

Administration of Amenity Funds within Adult Social Care & Housing Registered Services

Financial Procedure

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Amenity Funds (within Adult Social Care & Housing)

Directorate:	Adult Social Care & Housing (ASC&H)		
Division & Service:	Adult Social Care		
Author:	Senior Finance Business Partner, Adult Social Care		
Owner:	Chief Finance Officer, Central Bedfordshire Council		
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It is the responsibility of every individual to ensure that they are working to the most current version of this document.

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Introduction

1. The Financial Regulations of the Local Authority place responsibilities on the Chief Finance Officer under the Local Government Act 1972 to exercise the administration of the Council's financial affairs. The Chief Finance Officer and Head of Financial Control will determine and issue codes of practice in respect of financial management. The Head of Control has specific responsibility to determine and issue accounting instructions under these Financial Regulations.
2. Operational units are required to issue guidance and accounting instructions to explain in detail how staff will keep records and how local systems will work with central ones. Failure to comply with these instructions may be investigated under the Disciplinary Procedure.
3. The Amenity Fund, whilst administered by Central Bedfordshire Council personnel, is not an official fund. However, there is a duty on the part of management to ensure that administration of the fund is to the same high standard and in accordance with current instructions. It is important to keep the amenity fund administration completely separate from any other funds i.e. petty cash and personal allowances. Any queries regarding the operation of the Fund should be referred to the SFM- ASC&H Financial Support. Any concerns regarding misappropriation/misuse of the funds should be dealt with under the Council's Anti-Fraud and Corruption Strategy
http://intranet.centralbedfordshire.gov.uk/images/Anti%20Fraud%20and%20Corruption%20Strategy%20including%20Bribery_tcm8-25757.pdf
4. The Amenity Fund comprises donations, income from Projects, fund raising activities, bequests and proceeds generated by sales. Whenever possible, customers and relatives should be encouraged to participate in decisions about how funds are raised and applied.
5. The purpose of the Amenity Fund is to enhance the enjoyment and comfort of customers and to pay for activities which are not part of the official service offer. To that end, only in exceptional occasions and with authorisation, should a fund be used to the benefit of a specific customer rather than the 'group' as a whole.
6. The Operations Manager has overall responsibility for ensuring that there is adequate control over the operation of the Amenity Fund and that official records are maintained by the Officer in Charge/Manager and supporting admin staff. The relevant staff will be given a copy of this Financial Procedure and any appropriate guidance and amendments that may be issued. New staff will be made familiar with this Financial Procedure as apart of their induction. A clear handover process (including a bank reconciliation for this and other funds) will take place when the outgoing Officer in Charge/Manager leaves.

7. All records should present a clear picture of the activity's transactions and are designed to protect the officer and staff from any criticism that may arise in connection with the operation of these activities. The annual Amenity Fund Statement should be shared with customers and relatives and displayed within the Unit.

Administration of the fund

Bank Account

8. A current bank account must be opened by Financial Control in the name of the Fund and at a branch of the Council's Bankers, (currently National Westminster Bank PLC). If this location presents practical difficulties in that a branch is not readily accessible, alternative arrangements may be considered and the Officer in Charge/Manager should refer the matter through line management to Financial Control. A bank mandate for each Amenity Fund account will be maintained within Financial Control ([Centralmasterdata](#) email address); this will need to be updated via Financial Control for staff changes i.e. starters and leavers.
9. Cheques are to be signed by **two** of the four officers identified on the bank mandate), subject to sufficient funds in the bank account to cover the amount, (see section on bank reconciliation on outstanding cheques). New accounts will be set up with a buffer of £300. Overdrafts are not allowed on the account.
10. Should the balance held on the current account become substantial, that is well in excess of immediate requirements, a deposit or similar account should be opened to obtain interest to the benefit of the Fund. Such accounts will be administered in the same way as the current account albeit deposits and withdrawals will be made by transferring funds to/from the current account and not direct from the deposit account. Advice can be obtained from CBC Internal Audit.
11. Banking arrangements will be set up to ensure monthly bank statements are received by the establishment. These statements must then be reconciled to the cash book, see [Appendix 1](#), and signed off by the Officer in Charge. Note particularly the need to account for outstanding cheques and deposits, i.e. those in the cash book but not yet shown on the bank statement. Any discrepancies are to be dealt with by the Officer in Charge and where necessary escalated to the Operations Manager.
12. Cheque books, when not in use, must be locked away and under no circumstances should they be left where unauthorised persons have access.

