	-4,405.00
	<b>355,936.95</b>	<b>15,993.04</b>	<b>371,929.99</b>

**LPC CIL RECEIVED**

<b><u>YEAR</u></b>	<b><u>AMOUNT</u></b>	<b><u>TOTAL TO DATE</u></b>
<b>18-19</b>	6,281.18	6,281.18
<b>19-20</b>	5,033.48	11,314.66
<b>20-21</b>	162,171.53	173,486.19
<b>21-22</b>	193,604.68	367,090.87
<b>22-23</b>	50,914.98	418,005.85
<b>23-24</b>	10,744.42	428,750.27
<b>24-25</b>	0.00	428,750.27
<b>25-26(1)</b>	4,387.28	433,137.55
<b>25-26(2)</b>	<b>39,037.78</b>	<b>472,175.33</b>

<b>TOTAL RECEIVED:</b>	<b>£472,175.33</b>
<b>TOTAL ALLOCATED:</b>	<b>£431,719.72</b>
<b><u>TOTAL REMAINING:</u></b>	<b><u>£40,455.61</u></b>

<u>EXPENDITURE</u>	<u>AMOUNT ALLOCATED</u>	<u>AMOUNT SPENT</u>	<u>DATE SPENT</u>	<u>AMOUNT REMAINING</u>	<u>RESOLUTION</u>	<u>STATUS</u>
New Liss Pavilion - Construction Costs (Groundworks - Contractor progress Payment 2)	4135.72	4135.72	Sep-18	0.00	99/18	Approved and spent.
New Liss Pavilion - Internal Fit Out Costs (Chairs)	987.98	987.98	Apr-19	0.00	164/18	Approved and spent.
New Liss Pavilion - Internal Fit Out Costs (Chairs)	1157.49	1157.49	Apr-19	0.00	74/19	Approved and spent.
Path to new Petanque Terrain, Liss Forest Recreation Ground	2970	2970	Apr-21	0.00	09/PR21	Approved and spent.
Install of free equipment, Mill Road Community Garden	1595	1595	Oct-21	0.00	09/PR21	Approved and spent.
Install of watering system in village centre for hanging baskets	445	445	Jun-21	0.00	39/21	Approved and spent.
Village Hall Building Maintenance (Repainting and repair external windows)	5033.48	5033.48	Jun-21	0.00	77/20	Approved and spent.
Mill Road Community Garden	5000	5000	Oct-21	0.00	61/21	Approved and spent.
New public noticeboard, village centre	610	610	Jul-21	0.00	82/21	Approved and spent.
Two sets of moveable goal posts, WL & NC	3775.77	3775.77	Jan-22	0.00	137/21	Approved and spent.
West Liss Play Area	15000	15000	Jul-22	0.00	157/22	Approved and spent.
Sports Wall at Newman Collard	5584.98	5584.98	Jun-22	0.00	157/22	Approved and spent.
Fees associated with floodlight installation, Newman Collard	1151	1151	Mar-23	0.00	157/22	Approved and spent. Resolution approved up to £2,500 but full amount not required.
West Liss Play Area	10000	10000	Jul-22	0.00	201/22	Approved and spent.
Crossover youth project	5206	5206	Oct-23	0.00	241/22 144/23 89/24	Approved and spent. Resolution approved up to £7,500 but full amount not required.
Pump track at West Liss EMR 351	56,747.54	56747.54	Various	0.00	257/22 21/23 107/23 175/23	Approved and spent. Original allocation was £106,831.01. National Lottery award of £53,000 (and £47,613.47 & £2,470 returned to general CIL pot).
Install of free outdoor gym equipment at West Liss.	950	950.00	Dec-23	0.00	176/23	Approved and spent.
Table tennis at West Liss Recreation Ground	5550	5550.00	Jul-24	0.00	52/24	Approved and spent.

