

**FINANCIAL REGULATIONS FOR WHATLINGTON PARISH COUNCIL
REVIEWED AND APPROVED 17th AUGUST 2017**

General :-These financial regulations shall govern the conduct of the financial transactions of Whatlington Parish council and may only be amended or varied by resolution of the council.

- 1.1. The Clerk shall be the responsible financial officer (RFO).
- 1.2. The responsible financial officer (RFO) under the policy direction of the council shall be responsible for the proper administration of the council's financial affairs.
- 1.3. The RFO shall be responsible for the production of financial management information.

2. ANNUAL ESTIMATES

- 2.1. The Council shall formulate any rolling capital programme not later than the end of January each year.
- 2.2. Detailed estimates of income and expenditure on revenue services, and receipts and payments on capital account, shall be prepared each year by the RFO.
- 2.3. The Council shall review the estimates and recommend the precept to be levied for the ensuing financial year, not later than the end of January in each year. The RFO shall supply each member with a copy of any approved estimates.
- 2.4. The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL

- 3.1. Expenditure on the revenue account may be incurred up to the amounts included in each approved budget heading.
- 3.2. No expenditure may be incurred which cannot be met from the amount provided in the appropriate revenue budget heading unless a virement has been approved by the council.
- 3.3. The RFO shall periodically provide the council with a statement of income and expenditure to date under each heading of the approved annual revenue and capital budgets.
- 3.4. The Clerk may incur expenditure on behalf of the council, which is necessary to carry out any repair, replacement or other work, which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure this shall be subject to a limit of £50. The Clerk shall report the action to the council as soon as practicable thereafter.
- 3.5. Where expenditure is incurred in accordance with regulation 3.4 above and the sum required cannot be met from savings made elsewhere within the councils approved budget, it shall be subject to the provisions of a supplementary estimate approved by the council.
- 3.6. Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless earmarked for future spending.
- 3.7. No expenditure shall be incurred in relation to any capital project; nor contract entered into or tender accepted involving expenditure on capital account; unless the council is satisfied that it is contained in the rolling capital programme. This is subject to the necessary capital funds being available, or the requisite borrowing approval being obtained.
- 3.8. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4. ACCOUNTING AND AUDIT

- 4.1. All accounting procedures and financial records of the council shall be determined by the RFO as required by the Accounts and Audit Regulations 2006
- 4.2. The RFO shall be responsible for completing the annual accounts of the council as soon as practicable after the end of the financial year and shall submit them and report thereon to the council.
- 4.3. The following principles shall be observed in connection with accounting duties.
 - 4.3.1. The duty of providing information, calculating, checking and recording sums due to, and from, the council are separated so far as is possible from the duty of collecting or dispersing them.
 - 4.3.2. Officers charged with the duty of examining and checking the accounts of cash transactions should not be engaged in any of those transactions.
- 4.4. The RFO shall be responsible for maintaining an adequate and effective system of internal audit of the council's accounting, financial and other operations in accordance with regulation of the Accounts and Audit Regulations 2006. The RFO will be responsible for engaging the Internal Auditor. Any officer or member of the council shall, if the RFO requires, make available such documents of the council which relate to their accounting and other records, as appear to the RFO to be necessary for the purpose of the audit, and shall supply the RFO with such information and explanation as the RFO considers necessary for that purpose.

5. BANKING ARRANGEMENTS AND CHEQUES

- 5.1. The council's banking arrangements shall be made by the RFO and approved by the council. One Treasurer's current account and one savings account shall be maintained at the bank..
- 5.2. A schedule of the payment of money shall be prepared by the RFO and together with the relevant invoices etc presented to the council. If the schedule is in order it shall be proposed and seconded and authorised by a resolution of the council.
- 5.3. Cheques drawn on the Treasurer's bank account in accordance with the schedule referred to in the previous paragraph shall be signed by the two signatories of the council and the cheque stubs initialled.

6. PAYMENT OF ACCOUNTS

- 6.1. All payments shall be effected by cheque or other order drawn on the council's bankers.
- 6.2. Before certifying an invoice the RFO shall satisfy him / herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
- 6.3. They shall take all possible steps to settle all invoices submitted, and which are in order, within 30 days of their receipt.
- 6.4. The RFO will receive payment 2/3 times a year for any expenses incurred for council administration costs, and other expenses. Vouchers for payments made shall be kept to substantiate the payment.

7. PAYMENT OF SALARY

- 7.1. The payment of all salary shall be made by cheque and presented to the council in the normal way.
- 7.2. As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by council.

Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available council meeting, as set out in these regulations above.

8. LOANS AND INVESTMENTS

- 8.1. All loans and investments shall be negotiated by the RFO in the name of the council, and shall be for a set period of time in accordance with council policy. Changes to loans and investments should be reported to the council at the earliest opportunity.
- 8.2. All investments of money under the control of the council shall be in the name of the council.
- 8.3. All borrowings shall be effective in the name of the council.
- 8.4. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

9. INCOME

- 9.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the RFO and the RFO shall be ultimately responsible for the collection of all accounts due to the council.
- 9.3. The council will review all fees and charges annually, following a report of the clerk.
- 9.4. Any bad debts shall be reported to the council.
- 9.5. All sums received on behalf of the council shall be banked by the RFO.
- 9.6. A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.
- 9.7. Every transfer of official money from one member of the council to another member shall be signed for by the receiving officer.
- 9.8. Personal cheques shall not be cashed out of money held on behalf of the council.

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared. Copies of orders issued shall be maintained.
- 10.2 All officers are responsible for obtaining value for money at all times. An officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of cash transaction.

11. CONTRACTS

- 11.1. Procedures as to contracts are laid down in the council's standing orders item 26

12. STORES AND EQUIPMENT

- 12.1. The RFO will be responsible for all goods received
- 12.2. Delivery notes must be obtained in respect of all goods received and goods must be checked as regard quality at the time delivery is made.
- 12.3. The RFO shall be responsible for annual check of all stores and equipment.

12.A - ASSETS AND PROPERTY

- 12A.1 The Clerk shall make appropriate arrangements for the custody of all title deeds held by the council. The RFO shall ensure a record is maintained of all property held by the council, recording the location, extent, plan, and purchase details in accordance with Accounts and Audit Regulations.
- 12A.2 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, save where the estimated value of any one item of tangible movable property does not exceed [£50].
- 12A.3 Subject only to the limit set in Reg. 12.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full council. In each case a Report in writing shall be provided to council with a full business case.
- 12A.4 The RFO shall ensure that an appropriate and accurate register of Assets and Investments is kept up to date. 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

13. INSURANCE

- 13.1. The RFO shall effect all insurance and negotiate all claims on the council's insurer.
- 13.2. The RFO shall ensure that all new risks, properties or vehicles which require to be insured are added to existing insurance.
- 13.3. The RFO shall keep a record of all insurance effected by the council and the property and risks covered thereby and annually review it.
- 13.4. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim.

14. REVISION OF FINANCIAL REGULATIONS

- 14.1 It shall be the duty of the council to review the financial regulations of the council from time to time and to make such changes as the council considers are required.