

WINDLESTONE PARISH COUNCIL FINANCIAL REGULATIONS

1. Introduction

1.1 Financial Regulations provide a framework of financial controls within which the Council must operate to ensure accountability of public funds and to ensure that best value for money is achieved.

1.2 In larger organisations financial controls can be satisfied to some extent by the division of duties between staff. This of course is not always possible with smaller Parish Councils where the Clerk in many cases is the only employee.

1.3 It is therefore important that the correct procedures are followed to minimise public criticism and to comply with any legal requirements.

2. Financial Responsibilities

2.1 The Clerk is responsible for advising on the financial aspects of any Council policy, the financial administration of the Council and systems of financial control.

2.2 The Clerk of the Council will be the responsible financial officer (RFO) as required by Section 151 of the Local Government Act 1972.

2.3 The Clerk will prepare annual statements of accounts for the Council in accordance with the Accounts and Audit Regulations currently in force.

2.4 The Clerk will ensure that all financial returns are submitted on time and are complete and accurate.

2.5 The Council's accounts, financial records, operations and systems will be subject to audit in accordance with best audit practice and current legislation in force.

2.6 The Clerk will supply to each member as soon as is practical after 31 March in each year a statement of the receipts and payments of the Council for the completed financial year.

2.7 A Financial Statement prepared on the appropriate accounting basis for a year to 31 March shall be supplied to each member before the end of the following month of June. The Statement of Accounts of the Council (which is subject to external audit) shall be presented to Council for formal approval before the end of June.

3. Budget Responsibilities

3.1 The Council will approve the Precept for the forthcoming financial year.

3.2 The RFO is responsible for monitoring actual expenditure and income. Where appropriate the RFO will submit budget monitoring reports to Council Meetings.

3.3 No expenditure shall be incurred in relation to any capital project and no contracts entered into or tenders accepted involving expenditure on capital account unless the Council is satisfied that the necessary funds are available.

3.5 The Council has the Power to give donations under s137 of the Local Government Act 1972 to organisation's/community groups within the Parish. The total amount that is eligible for donation is currently capped, based on a maximum of £9.73 per electorate (i.e. if there are 200 residents in the Parish then the Parish Council can make a maximum donation to local groups of £1,946 (£9.73 x 200), which can comprise one donation of the full amount or many smaller donations).

4. Expenditure

4.1 The purchase of goods and services are to be obtained at the most favourable rates possible however, the Council may prefer to use local suppliers in certain circumstances.

4.2 Cheques for the payment of invoices shall be signed by two members of the Council or one member plus the Clerk.

4.3 The Clerk will submit at Council Meetings Order Forms/List of payments for approval before making payments.

4.4 The Parish Clerk will be allowed to make small purchases to be set against the expense provision provided in the budget for the financial year. Expenditure will be pre-approved by the Chair, and the Clerk reimbursed.

5. Contracts

5.1 An invitation to tender shall state the general nature of the intended work or service to be provided. Copies of all tenders for the same work shall be assessed by the RFO and agreed by the Chair.

5.2 The Council shall decide from time to time a financial limit for work to be carried out or services provided, above which formal tenders shall be sought.

5.3 The Council shall not be obliged to accept the lowest of any tender.

6. Income

6.1 The Council does not receive income for its services however, if this were to change The Clerk would be responsible for the despatch of timely invoices in respect of income due to the Council, the issuing of receipts, and for prompt banking of monies received.

6.2 The Clerk will be responsible for reclaiming VAT where appropriate.

7. Banking

7.1 The Council will not use any bank account that is not in the name of the Council.

7.2 The Council must not borrow money or have an overdraft facility except if such is specifically approved by the Council.

7.3 The Clerk is responsible for on-going reconciliation of the Council's bank accounts.

8. Insurance

8.1 The Council will consider all insurance cover and confirm its adequacy. This cover will be reviewed annually.

8.2 The Clerk and members of the Council have a responsibility to report to the Council should they become aware of any new risk that requires insurance or of any changes that may affect existing insurance.

9. Risk Assessment

9.1 The Council will review annually its financial risk assessment including reviewing its assets, for the purpose of identifying, assessing and managing risks faced by the Council.

10. Amendments to Financial Regulations

10.1 Any amendments to the Council's Financial Regulations require the approval of the Council.

11. Suspension, Variation and Revocation of Financial Regulations

11.1 Any or all of the Financial Regulations (except those required by law) may be suspended by resolution of the Council on the majority vote of the members present, in relation to any specific item of business.

12. Suspension, Variation and Revocation of Financial Regulation

12.1 Resolutions to permanently add, vary or revoke a Financial Regulation shall when proposed and seconded, stand without further discussion.