Additional outward facing bench at Mill Road Community Garden	815.56	815.56	Aug-24	0.00	89/24	Approved and spent.
New Speed Indicator Device	4,000	4000.00	Oct-24	0.00	103/24	Approved and spent.
Highways improvements					57/24 & 154/24	The £50,000 was subsequently reallocated to Village Centre Feasibility EMR.
Ecological appraisal of LPC sites	3,227	3226.90	Dec-24	0.00	55/24	Spent. Originally allocated up to £3,300. Invoice for £3,226.90 leaving £73.10 which was returned to unallocated CIL EMR 339.
Triangle Community Centre - paving works	5,040	5040.00	Feb-25	0.00	89/24	Approved and spent.
Riverside Walk Gate EMR 382	595	595.00	Sep-25	0.00	92/25	Spent. Gate complete (£595). Remainder of £2,000 sum allocated returned to unallocated CIL pot.
Riverside Walk Water Supply EMR 381	4,287	4287.17	Aug-25	0.00	92/25	Spent. Up to £4,300 allocated. £3, 287.17 spent in August 2025 for water pipe works. £1,000 paid to HR in November 2025. £12.83 returned to unallocated CIL pot.
<b>TOTAL SPENT:</b>		<b>143864.59</b>				
MUGA at Newman Collard (NCPFT lead) EMR 359	50000	5300.00	4/24 & 10/25	41950.00	32/24	Release of funds as follows: £3,000 for Design and Planning in April 24, £2,300 for Noise Assessment fee in February 25 and £2,750 for Planning Appeal Fee in December 2025.
Village Centre Improvement Project Match Funding EMR 358	50000	37571.50	Various	12428.50	227/22 & 143/23 & 154/24	£50,000 of the sum allocated for platform extension (2/6/22), £12,500 of which is allocated to fund a feasibility study. £12,428.50 spent on Network Rail feasibility study 03/24.

Liss Forest Recreation Ground play & leisure enhancements EMR 362	40000	34426.66		5573.34	33/23, 32/24, 103/24	Moveable football goals: £1,991.66 (20/3/23). Multi play unit: £25,085 (23/6/23 & 8/9/23). Drainage: £2,500 ditch digging (8/9/23) & £740 - of the £5,000 of the sum allocated for phase 1 of drainage works (55/23 a & b). £4,110 new fencing (22/5/24). £15,573.34 remaining: SDNPA CIL of £40,000 was awarded for remainder of works required in fenced play area so £10,000 of the original allocation of £50,000 was returned to the unallocated pot (Resolution 103/24).
Green space projects/ Environmental improvements EMR 367	5000	1655.83		3344.17	33/23	Additional environmental aspects to the Mill Road Community Garden. Other sums have also been sought for green space projects - to return to Facilities at a later date. £2,000 committed for water supply to orchard (Res. 85/23). £1,320 spent on connection (8/6/23).
Village Centre Feasibility and Preliminary Design Work EMR 380	130,000			130000.00	154/24	Plus £10,000 from budget 24/25 to provide a total of £140,000 in EMR 380.
Riverside Walk Path Improvements EMR 377	2,000	1005.90	Mar-25	994.10	155/24	Partially spent in March 25. Invoice to be paid for further works reducing the sum remaining to zero.
Wildlife Boxes EMR 383	500			500.00	109/25	
Table Tennis - LF & NC EMR 384	10,355			10355.14	109/25	

**TOTAL ALLOCATED**

**£ 431,719.73**





## **LISS PARISH COUNCIL FINANCIAL REGULATIONS**

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These Financial Regulations were adopted by the Council at its meeting held on 19<sup>th</sup> May 2025.

## 1. General

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

- **the outcome of a review of the effectiveness of its internal controls**
- **approving accounting statements;**
- **approving an annual governance statement;**
- **borrowing;**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors**

1.7. In addition, the Council shall:

- determine and regularly review the bank mandate for all Council bank accounts;
- authorise any grant or single commitment in excess of £5,000; and

## **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 shall prepare, for approval by the Council, a risk management policy covering all activities of the Council. This policy and consequential risk management arrangements shall be reviewed by the Council at least annually.
- 2.3. When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration by the Council.
- 2.4. **At least once a year, the Council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**
- 2.5. **The accounting control systems determined by the RFO must include measures to:**
  - **ensure that risk is appropriately managed;**
  - **ensure the prompt, accurate recording of financial transactions;**
  - **prevent and detect inaccuracy or fraud; and**
  - **allow the reconstitution of any lost records;**
  - **identify the duties of officers dealing with transactions and**
  - **ensure division of responsibilities.**
- 2.6. At least once in each quarter, and at each financial year end, a member other than the Chair 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 Finance Committee.
- 2.7. Regular back-up copies shall be made of the records on any Council computer and stored either online or in a separate location from the computer. The Council shall

put measures in place to ensure that the ability to access any Council computer is not lost if an employee leaves or is incapacitated for any reason.

