



# FINANCIAL AND EXPENSES REMUNERATION POLICY AND PROCEDURE DOCUMENT

Reviewed 6<sup>th</sup> June 2023

## **WARRINGTON PARENTS & CARERS**

### **Financial and Expenses Remuneration Policy and Procedure**

In line with the powers of the organisation and stated within its constitution, the application of the income should be applied solely towards the aims and objectives of the organisation.

Financial controls or other procedures will be applied that govern the management of our finances. Financial controls will help the Board ensure that:

- Legal and other requirements are met in line with our constitution
- Our funds are safeguarded
- Everyone on our Board understands their roles and responsibilities in relation to finance

#### **This document consists of**

- Management of financial records
- Banking arrangements
- Receipts
- Cheque payments
- Petty cash payments
- Expenses, payments and honorariums
- Payment documentation
- Staff
- Other rules

### **Management of financial records**

- 1) The financial control policy is designed to ensure that all expenditure is on the forum's business; that it is properly authorised; and that this can be demonstrated.
- 2) The Board has delegated responsibilities for financial information to the Treasurer.
- 3) The Treasurer must ensure that financial records (a book of accounts) must be kept so that the forum:
  - has proper financial control of the organisation
  - meets its legal and other statutory obligations (if relevant), such as Charities Act, Inland Revenue, Customs & Excise and common law
  - meets the contractual obligations and requirements of funders
- 3) The book of accounts must include:
  - a cashbook analysing all the transactions appearing on the bank accounts
  - a petty cash book if cash payments are being made
  - Inland Revenue deduction cards P11 (if registered for PAYE)
- 4) The Treasurer must ensure that accounts are drawn up at the end of each financial year within three months of the end of the year, and presented to the next Annual General Meeting (AGM).
- 5) Prior to the start of each financial year, the forum will approve a budgeted income and expenditure account for the following year.
- 6) The Treasurer must ensure that a report comparing actual income and expenditure with the budget should be presented to the steering group/members on a regular basis (possibly every three months).
- 7) If the forum is a legal constituted group, the AGM will appoint an appropriately qualified auditor/independent examiner to audit/examine the accounts for presentation to the next AGM (you can use some of your grant to pay for this if required).

## **Banking arrangements**

- 1) The forum will bank with **HSBC BANK PLC** at its **BRIDGE STREET, WARRINGTON** branch and accounts will be held in the name of **WARRINGTON PARENTS AND CARERS**
- 2) A bank mandate (the list of people who can sign cheques on the forum's behalf) will be approved and minuted by the committee/steering group, as will any changes to it.
- 3) The forum will require the bank to provide statements every month. These will be reconciled with the cash book at least every three months. The Treasurer will check that this reconciliation has been done at least twice a year, signing the cash book accordingly.
- 4) The forum will not use any other bank or financial institution, or use overdraft facilities or loan, without the previous agreement of the committee/steering group.
- 5) The forum should if possible aim to maintain a reserve in its account equal to three months of running costs, or £200, whichever is higher.
- 6) During 2023 the treasurer, in consultation with WarrPAC's steering group, will be investigating switching bank accounts to save banking costs and introduce online payments rather than by cheques. This will be taken to a steering group meeting for ratification.

## **Receipts**

- 1) All monies received by the forum will be recorded promptly in the cashbook and banked without delay (this includes sundry receipts such as payment for telephone calls, photocopying etc.). The forum will maintain files of documentation to back this up.

## **Cheque payments**

- 1) The approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
- 2) The Treasurer will be responsible for holding the cheque book (unused and partly used cheque books) which should be kept in a secure place.
- 3) Each cheque will be signed by at least two people.
- 4) A cheque must **NOT** be signed by the person to whom it is payable.
- 5) Blank cheques will **NEVER** be signed.
- 6) The relevant payee's name will always be inserted on the cheque before signature, and the cheque stub will always be properly completed.

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7) No cheques should be signed without original documentation (see below).

### **Petty cash payments**

1) If the forum wishes to maintain a petty cash float, the Treasurer or representative of the forum should be entrusted with this with the prior agreement of the committee/steering group. When the float is more or less expended, a cheque will be drawn for sufficient funds to bring up the float to the agreed sum.

