

AMPNEY CRUCIS PARISH COUNCIL – FINANCIAL REGULATIONS

1 General

- 1.1 These financial regulations shall govern the conduct of the financial transactions of the Council and shall only be amended or varied by resolution of the Council.
- 1.2 The Responsible Financial Officer (RFO) shall be responsible for the proper administration of the Council's financial affairs and for the production of financial management information.
- 1.3 For the purposes of these regulations, the RFO and the Clerk is one and the same person and all official communications will be in the name of the Clerk.

2 Annual Estimates and Budgets

- 2.1 Detailed estimates of income and expenditure on revenue services, and receipts and payments on capital account, shall be prepared each year by the RFO and supplied to each member of the Council.
- 2.2 The Council shall review the estimates by not later than the end of January and shall recommend the precept to be levied for the ensuing financial year. The annual capital and revenue budgets (the approved budgets) shall form the basis of financial control for the ensuing year.

3 Financial and Budgetary Control

- 3.1 The RFO shall ensure that each payment is made within the Council's statutory powers or under s.137 of the Local Government Act 1972 and all payments shall be reviewed by the Council at each meeting.
- 3.2 The RFO shall be responsible for providing the Council with a full set of financial statements at each meeting of the Council (except extraordinary meetings) for adoption by the Council as accurate reflection of the Council's financial position at the time.
- 3.3 Expenditure on the revenue account may be incurred up to the amounts included in the approved budget with a 5% allowance for fluctuations. No expenditure over and above this amount may be incurred unless a virement has been approved by the Council.
- 3.4 The RFO may incur expenditure on behalf of the Council which is of such urgency that it must be done at once and whether or not there is any budgetary provision for the expenditure subject to a limit of £100. If such expenditure cannot be met from savings elsewhere, it shall be subject to the provisions of a supplementary estimate approved by the Council.
- 3.5 Unspent provisions in the revenue budget for any liabilities and losses shall not be carried forward to a subsequent year.
- 3.6 No expenditure shall be incurred and no contract entered into or tender accepted in relation to any capital project unless the Council are satisfied that the necessary capital funds are available or that borrowing approval can be obtained. All capital works shall be administered in accordance with clause 9 of these regulations relating to contracts.

4 Accounting and Audit

- 4.1 All accounting procedures and accounting records shall be determined by the RFO in accordance with the Accounts and Audit (England) Regulations 2011 SI No 817.
- 4.2 The RFO shall be responsible for completing the annual accounts of the Council as soon as a practicable after the end of the financial year.

- 4.3 The RFO shall be responsible for ensuring that all PAYE and VAT regulations are met and these will be reviewed annually by the Council.
- 4.4 The RFO shall be responsible for maintaining an adequate and effective system of internal audit of the Council's financial and accounting procedures in accordance with regulation 5 of the Accounts and Audit (England) Regulations 2011. The Council shall appoint an internal auditor for this purpose and internal audits shall be carried out in April.

5 Banking Arrangements

5.1 The Council's banking arrangements shall be made by the RFO and approved by the Council.

5.2 The Council shall maintain two current accounts (the imprest account and the general account) and one deposit account (the savings account) and any other accounts set up by the Council from time to time in order that the Council may carry out its financial obligations.

5.3 The imprest account shall have a working balance of not more than £600 and shall be operated by the RFO (or in his absence by the Chairman) for:

- expenditure up to 105% of amounts included in the approved budget as defined in clause 2.2
- emergency expenditure as defined in clause 3.4
- any other expenditure approved by resolution of the Council

but shall not include:

- any payments made to the RFO
- any other payments made under s.137 of the Local Government Act 1972.

5.4 The general account shall be operated by the Council for any payments not included in 5.3

5.5 The savings account shall be operated by the Council for the purposes of holding any funds not yet needed by the Council to meet its immediate liabilities pending transfer to the general account.

5.6 The reserve account shall be operated by the Council for the purpose of holding any ring-fenced specific reserves.

6 Payment of Accounts

6.1 Apart from petty cash payments (see 6.4), all payments shall be effected by cheque drawn on either the imprest account or the general account.