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

- 3.1. All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.
- 3.2. **The accounting records determined by the RFO must be sufficient to explain the Council's transactions and to disclose its financial position with 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 Finance Committee at least annually in October/November for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the Finance Committee.

4.3. No later than October 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. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.

4.5. Each committee shall review its draft budget and submit any proposed amendments to the Finance Committee not later than the end of October 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 Committee in November and a recommendation made to the 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 December 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.
- 4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the Council.

## **5. Procurement**

- 5.1. **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.
- 5.2. The RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.
- 5.3. Every contract shall comply with the Council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.
- 5.4. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**
- 5.5. Where the estimated value is below the Government threshold, the Council shall (with the exception of items listed in paragraph 6.12) obtain prices as follows:
- 5.6. For contracts estimated to exceed £60,000 including VAT, the Clerk shall seek formal tenders from at least three suppliers agreed by the relevant committee or advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.

- 5.7. **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.**
- 5.8. For contracts greater than £5,000 excluding VAT the Clerk shall seek at least 3 fixed-price quotes;
- 5.9. where the value is between £500 and £5,000 excluding VAT, the Clerk shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.
- 5.10. For smaller purchases, the clerk shall seek to achieve value for money.
- 5.11. **Contracts must not be split into smaller lots to avoid compliance with these rules.**
- 5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:
- i. specialist services, such as legal professionals acting in disputes;
  - ii. repairs to, or parts for, existing machinery or equipment;
  - 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.
- 5.13. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the Council or relevant committee. Avoidance of competition is not a valid reason.
- 5.14. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- 5.15. Individual purchases within an agreed budget for that type of expenditure may be authorised by:
- the Clerk, under delegated authority, for any items below £500 excluding VAT.
  - the Clerk, in consultation with the Chair of the Council or Chair of the Finance Committee, for any items below £2,000 excluding VAT.
  - a duly delegated committee of the Council for all items of expenditure within their delegated budgets for items under £5,000 excluding VAT.
  - in respect of grants, a duly authorised committee within any limits set by Council and in accordance with any policy statement agreed by the Council.
  - the Council for all items over £5,000.

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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.

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

- 5.16. No individual member, or informal group of members may issue an official order or make any contract on behalf of the Council.
- 5.17. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the Council or a duly delegated committee acting within its Terms of Reference except in an emergency.
- 5.18. In cases of serious risk to the delivery of Council services or to public safety on Council premises, the 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 Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.
- 5.19. 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. 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 Lloyds. The arrangements shall be reviewed annually for security and efficiency.
- 6.2. The Council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the Council's bank.
- 6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the Council or relevant committee before being certified by the RFO.
- 6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.
- 6.5. All payments shall normally be made by online banking, in accordance with a resolution of the Council or duly delegated committee or a delegated decision by an officer.
- 6.6. For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Finance Committee may authorise in advance for the year.



- 6.7. A list of such payments shall be reported to the next appropriate meeting of the Council.
- 6.8. The Clerk and RFO shall have delegated authority to authorise payments only in the following circumstances:
- i. any payments of up to £500 excluding VAT, within an agreed budget.
  - ii. payments of up to £2,000 excluding VAT in cases of serious risk to the delivery of Council services or to public safety on Council premises.
  - iii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Council.
  - iv. Fund transfers within the Council's banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Council.
- 6.9. The RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting to the Council. The Council shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

## **7. Electronic payments**

- 7.1. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate agreed by the Council shall identify a number of Councillors who may authorise transactions on those accounts. The Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves. A minimum of two people (Clerk & RFO/ Clerk/ Assistant Clerk/Project Officer/ Chair of Finance) 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 Service Administrator shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent by email to two authorised signatories.
- 7.4. In the absence of the Service Administrator the Clerk or Assistant Clerk shall set up any payments due before the return of the Service Administrator.
- 7.5. Two Councillors who are authorised signatories shall check the invoice details before approving each payment by e-mail.

