

The Clerk to the Council shall be the Responsible Financial Officer (RFO) for the Council, and shall be responsible for ensuring adherence to these Regulations, national requirements and legislation. The Clerk has been empowered to use online banking facilities to monitor funds in all accounts, transfer funds between accounts and make authorised payments. This recognises increased desire to be constantly aware of funds available and the general move away from use of cheques to on line payments.

## **1 Budgeting procedure**

- a The pay and conditions of service of existing employees shall be reviewed and updated every year in line with current NALC pay scales, subject to available funds being in the approved budget.
- b All councillors with lead roles, officers, working groups desiring to incur expenditure shall give the Clerk a written estimate of the expenditure recommended for the coming financial year no later than the end of October in the prior year.
- c The council shall approve written estimates and grants for the coming financial year budget and Precept Demand at its meeting before the end of the month of December.
- d. The Lead Councillor for Finance (LCF) with the RFO will monitor expenditure against approved budget in year and make recommendation(s) for in year adjustment to the Council for approval.

## **2 Payment of Accounts**

- a Orders for the payment of money shall be authorised by resolution of the Council and signed by two members for all cheque and other payments EXCEPT as detailed below. Approved Orders will be in the form of an authorisation to pay by cheque or through online banking administered by the Clerk attached to each submitted invoice or claim.

Two signatures will NOT be required prior to payment of invoices by the Clerk using internet banking in the following circumstances, cross references to resolutions are to be recorded on the authorisation to pay form:

- i. Where a specific payment / contract / booking has been authorised by Full Council and recorded as a decision / resolution in meeting minutes (e.g. subscriptions, salaries, fees, grants, donations, monthly Village Hall invoices for agreed meeting dates, maintenance contract standard monthly invoices)
  - ii. Project invoices within +/- 10% of the approved budget where satisfactory project completion has been certified by the lead councillor for that project.
- b All accounts for payment shall be laid before the Council, except that where the expenditure has been previously authorised by the Council as a part of the agreed budget for the financial year, the payment may be made if certified correct by the Responsible Financial Officer and the Chairman of the Council or other designated signatories (except as detailed above). All Payments made shall be reported to the Council as part of the bank reconciliation statement at their next ordinary meeting.

### **3 Petty Cash**

No petty cash shall be held on behalf of the Council.

### **4 Accounting Records and Reports**

The Responsible Financial Officer shall:

- a Ensure that accounting records are maintained accurately / promptly and reconciled monthly against bank records.
- b Present a summary Financial Statement and bank reconciliation with a detailed listing of all payments made each month to the Council at each subsequent meeting thereof.
- c Supply to each member as soon as practicable after 31<sup>st</sup> March, and no later than 31<sup>st</sup> May, of that year, a statement of the receipts and payments of the Council for the completed financial year.
- d Present to the Council for formal approval before the end of the following month of June, the Annual Return and Statement of Accounts of the Council, which are subject to external audit by the end of September.
- e A summary of the Financial Statement for the just completed financial year shall be presented to parishioners at the Annual Parish Meeting, and shall be included in the published Annual Report.

### **5 Risk Management**

See Separate Risk Register.

### **6 Internal Auditor**

An Internal Auditor shall be appointed each year at the Annual Meeting of the Parish Council. S/he will be required to report annually to the Council as soon as practicable after 31<sup>st</sup> March, but in any case before the end of June each year. The report shall cover all the points included in the separate Internal Audit Brief UPC P&P No 7.

### **7 Procurement Policies**

All purchasing will normally be undertaken by the Clerk to ensure compliance with policy & procedures, consistent process and formal receipt/payment of invoices.

#### **a Goods or services included in the budget**

- i To the value of £1000, goods or services may be purchased by agreement between any two of: the Clerk, the Chairman of the Council, member of the Financial Planning Group, provided that such expenditure is notified to the next meeting of the Council.
- ii Goods or services with a value of over £1000 shall be purchased only when at least three quotations based on a defined statement of requirement have been obtained or documented evidence is available that at least three appropriate commercial internet sites have been reviewed and prices

compared for specific goods (not services) and considered by the Council. The Council is not bound to accept the lowest of these; however, it has a duty to achieve best value for money. If it proves impossible to obtain three quotations, the Council may, at its discretion, accept two quotations or less based on a recommendation from the RFO.

- iii Orders with a value of over £1000 shall in all cases be approved by the Full Council.
- iv A contract with an estimated value of over £50,000 shall be subject to formal tender, as set out in the Standing Orders of the Council.

#### **b Goods or Services not included in the budget**

Any proposal which would substantially alter the budgeted expenditure of the Council from that previously agreed shall be considered by the Financial Planning Group before a recommendation is put to the Full Council for approval.

#### **8 Review**

These Financial Regulations shall be subject to review twelve months after being adopted.

Update Prepared by Bob Lunn, Clerk to the Council / RFO – November 2017