



Littlehampton Town Council

Finance and Governance



Intro

- Councillors are responsible for the council's funds, ensuring their Council complies with the relevant legislation and government codes and spending the money in accordance with the needs and aspirations of their local community
- The council must ensure that one of its officers has responsibility for financial matters; that officer is legally known as the **Responsible Financial Officer** (RFO)

Guidance

- Statutory Guidance
 - Local Audit and Accountability Act 2014
 - Accounts and Audit Regulations 2015
 - Local Government Transparency Code 2015
 - Governance & Accountability for Smaller Authorities in England





Guidance

- Littlehampton Town Council
 - Standing Orders and Financial Regulations
 - Procurement Policy
 - Scheme of Delegation to Officers
 - Earmarked Reserves Policy
 - Annual Investment Strategy



Financial Administration

- Omega – accounting package for larger councils
- Sage Payroll
- Current Account and Instant Access Account – authorised signatories:
 - The Mayor
 - Chair of Policy & Finance, Property & Personnel, Community & Resources, Planning & Transportation



Purchasing

- Official orders are raised for all work, goods or services and authorised by the Town Clerk, Assistant Town Clerk or A Team Co-Ordinator. RFO in absence of all others
- All purchase invoices are matched with the order and authorised by the RFO, TC or ATC
- Orders, invoices & a schedule of payments are included with the cheques for authorised signatories to review before signing
- Bank reconciliations & original bank statements are verified & signed by the Chair of P&F



Estimated Value			Method of Invitation	Acceptance by
0	to	£1,499	Best Practice to be followed, in line with Procurement Strategy	Town Clerk
£1,500	to	£16,000	Minimum of three invitations for quotations	Town Clerk
£16,000	to	£32,500	Minimum of four invitations for quotations <u>Advertise contracts over £25,000 on Contracts Finder website within 24 hours of advertising elsewhere</u>	Town Clerk
£32,500	to	£60,000	Minimum of five invitations for quotations with discretion to invite tenders by public advertisement <u>Advertise contracts over £25,000 on Contracts Finder website within 24 hours of advertising elsewhere</u>	Chair of the appropriate Committee or nominee and Town Clerk
above		£60,000	Invite tenders by public advertisement <u>Advertise contracts over £25,000 on Contracts Finder website within 24 hours of advertising elsewhere</u>	



Petty Cash & Charge Card

- Town Clerk, or in his absence RFO, can sign cheques on the Imprest (Petty Cash) account
- All petty cash expenditure is authorised by the RFO, TC or ATC
- Business Charge Card with Lloyds
 - Monthly expenditure limit £3,000
 - TC authorised to use. RFO/Finance Assistant delegated authority up to £300 per week
 - Monthly statement included in the schedule of payments for authorised cheque signatories

What is a Budget

A financial or quantitative statement, prepared prior to a specific accounting period, containing the plans and policies to be pursued during that period.

It is used as the basis for budgetary control





Purpose of a Budget

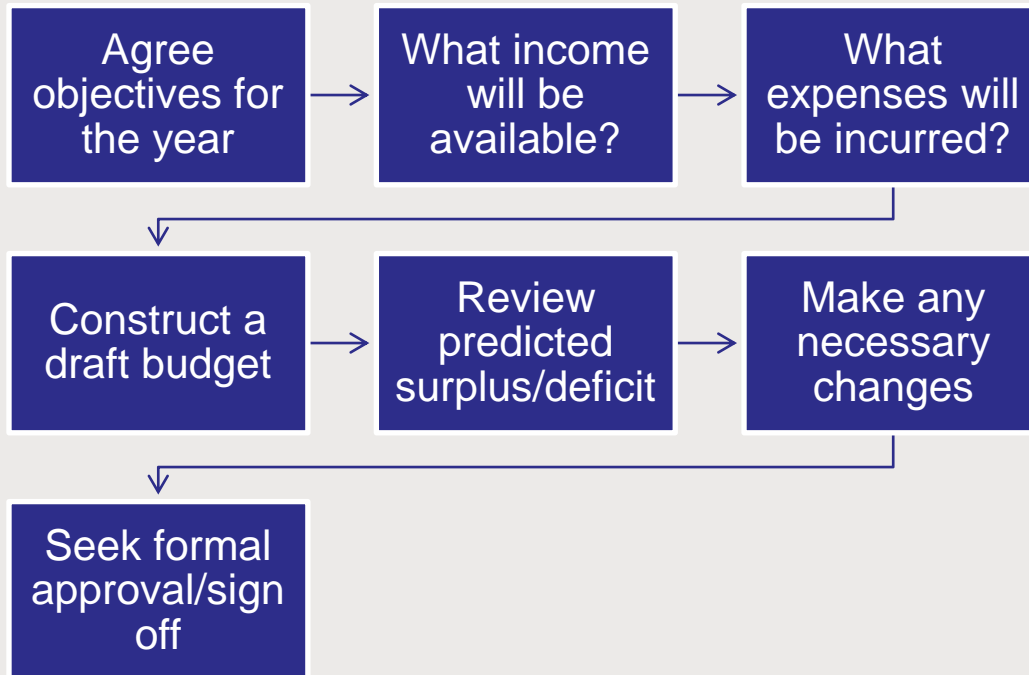
- To plan not only the expenditure but also income
- To help us focus on where our money and resources are best used
- Ensure we don't run out of money
- Highlights variances which may require remedial action



