

## **WARTON PARISH COUNCIL**

### **FINANCIAL REGULATIONS**

#### **GENERAL**

These financial regulations as required by the Accounts and Audit (Amended) (England) Regulations 2006 shall govern the conduct of the financial transactions of the council and may only be amended or varied by resolution of the council.

The Clerk shall be the responsible financial officer (RFO).

The RFO under the policy direction of the council shall be responsible for the proper administration of the council's financial affairs.

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

#### **ANNUAL ESTIMATES**

The Council shall formulate the capital programme not later than the end of April each year.

Details of receipts and payments shall be prepared each year by the RFO.

The Council shall review the details and recommend the precept to be levied for the ensuing financial year, not later than the end of November in each year. The RFO shall supply each member with a copy of the approved estimates.

The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.

#### **BUDGETARY CONTROL**

Expenditure on the revenue account may be incurred up to the amounts included in each approved budget heading.

No expenditure may be incurred which cannot be met from the amounts included in each approved budget heading.

The RFO shall periodically provide the council with a statement of receipts and payments to date under each head of the approved annual revenue and capital budgets.

The Clerk as laid down in Standing Order 25, may incur expenditure on behalf of the Council, which is necessary to carry out any repair, replacement or other 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 £2,500. The Clerk shall report the action to the council as soon as practicable thereafter.

Where expenditure is incurred as a result of action taken by the RFO as laid down in Standing Order 25 and the sum required cannot be met from savings made elsewhere within the councils approved budget, it shall be subject to the provisions of a supplementary estimate approved by the council.

Unspent provisions in the revenue budget shall not be carried forward to a subsequent year.

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

All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

### **ACCOUNTING AND AUDIT**

All accounting procedures and financial records of the council shall be determined by the RFO as required by the Accounts and Audit (Amended) (England) Regulations 2006.

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 submit them to and report thereon to the council.

The RFO shall be responsible for maintaining an adequate and effective system of internal audit of the council's accounting, financial and other operations in accordance with regulation 5 of the Accounts and Audit(amended) (England) Regulations2006. Any officer or member of the council shall, if the RFO requires, make available such documents to the council which relate to their accounting and other records, as appear to the RFO to be necessary for the purpose of the audit, and shall supply the RFO with such information and explanations as the RFO considers necessary for that purpose.

### **BANKING ARRANGEMENTS AND CHEQUES**

The council's banking arrangements shall be made by the RFO and approved by the council. A minimum of one current account and one savings account shall be maintained.

A schedule of the payment of money shall be prepared by the RFO, for circulation, and together with the relevant invoices etc presented to the council. If the schedule is in order it shall be proposed and seconded and authorized by a resolution of the council.

Cheques drawn on the current bank account with the schedule referred to in the previous paragraphs shall be signed by the clerk and at least two members of the council authorized by the council to sign cheques on its behalf and cleared by the bank as suitable persons to do so

## **PAYMENT OF ACCOUNTS**

All payments shall be effected by cheque or other order drawn on the council's bankers.

All invoices for payment shall be examined, verified and certified by the Council. Before certifying an invoice the council shall satisfy itself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.

Duly certified invoices shall be passed to the RFO who shall examine them in relation to arithmetical accuracy and authorization, and shall code them to the appropriate expenditure head. He shall take all possible steps to settle all invoices submitted, and which are in order, at the next meeting of the Council.

Allocate an appropriate reference number and minute number authorizing payment by members of the council..

## **PAYMENT OF SALARIES AND WAGES**

The payment of all salaries shall be made by cheque using the schedule of the payment of money and presented to the Council in the normal way, or by way of Standing Order.

## **LOANS AND INVESTMENTS**

All loans and investments shall be negotiated 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 reported to the Council at the earliest opportunity.

All investments of money 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.

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

## **INCOME**

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

Particulars of all changes 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 collection of all accounts due to the council.

The council may review all fees and charges annually, following a report of the clerk.

Any bad debts shall be reported to the council.

All sums received on behalf of the council shall be banked by the RFO.

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

Personal cheques shall not be cashed out of money held on behalf of the council.

### **ORDERS FOR WORK, GOODS AND SERVICES**

An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared. Copies of orders issued shall be maintained.

Order books shall be controlled by the RFO

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.

### **CONTRACTS**

Procedures as to contracts are laid down in the council's standing orders

### **INSURANCE**

The RFO shall effect all insurance and negotiate all claims on the council's insurer.

The RFO shall ensure that all new risks, properties or vehicles which require to be insured, are added to existing insurance.

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

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

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

### **REVISION OF FINANCIAL REGULATIONS**

It shall be the duty of the Council to review the financial regulations of the council from time to time and to make such changes as the Council considered are required.

*The above Financial Regulations were confirmed by the Parish Council at the Annual Parish Council Meeting held on 1<sup>st</sup> May 2012*