Cash Book

13. ALL money received and spent must be recorded in a format prescribed – generally an Excel spreadsheet in a cash book format. An example of how to complete the cash book is shown at [Appendix 2](#). Further advice can be obtained from CBC Internal Audit.

14. Each transaction updates the cash book balance, affecting the bank account(s) or cash in hand balance. Transfers between current and deposit accounts must also be recorded in the cash book as must movements of cash to and from the bank. If difficulties arise, advice can be obtained from CBC Internal Audit.
15. Cash, current and deposit account transactions must be kept separately and identified as a receipt or payment.
16. The cash book must be balanced and reconciled to cash in hand and the balance at bank at least monthly in line with the receipt of monthly bank statements. The reconciliation must be printed, then signed and dated by the Officer in Charge as correct with copies thereof and supporting working papers stored securely for review on a quarterly basis by the Operations Manager and by CBC Internal Audit as and when.

Year End Financial Statement

17. At the end of the Financial Year, the Officer in Charge should certify a Financial Statement of Account, as shown at [Appendix 3](#), detailing how the monies were raised and spent. This should be supported by extracts of the bank statement and deposit account statement. Generally, the Statement will be prepared by the Admin Officer within the Home but must be authorised by the Officer in Charge.
18. This Statement must be displayed on the establishment's noticeboard and copies sent to the Operations Manager and the Senior Finance Business Partner for ASC & Housing by the due date advised as part of the Annual Closure of Accounts. In case of difficulty, further advice on how to complete this statement is available from the Senior Finance Manager.

Receipts and Money Received

19. A separate Official Miscellaneous Receipt Book will be used to record all income received in respect of the fund. This is to create a 'prime' record of all receipts which can then be periodically updated to the cash book.
20. Income received should be paid into the bank promptly and when the total reaches £50, as income in respect of the Amenity Fund is not covered by the Council's insurance, being classified as unofficial funds. Small cash balances may be held for minor purchases.
21. All monies awaiting banking must be kept in a secure place preferably a safe but otherwise a secure lockable cupboard or lockable draw. Further guidance on cash security on site and personal safety of staff when banking cash is available here: <https://www.intranet.centralbedfordshire.gov.uk/info/20/insurance/70/safe-money-insurance>

Payments

22. All purchases, except those of a minor nature, should be made by cheque. The second signatory of the cheque – required for cheques over £100 - must agree that

the money to be spent is for the enjoyment of the customers and, where appropriate, supported by a valid invoice before counter signing the cheque. Under no circumstances should blank cheques be signed.

23. Correspondence, till receipts, fund raising statements and other documents relating to accounts etc. must be filed in date order so they are readily available to support all entries made in the cash book and for audit inspection.
24. Where a till receipt gives only code number references for the items, the officer making the purchase must note on the till receipt details of the items.
25. In certain circumstances it may be necessary for an advance to be made pending expenditure (i.e. for holidays and outings); the maximum amount of cash which can be withdrawn in any one week is £300.00. In exceptional circumstances where over £300.00 is required, further authorisation should be sought from the Operations Manager. The receiving officer must sign a receipt to acknowledge receipt of the cash. Vouchers must be obtained to support expenditure and any balance to be repaid/advanced to/from the fund should be recorded in the cash book and referenced to the 'advance' entry. All vouchers must be verified and signed by the authorising officer.