- 7.6. Evidence shall be retained showing which members approved the payment via e-mail 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 Council meeting and appended to the minutes.
- 7.8. With the approval of the Finance 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 two authorised members. The approval of the use of each variable direct debit shall be reviewed by the Finance Committee at least every two years.
- 7.9. Payment may be made by BACS or CHAPS by resolution of the Finance Committee provided that each payment is approved via e-mail by two authorised bank signatories, evidence is retained and any payments are reported to the Council at the next meeting. The approval of the use of BACS or CHAPS shall be renewed by resolution of the Council at least every two years.
- 7.10. If thought appropriate by the Council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed or approved online by two members, evidence of this is retained and any payments are reported to Council when made. The approval of the use of a banker's standing order shall be reviewed by the Finance Committee at least every two years.
- 7.11. Account details for suppliers may only be changed upon written notification by the supplier verified by two of the Clerk, Assistant Clerk and the RFO. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.
- 7.12. 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.
- 7.13. The officer (Clerk/RFO/Assistant Clerk) releasing the payment under the electronic dual authorisation process shall ensure the payment details match.

## **8. Cheque payments**

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

## **9. Payment cards**

- 9.1. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by Council or Finance Committee in writing before any order is placed.
- 9.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Finance Committee. Transactions and purchases made will be reported to the Council and authority for topping-up shall be at the discretion of the Finance Committee.
- 9.3. Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by any member of staff as approved by the Clerk and any balance shall be paid in full each month.
- 9.4. Personal credit or debit cards of members or staff shall not be used except for expenses of up to £250 including VAT, incurred in accordance with Council policy.

## **10. Petty Cash**

- 10.1. The Council will not maintain any form of cash float. All cash received must be banked as soon as possible and intact.

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

- 11.1. **As an employer, the Council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 11.2. **Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 11.3. Salary rates shall be agreed by the staff 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 staff committee.
- 11.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.
- 11.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.
- 11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the Clerk to ensure that the correct payments have been made. The Chair of Finance shall carry out a quarterly check of the payroll.
- 11.7. Any termination payments shall be supported by a report to the Council, setting out a clear business case. Termination payments shall only be authorised by the full Council.
- 11.8. Before employing interim staff, the Council must consider a full business case.

## **12. Loans and investments**

- 12.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full Council and recorded in the

minutes. All borrowing shall be in the name of the Council, after obtaining any necessary approval.

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

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

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

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

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

### **13. Income**

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

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

13.3. Any sums found to be irrecoverable and any bad debts shall be reported to the Finance Committee by the RFO and shall be written off in the year. The Council's approval shall be shown in the accounting records.

13.4. All sums received on behalf of the Council shall be deposited intact with the Council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.

13.5. Personal cheques shall not be cashed out of money held on behalf of the Council.

13.6. The RFO shall ensure that VAT is correctly recorded in the Council's accounting software. Any repayment claim under section 33 of the VAT Act 1994 shall be made quarterly where the claim exceeds £100 and at least annually at the end of the financial year.

13.7. Any income that is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the Council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any Council meeting.

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

- 14.1. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.
- 14.2. Any variation of, addition to or omission from a contract must be authorised by the Clerk to the contractor in writing, with the Council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

## **15. Stores and equipment**

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

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

- 16.1. The Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the Council.
- 16.2. The 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.
- 16.3. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.
- 16.4. No interest in land shall be purchased or otherwise acquired, sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law. In each case a written report shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).

No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, except where the estimated value of any one item does not exceed £500. In each case a written report shall be provided to Council with a full business case.

## **17. Insurance**

- 17.1. The Clerk 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 take prompt action to ensure cover of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 17.3. The Clerk 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. The Clerk shall negotiate all claims on the Council's insurers.
- 17.4. All appropriate members and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the Council, or duly delegated committee.