Benefits of a Budget

- Manage finances effectively
- Allocate appropriate resources
- Monitor performance
- Meet objectives
- Improve decision making
- Identify problems before they occur
- Plan for the future
- Increase staff motivation

Budget setting process



Budget setting timetable

October-November

Consult with managers, the Mayor, Group Leaders, Chairs and Vice Chairs

November-December

Each committee reviews the proposed budget, recommends it with any amendments to Policy & Finance Committee

December

P&F review the overall Council budget and recommend the budget and Precept to Council

January

Full Council consider the overall Council Budget and set the Precept for the coming year



	Proposed Budget 2023/24	Projected Budget 2024/25	Projected Budget 2025/26
SERVICES	£	£	£
Central Admin & Support Services (Recharged)	-		
Democratic Representation & Management	234,878	239,540	243,779
Town Management	208,448	234,201	235,807
Community Grants & Partnership Initiatives	49,377	49,447	48,392
Amenity Team (Recharged)	-	-	-
Planning & Transportation	4,271	4,375	4,462
Manor House Room Hire	4,056	3,938	3,495
Corporate Management	231,640	233,947	238,811
Manor House (Recharged)	-	-	-
Street Lighting	3,155	3,310	3,363
Community	221,161	225,175	228,554
Southfields Jubilee Centre	56,095	56,586	57,363
Parks & Open Spaces	74,623	76,344	77,638
Youth Services / K2	108,989	137,255	138,129
Museum	189,958	195,455	199,359
Allotments	80,552	79,292	76,575
New K2 Centre	26,500	-	-
TOTAL NET EXPENDITURE	1,493,701	1,538,866	1,555,726

Funding Required	1,445,976	1,521,866	1,554,726
Other Funding (from) / to balances	544	597	1,992
Grant receivable	-		
DRAFT PRECEPT FOR YEAR	1,446,520	1,522,463	1,556,718
BAND D COUNCIL TAX	140.13	147.48	150.80
INCREASE IN BAND D COUNCIL TAX	4.63%	5.25%	2.25%

Income



- Precept
- Grants
- A Team Services
- Room Hire
- Equipment hire
- Bank Interest
- Allotment Rents
- Sponsorship
- Museum – sales, donations, commission



Reserves

- General Reserves – between 3 and 12 months expenditure
- Earmarked Reserves EMR – specific projects
 - Amount earmarked per year must not exceed the difference (surplus) between the budgeted net expenditure & the actual net expenditure
 - EMR can be formed as a result of surpluses, anticipated expenditure that has been postponed, money set aside for major anticipated capital schemes, projects or services

Loans

- Public Works Loan Board (PWLB)
- May be considered for North Littlehampton Community Centre to cover costs





Investments

- Fixed Interest with Lloyds – 1-year fixed term and 95-day notice accounts - £1,375,000
- CCLA Public Sector Deposit Fund - £210,462
- CCLA Local Authority Property Fund - £500,000

Budget Monitoring

- Each spending committee receives a regular report detailing the Committee's:
 - Income and Expenditure against the budget
 - Significant variances from budget since the last meeting
- Every report that goes to Committee contains a 'Financial implications' section where appropriate





Audit



Internal Audit



External Audit



LTC Governance
and Audit Committee



Internal Audit

- Appointed by the Council
- Independent, objective & competent
- Risk based audit of the Council Systems and Financial Controls
- Carried out twice a year – autumn and after council year end
- Interim and year end report
- Signs off section of Annual Return (AGAR) after council year end

External Audit & Annual Return

- Limited Assurance Review
- No on-site visit
- Annual Return
 - 'governance statement'
 - 'accounting statements' (income & expenditure, precept, staff costs, assets & liabilities, reserves)



Transparency

- Local Government Transparency Code 2015
- Providing access to data including
 - Expenditure over £500
 - Assets – land and building
 - Grants
 - Salaries over £50K



Members Expenses

- Members allowance £603.30pa
- Travel & subsistence
- Members expenses
- Members training
- Mayors allowance
- Deputy Mayors allowance





New Community Centre to be constructed in Hampton Park in the coming years



LTC land & building Assets

THE

A

- TEAM



Any

Questions?