

Curbridge and Lew Parish Council Financial Regulations

February 2017

1. General

1.1 These financial regulations shall 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) 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 Forecast/Budget

2.1 Forecast of income and expenditure for the following year will be prepared each year by the RFO and presented to the Council, prior to the Precept application.

3. Budgetary Control

3.1 The Council will be made aware, through reports by the RFO, where budget headings are likely to overspent so that appropriate decisions can be taken.

3.2 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital account unless the Council are satisfied and have resolved that it is contained in the rolling capital programme and that the necessary capital funds are available, or the requisite borrowing approval can be obtained.

3.3 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 Council.

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 report to the Council.

4.3 The RFO shall be responsible for maintaining an adequate and effective system of internal audit of the Council's accounting, financial and other operations.

4.4 The RFO shall be responsible for recording all VAT on payments and for making and obtaining the necessary annual reclaim to HMRC.

5. Banking Arrangements and Cheques

5.1 The Council's banking arrangements shall be recommended by the Council and conducted by the RFO.

5.2 A schedule of the payment and receipt of monies and end of month bank balances shall be prepared by the RFO and together with the relevant invoices etc, presented at each monthly meeting of the Council for information.

5.3 All payments shall be approved and subject to a 'Resolution to Pay' by the Council.

5.4 All cheques shall be signed by a minimum of 3 Councillors. The cheque stubs shall be initialled by at least 2 signatories to the cheque.

5.5 Bank mandates for setting up of standing orders or direct debits will be signed by 3 Councillors who are registered signatories and only following resolution of the Council to set up such mandates.

6. Payment of Accounts

6.1 Apart from petty cash payments, all payments shall be effected by cheque or other order drawn on the Council's Bankers.

6.3 Duly certified invoices shall be examined by the RFO in relation to arithmetical accuracy and authorisation, and shall code them to the appropriate expenditure category. The RFO shall take all possible steps to settle all invoices submitted, and which are in order, within 30 days of their receipt.

7. Payment of Salaries and Wages

7.1 The payment of all salaries and wages shall be made by the RFO in accordance with the payroll records. A record of all payments should be freely available at all times for verification by the Council.

7.2 The payment of salaries will be made by Standing Order on the 20th of each month. Any additional payment will be paid by cheque. A record of all payments should be freely available at all times for verification by the Council.

7.3 The RFO shall be responsible for PAYE records, payments and HMRC 'end of year' administration.

9. Loans and Investments

9.1 All loans and investments shall be administered 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 agreed by the Council.

9.2 All investments of money under the control of the Council shall be in the name of the Council.

9.3 All borrowings shall be made in the name of the Council.

9.4 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

10. Income

10.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.

10.2 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 reconciliation of all accounts due to the Council.

10.3 Any bad debts, with an age of more than 2 months shall be reported to the full Council.

10.4 All cash and cheques received on behalf of the Council shall be deposited with the Council's Bankers with such frequency as the RFO considers necessary but no more than 14 days.

10.5 A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.

10.6 Every transfer of official money from one member of staff or Councillor to another shall be signed for by the receiving member of staff or Councillor and a record kept.

10.7 Personal cheques may not be cashed out of money held on behalf of the Council.

10.8 Cash payments being made to the office will be recorded in the receipts book.

11. Orders for Work, Goods and Services

11.1 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 each transaction.

12. Contracts - Quotations

12.1 Procedures for contracts are as follows:

a) Every contract shall comply with these regulations, and no exception from any of the following provisions of these regulations shall be made otherwise than by direction of the Council provided that these regulations shall not apply to contracts which relate to items (i) to (v) below:- i) for the supply of gas, electricity, water, sewerage and telephone services; ii) for specialist services such as are provided by solicitors and accountants; iii) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant; iv) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council; v) for goods or materials proposed to be purchased which are proprietary articles and/or which are sold only at a fixed price.

b) Where it is intended to enter into a contract for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out above, the RFO shall invite quotations as follows: - (i) value of £1,000 - £1,999: from at least 2 firms and (ii) value over £2,000: from at least 3 firms.

c) When applications are made to waive standing orders to enable a quote/tender to be negotiated without competition, the reason shall be embodied in a recommendation to the Council.

d) If fewer than 3 quotations are received for contracts valued above £2,000 or if all the quotations are similar, the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.

e) The Council shall not be obliged to accept the lowest quotation.

13. Properties and Estates

13.1 The RFO shall make appropriate arrangements for the custody of all title deeds or properties owned by the Council. The RFO shall ensure a record is maintained of all properties owned by the Council, recording the location, extent, purchase details, nature of the interest, tenancies granted and rents payable.

13.2 No property shall be purchased, sold, leased or otherwise disposed of, without the authority of the Council.

14. Insurance

14.1 The RFO shall affect all insurances and negotiate all claims on the Council's insurers.

14.2 The RFO shall give prompt notification to the Council of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

14.3 The RFO shall keep a record of all insurances affected by the Council and the property and risks covered thereby and annually review it.

14.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim.

14.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.

15. Community Infrastructure Levy (“CIL”)

15.1 Receipts of CIL from the Principal Authority (West Oxfordshire District Council) must only be used to support the development of the local area by funding the provision, improvement, replacement, operation or maintenance of infrastructure, or anything else that is concerned with addressing the demands that development places on an area.

15.2 To ensure transparency, the RFO must at the direction of the Council publish each year the Council’s total CIL receipts, total expenditure, a summary of what the CIL was spent on and the total amount of receipts retained at the end of the reported year from that year and previous years.

16. Revision of Financial Regulations

16.1 It shall be the duty of the Council to review the financial regulations of the Council from time to time to ensure the regulations remain relevant to the operations of the Council.