

# **GURNARD PARISH COUNCIL**

## **FINANCIAL REGULATIONS**

### **1 GENERAL**

- 1.1 The Clerk shall be the Parish Council's Responsible Financial Officer (RFO).
- 1.2 The RFO will be responsible for the proper administration of the Parish Council's affairs.
- 1.3 The RFO will be responsible for the production of financial management information.

### **2 ANNUAL ESTIMATES**

- 2.1 Detailed estimates of expenditure on services will be prepared by the RFO for the forthcoming year, and submitted to each Councillor in time for the January Parish Council meeting at the latest.
- 2.2 The Parish Council will review its estimated expenditure at the January meeting at the latest, and will recommend the precept to be levied for the ensuing financial year at that meeting.

### **3 BUDGETARY CONTROL**

- 3.1 General expenditure should always be reflected in the current budget and in accordance with the precept levied. Capital and project expenditure should always be reflected in any approved capital programme and funding received.
- 3.2 All expenditure incurred on behalf of the Parish Council must be resolved at a full Parish Council meeting.
- 3.3 Unspent budgetary provisions will not be carried forward to a subsequent year.
- 3.4 All capital works shall be administered in accordance with the Parish Council's Standing Orders and Financial Regulations relating to contracts.

### **4 ACCOUNTING AND AUDIT**

- 4.1 All accounting procedures and financial records of the Parish Council shall be determined by the RFO, as required by the Accounts and Audit Regulations 2011.
- 4.2 The RFO will be responsible for completing the annual accounts of the Parish Council as soon as practicable after the end of the financial year and will submit them, and report thereon, to the Parish Council.
- 4.3 The RFO will be responsible for maintaining an adequate and effective system of internal audit of the Parish Council's accounting, financial and other operations in accordance with the Accounts and Audit Regulations 2011.
- 4.4 The RFO will be authorised to have made available any documents that are required for accounting purposes and financial record keeping.

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### **5 BANKING ARRANGEMENTS AND CHEQUES**

- 5.1 The Parish Council's banking arrangements will be made by the RFO, as approved by the Parish Council. Three accounts will be maintained: a current account, a savings account and a gratuity account.
- 5.2 A schedule of the payment of money will be prepared by the RFO, together with any relevant invoices etc., and presented to the Parish Council at each full meeting. If the schedule of payments is in order, it will be authorised for payment by resolution of the Parish Council. All invoices must be sighted and initialled by the RFO and 2 Parish Councillors.
- 5.3 Cheques and withdrawal forms for all accounts will be signed by the RFO, together with any other two authorised signatories for the respective accounts.

### **6 PAYMENT OF ACCOUNTS**

- 6.1 Apart from petty cash payments, all payments shall be effected by cheque or other order drawn on the Parish Council's bankers.
- 6.2 All invoices will be examined, verified and certified by the RFO. Before certifying an invoice, the RFO will satisfy himself/herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
- 6.3 The RFO, when satisfied as to validity of the invoice, will take all possible steps to settle invoices received within the time allowed by the contractor, or within 30 days of receipt if at all practicable. The RFO has delegated powers to settle outstanding invoices in between meetings up to £500 before formal approval is given by the Parish Council, subject to the conditions laid down in this section and section 24 of Standing Orders.
- 6.4 All certified invoices will be kept for auditing purposes with the accounts.
- 6.5 The RFO will maintain a petty cash float, as required, for operational and other expenses. Receipts for payments made from the petty cash float will be kept to substantiate the payments and the RFO will provide the Council, at each full meeting, with a statement of petty cash expenditure incurred since the previous full meeting.
- 6.6 Income received must not be paid into the petty cash float, rather banked separately into the Parish Council's current or savings accounts.
- 6.7 Payments to maintain the petty cash float will be shown separately on the payments schedule.

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## **7 PAYMENT OF SALARIES AND WAGES**

- 7.1 The Clerk's salary will be paid monthly in accordance with the terms agreed in the contract with the Parish Council, this payment being authorised at each Parish Council meeting. In the event of the Parish Council not meeting in any one month, the Clerk is authorised to ensure salary is paid in accordance with 5.3 of these regulations, and confirmed at the next available meeting.
- 7.2 The Clerk's salary details will be entered in the administration section of the general accounts by the RFO.

## **8 LOANS AND INVESTMENTS**

- 8.1 All loans and investments will be negotiated by the RFO in the name of the Parish Council. Changes to loans and investments must be reported to the Parish Council at the earliest opportunity.
- 8.2 All investments of money under the control of the Parish Council will be in the name of the Parish Council.
- 8.3 All borrowings will be effected in the name of the Parish Council
- 8.4 All investment certificates and other documents relating thereto will be retained in the custody of the RFO.

## **9 INCOME**

- 9.1 The collection of all sums due to the Parish Council will be the responsibility of, and under the supervision of, the RFO.
- 9.2 The RFO will be responsible for the collection of any accounts due to the Parish Council.
- 9.3 The Parish Council will review all fees and charges annually, following a report from the Clerk.
- 9.4 Any bad debts will be reported to the Parish Council by the RFO.
- 9.5 All sums received on behalf of the Parish Council will be banked by the RFO as soon as is possible.
- 9.6 Personal cheques will not be cashed out of money held on behalf of the Parish Council.

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

- 10.1 Written evidence of orders placed for any of the above must be made and copies maintained unless a formal contract is to be entered into, or in a situation where an official order would be inappropriate as in the case of petty cash purchases.
- 10.2 Any order books will be controlled by the RFO.
- 10.3 The principles of best value will be embraced at all times when negotiating any of the above.

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### **11 INSURANCE**

- 11.1 The RFO will effect all insurance matters and negotiate all claims on the Parish Council's insurers.
- 11.2 The RFO will ensure that all new risks are brought to the attention of the Parish Council.
- 11.3 The RFO will ensure that all Parish Council property, effects and risks are covered by policy, and annually review the situation.
- 11.4 The RFO will inform the Parish Council in the event of any loss liability or any other situation, which may lead to a claim.
- 11.5 The RFO will be included in a suitable fidelity guarantee.

### **12 CONTRACTS**

- 12.1 All Contracts entered into by the Parish Council will be passed by a resolution made by the Parish Council at a full Parish Council meeting.
- 12.2 Contracts over £2500 must be put out to tender (a deadline for receipt to be specified). If no tenders are received then the Council may make arrangements for procuring the goods, services or materials for executing the work as it sees fit.
- 12.3 Contracts from £500 up to £2500 must have been the subject of at least 2 quotations.
- 12.4 The Parish Council should always consider best value principles when deciding upon a contractor or supplier, but it is not bound to select the lowest, or any, tender or quotation.

### **13 REVISION OF FINANCIAL REGULATIONS**

- 13.1 The RFO has the responsibility for ensuring that these regulations are reviewed annually, and to make such recommendations to the Parish Council as circumstances may require.

Adopted 1<sup>st</sup> February 2002  
Amended 13<sup>th</sup> May 2003  
Reviewed 11<sup>th</sup> May 2004  
Amended 7<sup>th</sup> June 2005  
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Reviewed & amended 11<sup>th</sup> May 2010  
Reviewed & amended 10<sup>th</sup> May 2011