### **Expenses and Remuneration**

1) The forum will, if asked, reimburse expenditure paid for personally by volunteers or staff, providing it has been agreed and minuted to do so, and that:

- fares are evidenced by tickets
- other expenditure is evidenced by original receipts containing the items claimed against ONLY
- car mileage is based on agreed and reasonable mileage rates due to significant rise in fuel costs the steering group have agreed that the mileage rate will be increased from 45p per mile to 60p per mile. As this is greater than current government guidance, it is essential that those claiming mileage consider tax implications. Parent reps may choose to remain at 45p per mile should they be negatively impacted.
- no cheque signatory signs for the payment of expenses to themselves
- honorarium claims should be accompanied by a record of what this is being paid for and demonstrates the agreed activity has taken place.
- Steering group members can request for any claim to be paid in vouchers (however a voucher may also be considered as "income" for purposes of benefits of income tax)
- Anyone making a claim is responsible for their own tax and insurance position, and is responsible for checking how any payment, either cash or voucher, may impact on their benefits, and/or tax.

Appendix A clarifies what can be claimed for, showing levels of involvement and related reimbursement.

Claims must be submitted monthly at the WarrPAC team meeting. All expenses must be signed off by the chair/treasurer.

### **Payment documentation**

1) Every payment out of the forum's bank account must be evidenced by an original invoice and never against a supplier's statement or final demand. That original invoice will be retained by the forum and filed. The cheque signatory should ensure that it is referenced with:

- cheque number
- date cheque drawn
- amount of cheque

2) The only exceptions to cheques not being supported by an original invoice are items such as advanced booking fees for a future course, deposit for a venue, VAT, etc. Here a photocopy of the cheque will be kept.

## Staff

- 1) If the forum has employed staff, there must be a clear trail to show the authority and reason for EVERY such payment to staff; eg a cheque requisition form asking for payment to an employee. All formal employees will be paid within the PAYE and National Insurance regulations.
- 2) All staff appointments or departures will be authorised by the committee/steering group, minuting the dates and salary level. Similarly, all changes in hours and variable payments (eg overtime) will be authorised by the committee/steering group.

## Other rules

- 1) The forum does not accept liability for any financial commitment unless properly authorised. Any orders placed or undertakings given which are likely to cost the forum in excess of £200 must be authorised and minuted by the committee/steering group.
- 2) In exceptional circumstances, such undertakings can be made with the Chairperson's approval who will then provide full details to the next meeting of the committee/steering group.
- 3) The forum will adhere to good practice in relation to its finances at all times. The Treasurer will hold an asset register that documents any goods over the cost of £100 that have been purchased on behalf of the Forum, which includes details of the make, model, cost, and who is "holding" or using the equipment. Any assets should be returned to the forum if individual members stand down.
- 4) Purchases of goods or services over a value agreed by the committee/steering group will be subject to obtaining at least two quotes, and the subsequent decision based on value for money and minuted by the committee/ steering group.
- 5) When purchasing items for the forum do not put items on the same receipt as your personal items. Always ask for separate receipts if you are purchasing forum and personal items at the same time.
- 6) Never get cash back at the same time as you purchase goods for the forum.
- 7) Avoid making claims which make a contribution to your household expenses. If this is unavoidable, make sure there is agreement from the forum to do so, and clarity about what you can claim. Claims should be for items where your forum activity has led to **additional** expense. For example, if you already have an unlimited telephone package for your home and you do not incur any additional

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costs in making calls on behalf of the forum, then this cannot be counted as an out of pocket expense. However if you don't and are being charged for the calls you make, this is an additional cost.

Covid-19 Amendment – During times where the office is shut, or for any future times where working from home is unavoidable, payment towards household expenses is permissible e.g. lighting, heating, broadband. Advanced permission must be sought from the chair / treasurer for such expenses.