## **18. 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 and following any change of clerk or RFO. The Clerk shall monitor changes in legislation or proper practices and advise the Council of any need to amend these Financial Regulations.
- 19.2. The Council may, by resolution duly notified prior to the relevant meeting of Council, suspend any part of these Financial Regulations, provided that reasons for the suspension are recorded and that an assessment of the risks arising has been presented to all members. Suspension does not disapply any legislation or permit the Council to act unlawfully.
- 19.3. The Council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

## **Appendix 1 - Tender process**

- 1) Any invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases.
- 2) The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post, unless an electronic tendering process has been agreed by the Council.
- 3) Where a postal process is used, each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of Council.
- 4) Where an electronic tendering process is used, the Council shall use a specific email address that will be monitored to ensure that nobody accesses any tender before the expiry of the deadline for submission.
- 5) Any invitation to tender issued under this regulation shall be subject to Standing Order 5 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.

***Approved by Liss Parish Council on 19<sup>th</sup> May 2025.***

***To be reviewed annually.***

### Financial Risk Assessment for Liss Parish Council 2026

No.	Internal Control Tests	Findings
<b>1</b>	<b>Proper Bookkeeping</b>	
1.1	Is the cashbook maintained and up to date? Format used?	Rialtas Omega accounting software is used for cashbook entries. The correct coding is applied for income and expenditure and is up to date.
1.2	Is the cashbook arithmetically correct?	The correctness of the cash book is proven by regular bank reconciliations.
1.3	Is the cashbook regularly balanced?	At least once in each quarter, and at each financial year end, a member other than the Chair shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the Finance Committee. Quarterly review of budget to actual, with notes on any variances, is reported to the Council's Finance Committee.
<b>2a</b>	<b>Standing Orders and Financial Regulations</b>	
2.1	Has the Council formally adopted standing orders and financial regulations, & dates approved?	Standing Orders were updated and approved by full Council on <del>19<sup>th</sup> May 2025</del> <sup>16<sup>th</sup> September 2024</sup> . <del>Financial Regulations were updated and approved by full Council on 19<sup>th</sup> May 2025. These are based on the NALC Model Financial Regulations dated March 2025</del> <del>Financial Regulations were updated 2023 and are currently being updated in line with the new April 2024 model (these are due to be considered by Finance Committee on 24<sup>th</sup> February with view to approval by full Council on 17<sup>th</sup> March 2025).</del> Both Standing Orders and Financial Regulations <del>are</del> <sup>will be</sup> reviewed for consideration in each new Council year.
2.2	Has an RFO been appointed with specific duties noted in both contract & Fin. Regs?	Yes - an RFO has been appointed and the RFO and the specific duties and levels of responsibility are included within the Financial Regulations.
2.3	Have items or services above a de minimis amount been competitively purchased?	There is an emergency limit of £2,000 and the large contracts are subject to normal tendering arrangements.
<b>2b</b>	<b>Payments Controls</b>	

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### Financial Risk Assessment for Liss Parish Council 2026