6.2 Cheques drawn on the imprest account shall be signed by the RFO (or in her absence the Chairman), for values of £200 or less. Cheques with a value greater than £200 will be signed by the RFO and the Chairman. Cheques drawn on the general account shall be approved by the Council and signed by two authorised members of the Council.

6.3 All invoices for payment shall be examined and verified by the RFO and, wherever possible, paid within 30 days.

6.4 The RFO may maintain a petty cash float withdrawn from the imprest account to a limit of £50 for the purposes of incidental expenses and small purchases. Part of the float may be kept in postage stamps.

6.5 Requests for transfers from the general account to the imprest account and for transfers from the savings account or reserve account to the general account shall be approved by the Council and signed by two authorised members of the Councils.

7 Loans and Investments

7.1 All loans and investments shall be arranged by the RFO in the name of the Council for periods of time determined by the Council. All investments under the control of the Council shall be in the name of the Council; all borrowings shall be effected in the name of the Council.

7.2 All certificates and other documents relating to investments and/or borrowings shall be held by the RFO

8 Income

8.1 The collection of all sums due to the Council shall be the responsibility of the RFO.

8.2 The Council will review all fees and charges annually at the last meeting of the Council in each calendar year.

8.3 All sums received by the Council shall be banked in the Council's general account and all such deposits shall be backed up by a reference to the related debt (where relevant) together with the origin of each cheque.

9 Contracts

9.1 The Council's Standing Orders as laid out in clauses 9.2 - 9.4 below shall relate to all contracts entered into by the Council with the exception of the following:

(i) for specialist services such as are provided by solicitors, planning consultants etc.

(ii) for work which constitutes an extension to an existing contract.

(iii) for goods or materials which are proprietary articles and/or which are only sold at a fixed price.

9.2 Where it is intended entering into a contract exceeding £500 but not exceeding £1,000 or such less sum as the Council may determine for the supply of goods or materials, or for the execution of works, the Clerk shall give three weeks' notice of such intention by notice on the Council's notice boards and shall obtain three estimates.

9.3 Where it is intended to enter into a contract for any larger sum than £1,000, the action and procedure proposed in model Standing Order 73 in "Standing Orders and Chairmanship" shall be followed unless the Council decide otherwise.

9.4 The Clerk shall be authorised to spend up to £50 in any financial year at his discretion for minor purchases connected with or for extension of the terms of such contract.

9.5 When application is made to waive the Council's Standing Orders to enable a tender to be negotiated without competition, the reason must be accepted by the Council.

9.6 Invitations to tender must specify the general nature of the intended contract and the RFO may obtain the necessary technical assistance to prepare a specification in appropriate cases. Invitations to tender must state the final date for tenders and that all tenders should be addressed to the Clerk.

9.7 All sealed tenders shall be opened by the RFO on the prescribed date in the company of at least one member of the Council.

9.8 If less than three tenders are received for contracts in excess of £500, or if all tenders are identical, the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the work to be done.

9.9 The Council shall not be obliged to accept the lowest or any tender.

10 Payments under contracts for building or other construction work

10.1 Payments on account of the contract shall be paid by the RFO on receipt of evidence that the work has been done satisfactorily.

10.2 Where the total payment exceeds the contract sum by more than 5% (excluding fluctuation clauses) a report shall be submitted to the Council.

10.3 Any variation to a contract, or addition to or omission from must be approved by the Clerk in writing.

11 Properties and Estates

11.1 The RFO shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council and shall ensure that a record is kept of all properties owned by the Council in accordance with regulation 5(3)(b) of the Accounts and Audit (England) Regulations 2011.

11.2 No property of the Council shall be sold, leased or otherwise disposed of save where the estimated cost of any one item does not exceed £50.

12 Insurance

12.1 The RFO shall effect all insurances and negotiate all claims on the Council's insurers.

12.2 The RFO shall keep a record of all insurances effected by the Council and shall give prompt notification to the insurers of all new risks.

12.3 The RFO shall review the level and appropriateness of the Council's insurance cover annually.

13 Revision of Financial Regulations

13.1 The RFO shall review the financial regulations of the Council from time to time and make recommendations to the Council on any necessary amendments.

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