

Winnersh Parish Council Policies and Procedures	
Financial Regulations	
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Winnersh Parish Council

1. General

- 1.1. These financial regulations shall govern the conduct of the financial transactions of the council and may only be amended or varied by resolution of the council.
- 1.2. The Clerk shall be the Responsible Financial Officer (RFO). In the absence of the Clerk the Assistant Clerk can act as the RFO.
- 1.3. The Clerk under the policy direction of the council shall be responsible for the proper administration of the council's financial affairs.
- 1.4. The Clerk shall be responsible for the production of financial management information.

2. Annual Budgets

- 2.1. The Council shall formulate annual estimates of expenditure including all capital programmes, in accordance with the *Procedure for Agreeing the Annual Budget* (ref WPC F01).
- 2.2. Detailed estimates of income and expenditure on revenue services, receipts and payments on the capital account, shall be prepared each year by the Clerk for inclusion the Annual Budget.
- 2.3. The Council shall review the estimates and resolve the precept to be levied for the ensuing financial year, at its February meeting of Full Council. The Clerk shall supply each Council member with a copy of the approved budget.
- 2.4. The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.

3. Budgetary Control

- 3.1. Expenditure on the revenue account may be incurred up to the amounts included in each approved budget heading.
- 3.2. No expenditure may be incurred which cannot be met from the amount provided in the appropriate revenue budget heading unless approved by the Full Council.
- 3.3. Transactions may not be disaggregated in order to avoid controls included in these Regulations.
- 3.4. The Assistant Clerk shall periodically provide the Council with a statement of income and expenditure to date under each heading of the approved annual revenue and capital budgets.

- 3.5. The Clerk 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 £1000 per transaction.
- 3.6. The Clerk may, after consultation with and the approval of the Chairman or Vice Chairman of the Council 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 per transaction.
- 3.7. The Clerk shall report the action to the Full Council as soon as practicable thereafter and where the sum required cannot be met from savings made elsewhere within the Council's approved budget, it shall be subject to the provision of a supplementary estimate approved by the Full Council.
- 3.8. Unspent provisions in the revenue budget shall not be carried forward to a subsequent year.
- 3.9. 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.
- 3.10. All capital works shall be administered in accordance with the Council's Standing Orders and Financial Regulations relating to contracts.

4. Accounting and Audit

- 4.1. All accounting procedures and financial records shall be in accordance with current Accounts and Audit Regulations which are the Accounts and Audit Regulations 2015 (2015 SI No 234) made in accordance with the Local Audit and Accountabilities Act 2014.
- 4.2. The Clerk 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 Full Council.
- 4.3. The following principles shall be observed in connection with accounting duties:
- 4.4. The duty of providing information, calculating, checking and recording sums due to, and from, the Council, should be separated as completely as possible from the duty of collecting or dispersing them.
- 4.5. Any person charged with the duty of examining and checking financial transactions should not be engaged in any of those transactions as far as is practical.
- 4.6. The Clerk shall be responsible for maintaining a complete and effective system of internal control of the Council's accounting, financial and other operations in accordance with regulation 5 of the Accounts and Audit Regulations. Any member of the Council shall, if the Clerk requires, make available such documents of the Council which relate to their accounting and other records, as appear to be necessary for the purpose of the audit trail, and shall supply the Clerk with such information and explanation as considered necessary for that purpose.

- 4.7. The Assistant Clerk shall be responsible for ensuring that VAT is correctly accounted for.

5. Banking Arrangements

- 5.1. The Council's banking arrangements shall be made by the Clerk and approved by the Full Council. One current account and at least one savings account shall be maintained at the bank.
- 5.2. A monthly schedule of payments due shall be prepared by the Assistant Clerk and together with the relevant supporting documentation presented to the Full Council, for their approval and authorisation. Cheque payments shall be signed by the two members of the council who proposed and seconded that item. A schedule of online payments shall be signed by the two councillors who proposed and seconded the payments. The payments are then to be authorised online by the two councillors.
- 5.3. Payments from the Current bank account in accordance with the schedule referred to in the previous paragraph shall be made by cheque or by online payment, signed or authorised by the two members of the council who proposed and seconded the resolution to approve the payment.

6. Payment of Accounts

- 6.1. Apart from petty cash payments, all payments shall be made by cheque, credit card, secure online submission or other order drawn on the Council's bankers.
- 6.2. All invoices for payment shall be examined, verified and certified by the Assistant Clerk. Before certifying an invoice, the Assistant Clerk should be satisfied that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
- 6.3. Duly certified invoices shall be processed by the Assistant Clerk. They will be examined in relation to arithmetical accuracy and authorisation and shall be coded to the appropriate expenditure heading. All possible steps will be taken to settle all invoices submitted, and which are in order, by their due date.

All processed invoices will be entered into the computerised accounts system. All duly certified invoices will then be entered on the schedule referred to in section 5.

7. Payment of Salaries and Wages

- 7.1. The payment of all salaries shall be made by secure online payment and presented to the Full Council in the normal way.
- 7.2. The Council will make arrangements to meet fully the statutory requirements placed on it as an employer by PAYE, National Insurance and Pension Contributions and other legislation. No changes shall be made to any employee's pay, emoluments or terms and conditions of employment without the prior consent of the Council, which may delegate this matter to an appropriate committee.

- 7.3. A supplementary payment sheet showing individual payments and certified as to accuracy will be presented to the Chairman and Vice-Chairman of Council and the cheque signatories.