2.4	Are payments in the cashbook supported by invoices, authorised and minuted?	All expenditure is supported by proper vouchers, which are checked for accuracy (including VAT) and fully cross-referenced by voucher number to the cashbook. <del>Payments are checked and authorised by two councillors.</del> <del>Payments are made electronically</del> Electronic payments by bank transfer, <del>are generally used to make payment. The details are checked and authorised by two councillors who are members of the Finance Committee and one officer. These</del> electronic payments are <del>then set up by an officer (usually the Clerk/RFO) . and then</del> checked and released by an <del>other</del> officer (usually the Assistant Clerk or Admin Officer). <del>T(hree officers and the Chair of Finance have access to the bank to enable payments to be made during absences, usually the Clerk). C</del> Any cheques are <del>no longer used, signed by any two Councillors who are members of the Finance Committee who sign the payment requisitions and one officer. The Assistant Clerk has also been given authority to set up or approve payments in the absence of either the Clerk or RFO.</del>
2.5	Has VAT on payments been identified, recorded and reclaimed? Frequency, & refunds into which A/c?	Proper VAT vouchers are retained, and VAT is reclaimed quarterly using the HMRC online facility.
2.6	Is s137 expenditure separately recorded and within statutory limits?	Section 137 payments (when utilised) are coded separately in the cashbook, with details shown in Year-end accounts. <del>No Section 137 payments were made in the financial year 2024/25.</del>
<b>3</b>	<b>Risk Management Arrangements</b>	
3.1	Internal auditor scans the minutes to identify any unusual financial activity, projects, event etc.?	The minutes of the various committees will recommend action regarding income and expenditure, and these will then be confirmed by the Full Council monthly unless the expenditure is within the committee's agreed budget.
3.2	Do the minutes record the Council carrying out any annual risk assessments? Play areas/BMX/Skateparks regularity of checks & documentation?	The Facilities and Charities Committees note reports of the annual and quarterly inspections which are conducted by The Play Inspection Company Ltd. As well as tree inspections. Other risk assessments are carried out in line with the Health & Safety Policy approved by Council on 18 <sup>th</sup> December 2023.
3.3	Is insurance cover appropriate and adequate? Policy nos. & broker/company? FG cover level correct?	Insurance cover is held with Zurich (policy no YYL272006-9713) on a standard Local Council policy basis. The current policy is dated until 7.6.2026. Fidelity guarantee cover is held at £100,000. Public Liability cover is £10m. The

### Financial Risk Assessment for Liss Parish Council 2026

		insurance cover is subject to constant review as and when required and <u>is approved by Council on an annual basis.</u> <del>was most recently approved by Council on 17<sup>th</sup> February 2025.</del>
3.4	Are internal financial controls documented and reviewed regularly?	This financial risk assessment is updated annually.
<b>4</b>	<b>Budgetary Controls</b>	
4.1	Has the Council prepared an annual budget in support of its precept? Council minute & date?	The annual budget in support of its precept request is prepared each October/November and presented to the Finance Committee for consideration. This is then ratified at Full Council. For the 202 <del>5</del> /2 <del>7</del> <u>6</u> financial year this was approved by Council on 1 <del>5</del> <u>7</u> th December 2025 (minute reference <del>166149/254</del> ).
4.2	Is actual expenditure against the budget regularly reported to the Council, examined for consistency & minuted?	The RFO formally presents a quarterly budget update summary (with detailed Income and Expenditure) to the Finance Committee under delegated arrangements. This is minuted and the minutes are presented to Council for noting.
4.3	Are there any significant and unexplained variances on budget?	The RFO will detail and explain any major variances, with any suggestions for transfer between budget heads, to each quarterly meeting.
<b>5</b>	<b>Income Controls</b>	
5.1	Is income properly recorded and promptly banked? Yearly review of scale of fees?	Receipts are issued for any cash income (which is generally avoided) and for all rental and allotment income when requested. Invoices for lettings are raised monthly. When invoices are paid the invoice is moved into the paid file. <del>A</del> <u>W</u> debtor and creditor report will be produced by the RFO at least quarterly and any unpaid invoices then chased for payment by the Assistant Clerk. Income is cross-referenced by invoice number in the ledger. Other receipts come from grants, bank interest, allotment fees. A yearly review of fees is undertaken as part of the budget setting process and approved by the Charities Committee under delegated arrangements.
5.2	Does the precept recorded in the cashbook agree to the DC's notification?	The two precept receipts for April and October are noted in the cashbook <u>and</u> <del>any documentation for the Council Tax Support grant held on file.</del>
5.3	Are security controls over cash adequate and	Payment is encouraged primarily by bank transfer and cash receipt are now very

