

# Paston Parish Council Financial Regulations

## 1 INTRODUCTION

- 1.1 These financial Regulations govern the conduct of the financial transactions of the Council and may only be amended or varied by resolution of the Council.
- 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.

## 2 ANNUAL ESTIMATES & BUDGETARY CONTROL

- 2.1 Detailed estimates of all receipts and payments for each year shall be prepared by the RFO before the precept for that year is determined. That budget for the year will be reviewed from time to time and specifically once the final accounts from the previous year have been prepared.
- 2.2 The annual budget shall form the basis of financial control for that year; in addition, the Council shall have regard for a three year forecast of Revenue and Capital Receipts and Payments.
- 2.3 Expenditure on Revenue items may be incurred up to the amounts included in the approved budget. The RFO shall, from time to time, provide the Council with statements of receipts and payments comparing actual against planned expenditure.
- 2.4 The Clerk may incur expenditure on behalf of the Council which is necessary through extreme urgency, whether or not there is budgetary provision, subject to a limit of £250.00. The Clerk shall report the action to the Council as soon as practicable thereafter.

## 3 ACCOUNTING & AUDIT

- 3.1 All accounting procedures and financial records of the Council shall be determined by the RFO as required by the Accounts and Audit Regulations 2003 as amended.
- 3.2 The RFO shall be responsible for completing the annual financial statements of the Council as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
- 3.3 The RFO shall be responsible for completing the Annual Return for the Audit Commission and ensuring the Council adheres to the timescales set down for its approval and submission, including the appointment of an Internal Auditor and completion of the Internal Audit.
- 3.4 The RFO shall make arrangements for the opportunity for inspection of the accounts and supporting papers as required by the Audit Commission.
- 3.5 The RFO shall bring to the attention of the Council any report from the Internal or External Auditor, unless of a purely administrative nature.

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## 4 BANKING ARRANGEMENTS, CHEQUES & PAYMENTS

- 4.1 The Council's banking arrangements shall be made by the RFO and approved by the Council.
- 4.2 All payments shall be approved by the Council and a record of cheques issued made in the minutes. All cheques shall be signed by two members of the Council, who will also initial the counterfoils.
- 4.3 The Council will not maintain a cash float; any minor payments made by the Clerk or RFO will be refunded on a regular basis, supported by receipts where practicable.
- 4.4 The payment of salaries and allowances shall be agreed by the Council, and made monthly in arrears. Deductions, where made will be under the rules of PAYE and National Insurance currently operating; the Council must ensure that payments made gross are accounted for tax.

## 5 LOANS & INVESTMENTS

- 5.1 All loans and investments shall be made in the name of the Council, and certificates and documents retained by the RFO.

## 6 INCOME

- 6.1 The collection of all sums due to the Council shall be responsibility and under the supervision of the RFO. All sums received on behalf of the Council shall be banked intact as directed by the RFO.
- 6.2 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 6.3 The RFO shall complete promptly any VAT return that is required and any repayment claim due in accordance with VAT ACT 1994 section 33 shall be made at least annually.

## 7 ORDERS FOR WORKS, GOODS & SERVICES

- 7.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is prepared, or an official order would be inappropriate (e.g. minor disbursements). A copy of the order shall be retained.
- 7.2 All members and the RFO are responsible for obtaining value for money at all times. The following procedure will be followed prior to the order:
- orders of value less than £500, one quotation to be obtained
  - orders of value between £500 and £1000, two quotations to be obtained
  - orders of value over £1000, three quotations to be obtained
- 7.3 The Council shall not be obliged to accept the lowest or any tender or quotation or estimate, and exceptions to para.7.2 will include legal and other professional services, utility supplies, additional audit work, and goods supplied at fixed prices.

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- 7.4 The RFO shall verify the lawful nature of any proposed purchase before an order is issued and, when appropriate, advise the council of its statutory authority so that the minutes can record that power being used.
- 7.5 Any variation to a order or addition or omission to a contract must be approved by the Council and advised by the Clerk to the contractor in writing, the Council being informed when the final cost is likely to exceed the financial provision.

## 8 PROPERTIES & ESTATES

- 8.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council.
- 8.2 No property shall be sold or leased or otherwise disposed of without the authority of the Council, together with any consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £50.

## 9 INSURANCE

- 9.1 Following a risk assessment the RFO shall effect all insurances and negotiate all claims on the Council's insurers; the Clerk shall report on any alterations in risk.
- 9.2 The RFO shall review the Council's insurances annually and report any alterations to the Council.
- 9.3 Any employees of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council.

## 10 RISK MANAGEMENT & REVISION OF FINANCIAL REGULATIONS

- 10.1 The RFO shall prepare and promote risk management policy statements in respect of all activities of the Council, and put such statements before the Council for consideration, and if thought appropriate, adoption.
- 10.2 It shall be the duty of the Council to review the Financial Regulations from time to time.

Financial Regulations adopted by PASTON Parish Council

Signed

Chairman Elizabeth Purdy Date May 30 2012