8. Loans and Investments

- 8.1. All loans and investments shall be negotiated by the Clerk 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 Full Council at the earliest opportunity.
- 8.2. All investments of money under the control of the Council shall be in the name of the Council.
- 8.3. All borrowings shall be made in the name of the Council after obtaining permission to borrow from the Full Council, who may delegate the decision to the appropriate committee
- 8.4. All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk.

9. Income

- 9.1. The collection of all sums due to the Council shall be the responsibility of the Assistant Clerk.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the Assistant Clerk who shall be ultimately responsible for the collection of all accounts due to the Council.
- 9.3. The Council will review all fees and charges annually, following a report from the Clerk.
- 9.4. All sums received on behalf of the Council shall be banked by the Assistant Clerk.
- 9.5. A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.
- 9.6. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.7. New Regular Hirers shall be required to pay a deposit of £200.00 prior to their first booking. This acts as a payment guarantee and damage deposit. The deposit is refundable when they terminate their hiring agreement.
- 9.8. When any payment remains outstanding after 28 days from date of invoice, the hirer is to be contacted by telephone to request immediate payment and/or explanation and/or agreement on a timescale for payment.
- 9.9. Failing a satisfactory response, the Council shall decide on further actions to be taken.
- 9.10. Casual Hirers shall be required to pay a deposit and the hire fee prior to the date of the hire. The hirer is to be informed that they will not be able to use the hall unless and until payment is received in full.
- 9.11. The Assistant Clerk shall raise a Unity bank payment for the repayment of a deposit to a Casual Hirer, which can be authorised online immediately by two councillors.

- 9.12. Where a sum of cash exceeding £500 is received by the Council, the Clerk shall ensure that more than one person is present when the cash is counted in the first instance and that appropriate care is taken in the security and safety of individuals banking such cash.

10. Orders for Work, Goods and Services

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared in the form of a Purchase Order. Copies of purchase orders issued shall be maintained and controlled by the Assistant Clerk.
- 10.2. All officers and councillors are responsible for obtaining best value at all times.
- 10.3. In exceptional circumstances, due to urgent need, a Councillor may pay for goods or services and be reimbursed by the Council provided that such payments are reported to the following Full Council meeting, and
 - 10.3.1. for payments of £50 or less, this is first authorised by the Chairman or Vice-Chairman of Full Council or one of its Standing Committee Chairmen.
 - 10.3.2. for payments greater than £50 and less than £750 this is first authorised by the Chairman or Vice Chairman of Full Council or by the Chairman of the Finance & General Purposes Committee.
 - 10.3.3. for payments greater than £750, this is first authorised by the Executive Committee.
 - 10.3.4. a valid invoice for the goods or services is presented to the Assistant Clerk together with a written request for reimbursement signed by the Councillor to be reimbursed.

11. Procurement and Contracts

- 11.1. Where the Council intends to procure or amend a contract which is valued at £25,000 or more, the Council will comply with any applicable provisions of The Public Contracts Regulations 2015, including those covering contracts exceeding additional thresholds set by the Public Contracts Directive 2014/24/EU.
- 11.2. Where it is expected that the procurement for the supply of goods or materials, or the execution of works, will exceed £3,500 but less than £25,000 in value, quotations will be sought where possible from at least three suitable sources.
- 11.3. Any notice or invitation to tender shall state the general nature of the intended contract and shall in addition state the name and address of the person to whom tenders are to be addressed and the last date by which those tenders should reach that person in the ordinary course of post.
- 11.4. Tenders pursuant to contracts expected to exceed £25,000 in value shall be opened, in the presence of at least one Council member, by the Clerk or other person to whom tenders are required to be addressed on the date specified in the invitation to tender and shall be reported by the person who opened them to the Full Council, or where the tenders have been sought by a committee or sub-committee to that committee or sub-committee.

- 11.5. If fewer than 3 or no tenders are received, or if all tenders are identical, the Council may make such arrangements for procuring the goods or materials or executing the works as it thinks fit.
- 11.6. Neither the Council nor any committee or sub-committee is bound to accept the lowest price tender.
- 11.7. Where the procurement has been organised in conjunction with another Local Authority then their procurement process may be taken to satisfy the Parish Council's own procurement regulations.

12. Stores and Equipment

- 12.1. All staff shall be responsible for the care and custody of stores and equipment under their jurisdiction.
- 12.2. Delivery notes must be obtained in respect of all goods received into store and goods must be checked as regard quality at the time delivery is made.
- 12.3. Stocks shall generally be maintained at the minimum levels consistent with operational requirements.
- 12.4. The Clerk shall be responsible for an annual check of all stocks and stores or more frequently as required.

13. Assets, Properties and Estates

- 13.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The Clerk shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 13.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £500
- 13.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 13.4. No real property (interests in land) shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 13.5. The Clerk shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in

the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

14. Insurance

- 14.1. The Clerk shall keep a record of all insurance held by the Council and the property and risks covered thereby and annually review it.
- 14.2. The Clerk shall negotiate all loss claims on the council's insurer.
- 14.3. The Clerk shall be notified of any loss, liability, damage or any event likely to lead to a claim.
- 14.4. All employees of the council shall be included in a fidelity guarantee insurance.

15. Other bodies

- 15.1. Where the council handles money on behalf of other bodies, including registered charities, the Clerk shall ensure that such funds are separately identifiable and separate financial reports made in such form as shall be appropriate.

16. Risk Management

- 16.1 The council is responsible for putting in place arrangements for the management of risk. The Clerk shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually.

17. Suspension and Revision of Financial Regulations

- 17.1. 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 considers are required.
- 17.2 The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.