

FINANCIAL REGULATIONS

These Financial Regulations were adopted by Langriville Parish Council at its meeting on June 2024

1. GENERAL

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 council.

1.2 The Responsible Financial Officer (RFO), under the policy direction of the council, shall be responsible for the proper administration of council's affairs.

1.3 The RFO shall be responsible for the production of financial management information.

2. ANNUAL ESTIMATES

2.1 Detailed estimates of all receipts and payments for the year shall be prepared each year by the RFO.

2.2 The council shall review the estimates not later than the end of January each year and shall fix the precept to be levied for the ensuing financial year. The RFO shall supply each member with a copy of the approved estimates.

2.3 The annual budget shall form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL

3.1 Expenditure on revenue items may be incurred up to the amounts Included in the approved budget.

3.2 No expenditure may be incurred that will exceed the amount provided in the revenue budget.

3.3 The RFO shall regularly provide the council with a statement of receipts and payments to date comparing actual expenditure against that planned.

3.4 The RFO may incur expenditure on behalf of the council, with the

approval of the chairman, which is necessary to carry out any repair/ replacement 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, subject to a limit of £100. The RFO shall report the action to the council as soon as is practicable thereafter.

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 2003

4.2 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.

4.3 The RFO shall be responsible for completing the Accounts of the council contained in the Annual Return (as supplied by the Auditor appointed by the Audit Commission) and for submitting the Annual Return for approval and authorisation by the council within the timescales set by the Auditor.

4.4 The RFO shall be responsible for ensuring that there is adequate and effective system of internal audit of the councils accounting, financial and other operations in accordance with Regulation 5 of the Accounts and Audit Regulations 2003.

4.5 The internal auditor shall carry out the work required by the RFO, or by council, with a view to satisfactory completion of the Internal Auditors Report section of the Annual Return as compiled annually by the Audit Commission. The internal auditor, who shall be competent and independent of the operations of the council, shall report to the council in writing of his findings, should he find it necessary.

4.6 The RFO shall make arrangements for the opportunity for inspection of the accounts, books and vouchers required by Audit Commission Act 1998 and the Accounts and Audit Regulations 2003.

4.7 The RFO shall, as soon as practicable, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.

5. BANKING ARRANGEMENTS AND CHEQUES

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

5.2 A schedule of the payments required, forming part of the Agenda for the meeting shall be prepared by the RFO and together with the relevant invoices, be presented to council. If the schedule is in order it shall be authorised by council and the details shown in the minutes of the meeting.

5.3 Two members of the council shall sign cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.3.

5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and invoice or similar documentation the signatories shall each initial the cheque counterfoil.

6. PAYMENT OF ACCOUNTS

6.1 All payments shall be effected by cheque drawn on the council's bankers.

6.2 All invoices for payment shall be examined, verified and certified by the RFO, who is to take steps to settle all invoices submitted, and which are in order, at the next scheduled council meeting.

6.3 If payment is necessary to avoid a charge of interest under Late Payment of Commercial Debts (Interest) Act 1998, and the due date is before the next meeting of the council, when the RFO can certify that there is no dispute or other reason to delay payment, the RFO may (notwithstanding paragraph 6.2) take steps to settle such invoices, with the approval of the Chairman or Vice –Chairman of council, a list of all such payments shall be submitted to next appropriate meeting.

6.4 The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the RFO (for example postage, photocopying or minor stationary items) shall be refunded on a regular basis, at least half yearly.

7. PAYMENT OF SALARY

7.1 The payment of salary shall be made in accordance with the rules of PAYE and National Insurance currently operating. The salary shall be as agreed by council.

8. INCOME

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

8.2 All sums received on behalf of the council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.

8.3 The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year-end.

9. INSURANCE

9.1 Following an annual risk assessment, the RFO shall effect all insurances and negotiate all claims on the councils insurers.

9.2 The RFO shall be notified of any loss liability, damage or of any event likely to lead to a claim, and shall report these to the council at next meeting.

9.3 The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.

9.4 Any employee 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

The RFO shall prepare and promote risk management policy
statements in respect of all activities of the council.

11. CONTRACTS / TENDERS

a) Procurement policies (subject to (11.2) below) including the

setting of values for different procedures where the contract has estimated value less than £50,000.

b) Spending between £300 and £1000, two quotations, over £1000 tenders invited, or County Council/ District Council approved lists. Over £10,000 Parish Meeting to be called.

11.2 Any proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of [£50,000] shall be procured on the basis of a formal tender as summarised in (11.3) below.

11.3 Any formal tender process shall comprise the following steps:

a) a public notice of intention to place a contract to be placed in a local newspaper;

b) a specification of the goods, materials, services and the execution of works shall be drawn up;

c) tenders are to be sent, in a sealed marked envelope, to the Clerk by a stated date and time;

d) tenders submitted are to be opened, after the stated closing date and time, by the Clerk and at least one member of Council;

e) tenders are then to be assessed and reported to the appropriate meeting of Council or Committee.

11.4 The Council, nor any Committee, is not bound to accept the lowest tender, estimate or quote. Any tender notice shall contain a reference to the Standing Orders 60, 62 & 63 regarding improper activity.

The Financial Regulations of the Council shall be subject to regular review, at least once every four years.

Standing Orders 60, 62 & 63

60. If a candidate for any appointment under the Council is to his knowledge related to any member of or the holder of any office under the Council, he and the person to whom he is related shall disclose the relationship in writing to the Clerk. A candidate who fails so to do shall be disqualified for such appointment, and, if appointed, may be dismissed without notice. The Clerk shall report to the Council or to the appropriate committee any such disclosure. Where a relationship to a member is disclosed, Standing Orders 57, 58 shall apply as appropriate.

62. Canvassing of And Recommendations By Members

1) Canvassing of members of the Council or of any committee, directly or indirectly, for any appointment under the Council shall disqualify the candidate for such appointment. The Clerk shall make known the purport of this sub-paragraph of this Standing Order to every candidate.

2) A member of the Council or of any committee shall not solicit for any person any appointment under the Council or recommend any person for such appointment or for promotion; but, nevertheless, any such member may give a written testimonial of a candidate's ability, experience or character for submission to the Council with an application for appointment.

63. Standing Order Nos. 60 & 62 shall apply to tenders as if the person making the tender were a candidate for an appointment.

Standing Orders 57,58

57. INTERESTS

If a member has a personal interest as defined by the Code of Conduct adopted by the Council in 2003 then he shall declare such interest as soon as it becomes apparent, disclosing the existence and nature of that interest as required.

58.

If a member who has declared a personal interest then considers the interest to be prejudicial, he must withdraw from the room or chamber during consideration of the item to which the interest relates.