

Proposed amendment to the Financial Standing Orders

Presented to LCER Annual General Meeting of 26 Feb 2022

The Executive proposes that the Financial Standing Orders be amended as follows:

1. In clause (5), insert after “Payments”
“other than those made under clause (6) below,”;
2. Insert a new clause (6) as follows:
“The Executive Committee may authorise an application for a payment card which enables a named individual to make payments by card from a LCER account. No such payments should be made, however, without the prior written approval of two bank signatories (or, where the cardholder is a signatory, of one signatory other than the cardholder). As with other forms of payment, no person may authorise a payment to themselves.”
3. Renumber subsequent clauses accordingly.

This amendment arises from the need for a LCER credit card (or cards), both to facilitate the work of the L4ND staff team and because of the requirements of the online system for receiving membership subscriptions and donations.

Our existing Financial Standing Orders assume that payments will be made by online bank transfers or by cheque – both methods of payment for which we can give our bank a mandate which requires two signatories to approve every transaction. Payments by credit card, however, can be made by cardholders on their own. The proposed amendment makes it clear that the principle of authorisation by two signatories will still apply, although it is envisaged that prior authorisation may be given for certain categories of credit card expenditure.

A copy of the Financial Standing Orders showing the proposed amendment is pasted below.

Ken Ritchie

Treasurer

LABOUR CAMPAIGN FOR ELECTORAL REFORM

FINANCIAL STANDING ORDERS

The Treasurer

- 1) The Treasurer is responsible for the finances of LCER.
- 2) The Treasurer is elected each year from among the elected members of LCER's Executive Committee, at the first meeting of the Executive following LCER's Annual General Meeting.

Bank Accounts

- 3) LCER's bank account(s) will, where possible, be held with socially responsible providers.
- 4) Matters relating to the management of the bank accounts will be decided by the Executive Committee, with advice from the Treasurer. These decisions include:
 - a) The selection of bank account providers and the type of account(s) held
 - b) The bank signatories, which will normally comprise the Chair, Secretary, Treasurer and one or two other members of LCER.
 - c) The individuals who may access banking services by telephone and/or internet password.
 - d) The range of services which may be accessed by these individuals.
- 5) Transactions from and to LCER's bank accounts will be made electronically where possible. Payments, **other than those made under clause (6) below**, whether made electronically or by cheque, must be authorised by two of the bank signatories of whom the Treasurer will normally be one. No person may authorise a payment to themselves.
- 6) The Executive Committee may authorise an application for a payment card which enables a named individual to make payments by card from a LCER account. No such payments should be made, however, without the prior written approval of two bank signatories (or, where the cardholder is a signatory, of one signatory other than the cardholder). As with other forms of payment, no person may authorise a payment to themselves**
- 7) Transactions will not usually be made in cash. Exceptions include a small number of membership fees still paid in cash, and small cash donations.

Expense Claims

- 8) Individuals undertaking duties for LCER may claim expenses in relation to those duties.
- 9) LCER will reimburse travel by the most economical means practical. Car travel will be reimbursed only if unavoidable, at the rate of 25p per mile plus the cost of parking.
- 10) LCER will attempt to bear any additional costs required in respect of a member's disability or other individual needs (for example the cost of taxis or accommodation). Any such costs should be agreed in advance with the Treasurer.
- 11) Members should seek authorisation before incurring expenditure on behalf of LCER, as follows:
 - a) Small and/or routine expenditures by members of the Executive do not require pre-authorisation. Examples of such expenditures include:

- i Travel expenses to meetings of the Executive, to a maximum of £75 per meeting (higher amounts should be agreed with the Treasurer).
 - ii Small expenditures made by officers and falling within their budgets (examples include stamps and envelopes for the Secretary, small-volume photocopying for members attending meetings, etc).
 - b) Larger expenditures, including any item over £100, require pre-authorisation from the Treasurer. Approval may be sought and given by email. A request may be referred to the Executive if the Treasurer believes it represents a variation from the agreed budget.
 - c) Any item of expenditure over £400 must be agreed by the Executive prior to the expenditure being made. If a payment over £400 needs to be made in circumstances in which it is not possible to seek the approval of the Executive, the payment may be authorised by the Officers, and reported to the Executive without delay.
- 12) Expense claims should be submitted to the Treasurer on LCER's standard claim form, within six weeks of the expenditure being incurred. Claims should be made in hard copy, attaching original receipts; or electronically, attaching scanned copies of receipts. Claims should specify the nature of the expenses and the activities undertaken, and should include the claimant's bank account details for electronic payment.
- 13) The Treasurer should settle all claims within six weeks of receipt. Where the Treasurer wishes to consult the EC over a claim, he or she should inform the claimant that there will be a delay in processing the claim.