Organised Functions (Jumble Sales, Summer Fairs etc.) – cash collection

26. Where an organised function is arranged involving the collection of cash , e.g. jumble sales and fetes, a written statement shall be produced of all income generated. Cash taken should be counted and verified by two people at the same time in a secure area. Generally this will be the Manager and Admin Officer but can also be another staff member, with specific agreement, should these two staff members be unavailable. A form to record the amount counted and by whom is shown at [Appendix 4](#). A receipt should be generated to record the receipt/transfer of this cash.
27. All payments in respect of organised functions should be recorded and supported by receipts or vouchers. No expenses should be paid from the proceeds.

Projects (Coffee Shop, Craft Sales, Outwork etc.)

28. Income from Projects will be accounted for separately by the Project and then will be paid into the Amenity Fund.
29. For all such income paid into the Amenity Fund, the procedures detailed under `Cash Book` and `Receipts and Money Received` will be followed.

Holidays and Outings

30. Contributions to holidays and outings from the Amenity Fund will be processed and accounted for as detailed in the paragraph on `Payments`.

Security and retention of documents

31. The Officer in Charge will be responsible for ensuring that all documentation relating to the Amenity Fund is retained securely.
32. Full details of retention periods for all documents are included within the Council's overarching Financial Procedures – at the time of writing Financial Procedure 22 <http://intranet.centralbedfordshire.gov.uk/finance/financial-procedures/default.aspx> . The Amenity Fund will come under the category of "Voluntary Funds".

Appendices

- Bank and cash reconciliation
- Cash book
- Example of a financial statement of accounts
- Organised functions - statement of income collected

AMENITY FUND
BANK AND CASH RECONCILIATION

Date / /

Bank Statement balance at / / £ :

LESS Outstanding cheques not on statement:

Cheque No: £ :

Cheque No: £ :

Cheque No: £ :

Cheque No: £ :

Cheque No: £ :

LESS Total Outstanding Cheques -£ :

Total £ :

ADD Income banked not on statement:

Date banked: / / £ :

Date banked: / / £ :

ADD Income banked Total +£ :

BALANCE AS CASH BOOK £ :

CASH IN HAND

Notes:

 X £ = £ :

 X £ = £ :

 X £ = £ :

 X £ = £ :

Coins = £ :

Total BALANCE AS CASH BOOK £ :

Prepared by: _____ Date: _____

Signed: _____ Date: _____

AMENITY FUND**CASH BOOK**

DATE	DETAILS	IN	OUT	CASH	BANK
		£ : p	£ : p	£ : p	£ : p
2/1/**	Balance brought forward			20.00	535.00
3/1/**	Donation from Xyz Club	150.00		20.00	685.00
4/1/**	Transfer to Deposit Account		300.00	20.00	385.00
15/2/**	Flowers		12.50	7.50	385.00
28/3/**	Musical activities from Abcde Ltd		200.00	7.50	185.00
30/3/**	Donation received – Mrs Jones	5.00		12.50	185.00
		<u>155.00</u>	<u>512.50</u>		
	Balance c/fwd to next page			12.50	185.00

EXAMPLE OF A FINANCIAL STATEMENT OF ACCOUNTS_____ **Amenity Fund****Statement of Accounts for the year ended 31 March 20____**

Income	£	£
Craft and Garden Sales	200	
Fund Raising Events	1300	
Donations	500	
Interest from deposit account	100	
	_____	2100
 Expenditure		
Garden Furniture	750	
Relaxation Room Equipment	500	
Holiday and Outings (list attached)	1000	
	_____	2250

Surplus / (Deficit) for the Year		(150)
Balance b/f from previous year		1235

Balance as at 31 March 20____		1085
		=====

I certify that the above is a true statement of income and expenditure, and balances relating to the Amenity Fund:

Signed _____
(Officer in Charge)

Date _____

AMENITY FUND

ORGANISED FUNCTIONS - STATEMENT OF INCOME COLLECTED

Function _____ Date _____

[illegible]

Signed _____ Date _____

Signed _____ Date _____

Central Bedfordshire in contact

Find us online: www.centralbedfordshire.gov.uk

Call: 0300 300 8300

Email: customers@centralbedfordshire.gov.uk

Write to: Central Bedfordshire Council, Priory House,
Monks Walk, Chicksands, Shefford, Bedfordshire SG17 5TQ