### Financial Risk Assessment for Liss Parish Council 2026

	effective?	rare (and small). Signage states that no cash is kept on the premises. The whole Parish Office is alarmed with passive, infrared sensors, which are linked to a security company for alarm call outs.
<b>6</b>	<b>Petty Cash Procedures</b>	Petty cash is no longer used.
6.1	Is all petty cash spent noted in book / sheets with pro forma &/or voucher to support, esp. those with VAT? Imprest basis used?	/
6.2	Is petty cash reported to each Council meeting?	/
6.3	Is petty cash reimbursement carried out regularly?	/
<b>7</b>	<b>Payroll Controls</b>	
7.1	Do staff salaries/wages paid agree with those approved & minuted by the Council (delegated to Staff Committee) & what is review frequency?	All staff are on Local Government Pay Scales relevant to their positions. Staff annual reviews <del>take place annually and sufficient staff budget provision is allocated, are scheduled in July each year to inform the autumn budget setting process.</del> To ensure Sage payroll and the agreed pay rates match all one member of the Staff Committee will under a quarterly check.
7.2	Are other payments to the officers reasonable and approved by the Council?	There are few receipted expenses paid to officers separately to the monthly salary payment. These are subject to the payment authorisation process outlined at 2.4.
7.3	Have PAYE/NIC/Pensions been properly operated by Council as an employer? Payment frequencies/method?	The RFO uses Sage payroll tools to calculate all salaries and wages including PAYE/NIC/Pension Contributions. The RFO prepares the monthly payroll run. Payments are then made by bank transfer from the Current Account direct to staff. PAYE/NIC/Pension Contributions paid by BACS to HMRC by bank transfer.
<b>8</b>	<b>Assets Controls</b>	
8.1	Does Council keep an asset register of all assets owned incl. Serial nos.? Annual physical check noted?	A full asset register is maintained showing location, cost, the year of purchase and insurance value.
8.2	Are the Asset/Investments registers up to date incl. disposals? Note all Investments held with a/c nos.	The asset register is maintained on a regular basis as required for purchases and disposals and approved by Council annually. <del>-(most recently on 17<sup>th</sup> February 2025).</del>

### Financial Risk Assessment for Liss Parish Council 2026

		The Insurance cover is updated regularly as items are purchased and at renewal as at 3.3 and approved by Council annually. <del>(most recently on 19<sup>th</sup> February 2024).</del>
8.3	Do asset insurance valuations agree with those in the asset register?	Insurance valuations are prepared on an individual equipment basis and grouped for inclusion within the statement of accounts each year. An annual inventory check of assets is carried out and the asset register updated as necessary.
<b>9</b>	<b>Bank Reconciliation</b>	
9.1	Is there a Bank reconciliation for each account held?	Yes – These are carried out by the RFO/ <u>Clerk or Assistant Clerk</u> for each bank account held and amounts cross-checked by the Chair of the Finance Committee.
9.2	Are Bank reconciliations conducted on receipt of statements & with what frequency?	Yes - Monthly bank reconciliations of the accounts are prepared when the bank statements are received, or online statements produced.
9.3	Are there any unexplained balancing entries in any reconciliation?	No - Signed/dated, monthly reconciliations are held within the computer system, with an annual printout at year-end, which is also signed and dated.
<b>10</b>	<b>Year-end Procedures</b>	
10.1	Are Year-end, final accounts prepared on a Receipts and Payments or Income and Expenditure basis?	Receipts and payments basis.
10.2	Do the accounts agree with the cashbook codings?	The final accounts are agreed by the Internal Auditor with the analysed cashbook and Trial Balance confirming balances held.
10.3	Is there an audit trail from underlying financial records to the accounts, for both receipts & payments?	An income and expenditure report is agreed by Finance Committee and year end, at year-end, grouping items for the statement of accounts. Audit trail information already detailed above, refer to 2.4 and 5.1.
10.4	Where appropriate, have debtors and creditors been properly recorded? Are year-end, General & Earmarked reserves held at reasonable levels?	Full summary analysis of debtors and creditors is prepared with the trial balance figures, with attached outstanding invoices held with Year-end documentation. General Reserves and Earmarked Reserves are reviewed regularly by Finance Committee.
<b>11.</b>	<b>Review</b>	

### Financial Risk Assessment for Liss Parish Council 2026

11.1	Is there an established process for the review of this document	Review of the Financial Risk Assessment is specified as an annual responsibility under the Terms of Reference for the Finance Committee which then makes recommendations for approval to full Council.
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Approved by Liss Parish Council on ~~16~~<sup>7</sup>~~th~~ March 202~~6~~<sup>5</sup>.

To be reviewed annually.