

Over Wallop 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 Clerk shall assume the responsibilities of the Responsible Financial Officer (RFO) and is responsible for the production of financial management information.

2 Annual Estimates

- 2.1 Each committee or responsible person shall submit proposals to the finance sub-committee in respect of revenue services and capital projects for inclusion in the annual budget by October each year. Where major annual contracts are agreed by the whole council at monthly meetings, these shall be incorporated into the annual budget.
- 2.2 Detailed estimates of income and expenditure on revenue services, and receipts and payments on capital accounts, shall be prepared each year by the RFO.
- 2.3 The finance sub-committee shall review the estimates and submit them to the December meeting of the council. A copy of the budget will be provided to each member.
- 2.4 The RFO / finance sub-committee will advise the council on recommended changes to the precept not later than the end of December each year.
- 2.5 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 committee budget.
- 3.2 No expenditure may be incurred which cannot be met from the amount provided in the appropriate committee revenue budget unless a virement has been approved by the finance sub-committee or the council.
- 3.3 The RFO 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 £500. The RFO shall report the action to the appropriate committee as soon as practicable thereafter.
- 3.4 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital account unless the committee concerned are satisfied that it is contained in the rolling capital programme and that the necessary capital funds are available, or the requisite borrowing approval can be obtained.

- 3.5 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 of the council shall be determined by the RFO as required by the Accounts and Audit Regulations 2015.
 - 4.2 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 finance sub-committee.
 - 4.3 Officers charged with the duty of examining and checking the accounts of cash transactions should not be engaged in any of those transactions.
 - 4.4 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 2015. Any officer or member of the council shall, if the RFO requires, make available such documents of 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 explanation as the RFO considers necessary for that purpose.
- 5 Banking Arrangements and Cheques
 - 5.1 The council's banking arrangements shall be made and approved by the council. Accounts will be maintained to comply with the council's requirements.
 - 5.2 Invoices for payment shall be presented to the council. If the invoice is in order it shall be authorised by a resolution and recorded in the minutes of the meeting.
 - 5.3 Cheques drawn on the bank accounts shall be signed by two authorised councillors.
- 6 Payment of Accounts
 - 6.1 Apart from petty cash payments all payments shall be effected by cheque or other order drawn on the council's bankers.
 - 6.2 All invoices for payment shall be examined, verified and certified by the responsible councillor or Chairman during the monthly council meeting.
 - 6.3 The RFO shall examine all invoices in relation to arithmetical accuracy and authorisation, and shall record them to the appropriate expenditure column within the ledger.
- 7 Payment of Salaries and Wages
 - 7.1 The agreed salary of the Clerk shall be drawn by cheque at each monthly council meeting.
- 8 Loans and Investments
 - 8.1 All loans and investments will be authorised by the council.
 - 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 effected in the name of the council.
- 9 Income

- 9.1 The council will review all fees and charges annually, following a report of the RFO / finance sub – committee
- 9.2 Any bad debts shall be reported to the RFO.
- 9.3 All sums are to be received on behalf of the council by the RFO.
- 9.4 A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.

- 10 Orders for Work, Goods and Services
- 10.1 The council will collectively agree to work and services, which will be recorded within the minutes of the meeting.

- 11 Contracts
- 11.1 Procedures for establishing contracts are contained in the council’s standing orders.

- 12 Properties and Estates
- 12.1 The RFO shall make appropriate arrangements for the custody of all title deeds of properties owned by the council. The RFO shall ensure a record is maintained of all properties owned 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 regulation 4 (3) (b) of the Accounts and Audit Regulations 2015.
- 12.2 No property shall be sold, leased or otherwise disposed of without the authority of the council.

- 13 Insurance
- 13.1 The RFO shall effect all insurances and negotiate all claims on the council’s insurers in consultation with the finance sub-committee
- 13.2 The RFO shall keep a record of all insurances effected by the council and the property and risks covered by thereby and annually review it.
- 13.3 The RFO shall be notified of any loss, liability or damage or of any event likely to lead to a claim.
- 13.4 All appropriate employees of the council shall be included in a suitable fidelity guarantee insurance.

- 14 Revision of Financial Regulations
- 14.1 It shall be the duty of the RFO / finance sub-committee to review the financial regulations of the council every 3 years and to make such recommendations to the council as the committee considers are required.