- 8) You may have involvement in other groups or organisations: keep claims for expenses incurred through your involvement with the forum separate from other groups.
- 9) Any member of the committee/steering group who has a personal interest in, or connection to, an organisation or individual who is already being paid by the forum (or intends to quote for work being commissioned by the forum) must declare this interest and have it minuted by the committee/ steering group.
- 10) There is delegated responsibility for the Chair and Treasurer to agree amounts up to £200 without the prior agreement of the Board when this is essential, but this must be reported back to the Board at the appropriate time.
- 11) The Treasurer will be responsible for paying for the work done on behalf of the organisation and the bills.
- 12) As WarrPAC's parent representatives are not financially reimbursed for their time spent attending meetings, it was agreed that they should be given a token present of £10-£20 to celebrate their birthdays, in order to indicate their value to the group.
- 13) The Treasurer will be responsible for, alongside the other Board members, purchasing goods and services. Invoices and receipts must be provided.
- 14) Regular monthly meetings should be held between Treasurer and Chair or another designated Board member to sign off expenditure.
- 15) The steering group/parent representatives will not claim for their admin time.
- 16) When claiming expenses for attending meetings forum members should use the WPAC Expenses Claim Form.

DATE DISCUSSED / AGREED WITHIN FORUM – MEMBERS PRESENT

Signed: Gail Hall

Position: Vice Chair

Date: 06/06/2023

Signed: Beccy Bichiou

Position: Treasurer



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Date: 06/06/2023

Signed: Jean Fitzpatrick

Position: Chair

Date: 06/06/2023

This policy will be reviewed by 31<sup>st</sup> March 2024

	Involvement & activity	Example	Payment/travel and expenses	Amount	Childcare
Level 1	<p>Informing people of what is planned or has already been decided</p> <p>Consulting on decisions and offering opinions, listening to feedback</p> <p>Unpaid work</p>	<p>Open invitation meetings</p> <p>Information events</p> <p>Folding leaflets or putting together packs</p>	<p>No Payment</p> <p>No payment</p> <p>No Payment</p>		<p>Childcare paid for all activities for group members up to a maximum of £25 per half day and £40 per full day and £10 per hour for evening attendance</p>
Level 2	<p>Steering group work (planning events)</p> <p>Sub-groups developing the work</p> <p>Attending meetings with Health &amp; Leisure</p> <p>Assisting interviewing process</p> <p>Attendance at meetings concerning funding applications</p> <p>One off meetings as agreed with chair in advance</p>	<p>Steering Group meeting and other Local Authority meetings</p> <p>Sub-groups – a max of 12 meetings per year</p> <p>Focus groups, facilitator only</p> <p>Interviewers only</p> <p>Parent Participation Funding Application</p>	<p>No Payment made</p> <p>No Payment made</p> <p>No Payment made</p> <p>No Payment made</p> <p>No Payment made</p> <p>No Payment made</p>		<p>Childcare paid for all activities for group members up to a maximum of £25 per half day and £40 per full day and £10 per hour for evening attendance</p>

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Level 3	Contribute to academic activity, educating others and work involving preparation such as speaking at a seminar or conference	N/A	No Payment made		Childcare paid for all activities for group members up to a maximum of £25 per half day and £40 per full day and £10 per hour for evening attendance
Level 4	Meeting other groups to promote the work of the forum  Representing the forum at public meetings with statutory organisations	Meetings with other voluntary and statutory organisations	No Payment made		Childcare paid for all activities for group members up to a maximum of £25 per half day and £40 per full day and £10 per hour for evening attendance
Level 5	Attending training events	Parent representative training	No Payment made		Childcare paid for all activities for group members up to a maximum of £25 per half day and £40 per full day and £10 per hour for evening attendance

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Level 6	Attendance at events and conferences outside of Warrington	Regional Parent Participation meetings and Transitional Support Programme Regional Events	Travel expenses		Childcare paid for all activities for group members up to a maximum of £25 per half day and £40 per full day and £10 per hour for evening attendance
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**Public transport and parking costs may be claimed with valid receipts. Mileage can be claimed at 60p per mile. (Or 45p due to tax implications) Please ensure that all receipts are retained and presented with expenses claim forms.**