The Annual General Meeting

- 14) LCER's financial year runs from 1 July to 30 June each year.
- 15) The Treasurer will present a written report to the AGM each year. This report will include:
- a) Full audited accounts for the previous financial year
 - b) A report comparing income and expenditure for the previous year with the agreed budget for that year,
 - c) The budget for the current financial year, as agreed by the EC.
- 16) The report, including full audited accounts, will be circulated electronically to LCER members one week before the date of the AGM.
- 17) All budgets, accounts and financial statements shall itemise separately any items of income or expenditure over £400.
- 18) The AGM will elect an Auditor for the following year. The Treasurer will contact the Auditor not more than six weeks after the end of each financial year to confirm his or her availability; in the event that the Auditor is unavailable, the Executive will appoint an alternative Auditor.

The Executive Committee

- 19) The Treasurer will present a draft budget for the upcoming financial year to the Executive, not later than 1 May each year. If the budget cannot be ratified by the Executive at that meeting, the Treasurer will consult members and present a revised budget at the following meeting.
- 20) The Treasurer will present a written financial statement to each meeting of the EC. This statement may be presented electronically if the Treasurer cannot attend in person. Each statement should include:

- a) Income and expenditure since the previous meeting
 - b) Items of expenditure for which authorisation is required from the EC
 - c) Any applications for funding which have been made or are proposed
 - d) Updates on variance from the budget
- 21) All decisions taken by the Executive Committee concerning finance shall be recorded in the minutes.

Incapacity of the Treasurer

- 22) In the event that the Treasurer becomes unable to perform his or her duties for a period of more than a few weeks, for example because of illness or other commitments, the Executive may nominate another member (ideally a member who is already a nominated signatory) to take over the duties of Treasurer on a temporary basis.

Changes to Financial Standing Orders

- 23) These Financial Standing Orders may be changed by a majority vote at a General Meeting of LCER.

Proposed Constitutional Amendment on paid staff

Presented to LCER Annual General Meeting of 26 Feb 2022

The Executive proposes that the following two paragraphs are added to section 8 of the Constitution (titled 'Executive), immediately before the final paragraph.

No member of the Executive shall receive any payment from LCER, other than for the payment of expenses under clause 16 below.

The Executive may employ staff to help promote the aims of LCER. The Executive will be responsible for ensuring that arrangements for the recruitment, management and remuneration of staff are of the highest standards. When staff are employed, they may from time to time be required to attend and participate in meetings of the Executive but without voting rights: they shall not be present at Executive meetings during any discussions which relate to the terms of their appointments.

Reasons for the amendment:

At present the LCER constitution does say anything about the employment of staff (although it does not disallow it). With the transfer of L4ND staff to LCER, it is felt that there should be a specific reference to staff.

The first of the above paragraphs ensures a separation between those accountable to the membership for LCER's work and staff who are accountable to the Executive.

The second paragraph requires the Executive to act as a good employer. That staff should not be present when their terms of appointment are discussed is normal practice which allows more open discussion: it does not, of course, affect the right of staff to negotiate their terms.

Proposed constitutional amendment on timing of AGMs

Presented to LCER Annual General Meeting of 26 Feb 2022

Replace the text below (the first paragraph in Clause 6 of the Constitution)

The Annual General Meeting (AGM) shall be held annually in the Autumn (or when that is not possible, early in the New Year), six weeks' notice having been given to members. The meeting may take place in person or by electronic means, or by a combination of the two. The quorum shall be twenty members.

With the following:

The Annual General Meeting (AGM) shall be held annually in February (or when that is not possible, as soon as possible thereafter), six weeks' notice having been given to members. The meeting may take place in person or by electronic means, or by a combination of the two. The quorum shall be twenty members.

Rationale: The major event in the LCER calendar is the Party conference in September. This occupies the energy of activists and the Executive in the preceding months, and for a period thereafter. It has invariably been difficult to organise an AGM plus its necessary precursors (Executive elections, the necessary notice periods to members) in time for an Autumn AGM.