

St Kew Parish Council

FINANCIAL REGULATIONS

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 Responsible Financial Officer (RFO) and/or clerk shall be responsible for the proper administration of the Council's financial affairs.
- 1.3 The RFO and/or Clerk shall be responsible for the production of financial management information.
- 1.4 Reviewed July 2019 to include new Audit regulations.

2. Accounting and Audit

- 2.1 All accounting procedures and financial records of the council shall be determined by the RFO and clerk as required by the Accounts and Audit Regulations. Amended 2015 Account regulations for smaller authorities.
- 2.2 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 the Council. The RFO should also claim exemption from a full Audit if applicable.
- 2.3 The following principles shall be observed, where practicable, in connection with accounting duties.
 - a) The duty of providing information, calculating, checking and recording sums due to, or from, the Council, should be separated as completely as possible from the duty of collecting or dispersing them where possible.
- 2.4 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 Regulations 2003/2015.

3. Payment of Accounts

- 3.1 All payments shall be effected by cheque, drawn on the Council's bankers.
- 3.2 All invoices for payment shall be examined, verified and certified by the RFO and/or clerk. Before certifying an invoice, the RFO and/or clerk shall satisfy himself/herself that the work, goods or services, to which the invoice relates, have been received, carried out, examined and approved.

- 3.3 Duly certified invoices shall be presented to the Council who shall examine them in relation to arithmetical accuracy and authorise for payment. The RFO and/or clerk shall take all possible steps to settle all invoices submitted, and which are in order, within 30 days of their receipt or as agreed with the supplier in accordance with the Late Payment of Commercial Debts (Interest) Act 1998. In order that a Schedule of Monthly Accounts can be drawn up, this will normally be within the calendar month following the month of invoice.
- 3.4 All duly certified invoices will then be entered on the schedule referred to in 4.1 below.

4. Banking Arrangements and Cheques

- 4.1 A schedule of the payment of accounts, shall be prepared by the clerk and together with the relevant invoices etc presented to the Council. If the schedule is in order it shall be authorised by a resolution of the Council and cheques signed by two Councillors.
- 4.2 Transfer of money between bank accounts within the same bank, to maximise interest, can only be authorised by the Clerk or RFO.

5. Payment of Salaries and Wages

- 5.1 The payment of all salaries and wages shall be made by the RFO and/or clerk from the bank account in accordance with the payroll records.

6. Loans and Investments

- 6.1 All loans and investments shall be negotiated by the Clerk with the assistance of 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.
- 6.2 All investments of money under the control of the council shall be in the name of the Council. (see item 4.2 above).
- 6.3 All borrowings shall be effected in the name of the Council.
- 6.4 All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk.

7. Income

- 7.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO and/or clerk.
- 7.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the clerk who shall be ultimately responsible for the collection of all accounts due to the Council.
- 7.3 The Council will review all fees and charges annually, following a report from the Clerk.

- 7.4 All sums received on behalf of the Council, shall be paid to the RFO and/or clerk for banking. In all cases all receipts shall be deposited with the council's bankers with such frequency as the Council considers necessary.
- 7.5 A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.
- 7.6 Personal cheques shall not be cashed out of money held on behalf of the Council.

8. Contracts

- 8.1 Procedures as to the contracts are laid down in the council's standing orders as follows:
- a) Every contract whether made by the Council or by a committee to which the power of making contracts has been delegated shall comply with these Standing Orders, and no exception from any of the following provisions of these Standing Orders shall be made otherwise than by direction of the Council.
 - b) When applications are made to waive Standing Orders relating to contracts to enable a tender to be negotiated without competition the reason shall be embodied in a recommendation to the Council.
 - c) Every exception made by a committee to which the power of making contracts has been delegated shall be reported to the council and the report shall specify why the exception shall be justified.
 - d) Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk/Chairman and the last date by which such tenders should reach the Clerk/Chairman in the ordinary course of post. Each tendering firm shall be supplied with a specially marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract. All tenders when received shall be endorsed with date and time of receipt. No fax or e-mail will be accepted.
 - e) All sealed tenders shall be opened at the same time on the prescribed date by the Chairman at a full Council Meeting.
 - f) In the case of tenders for cutting of footpaths, the tendering firms should return the tenders to the footpath co-ordinator
 - g) The Council shall not be obliged to accept the lowest or any tender.
 - h) Late Tendering – Any tenders received after the specified time shall be returned promptly to the tenderer by the Clerk with a suitable covering letter. The tender may be opened to ascertain the name of the tenderer but no details of the tender shall be disclosed.

- i) Errors and Discrepancies in Tenders – Where examination of tenders reveals errors or discrepancies which would affect the tender figure in an otherwise successful tender, the tenderer is to be given details of such errors and discrepancies and afforded an opportunity of confirming or withdrawing his offer. If the tenderer withdraws, the next tenderer in competitive order is to be examined and dealt with in the same way. Any exception to this procedure may be authorised only by the Council

9. Payment Under Contracts for approved Works

- 9.1 Where contracts provide for payment by instalments the clerk shall maintain a record of all such payments. In any case when it is estimated that the total cost of work carried out under a contract, excluding fluctuation clauses, will exceed the contract sum by 5% or more a report shall be submitted.
- 9.2 Any variation to a contract or addition to or omission from a contract must be approved by the Council in writing, where the final cost is likely to exceed the financial provision.

10. Insurance

- 10.1 The Clerk in consultation with the Council shall effect all insurances and negotiate all claims on the Council's insurers. Such insurance shall be subject to competitive quotations every 5 years in line with the special discount negotiated for long term agreements.
- 10.2 The Clerk shall take prompt action to ensure all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 10.3 The Clerk shall keep a record of all insurances effected by the Council and the property and risks covered thereby and review the scope and extent of the cover annually at renewal time.
- 10.4 The Clerk shall be notified of any loss, liability or damage or of any event likely to lead to a claim.
- 10.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.
- 10.6 Group Personal Accident cover shall be for Councillors.

11. Revision of Financial Regulations

- 11.1 It shall be the duty of the clerk and RFO to review the Financial Regulations of the Council at the Annual Meeting.

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