

UPTON 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 be the responsible financial officer (RFO) supported by members of the Council as necessary.

1.3. The RFO under the policy direction of the Council shall be responsible for the proper administration of the Council's financial affairs.

1.4. The RFO shall be responsible for ensuring the production of financial management information.

2. BUDGET

2.1. The Council shall formulate a budget of income and expenditure not later than the end of November each year.

2.2. Detailed estimates of receipts and payments on revenue and capital account, shall be prepared each year by the RFO.

2.3. The Council shall review the estimates and recommend the precept to be levied for the ensuing financial year, not later than the end of January in each year. The RFO shall supply each member with a copy of the approved estimates.

2.4. The annual budget 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 a payment has been approved by the Council.

3.3. The RFO shall periodically provide the Council with a statement of receipts and payments to date of the approved annual budgets.

3.4. 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 £300. The Clerk shall report the action to the Council as soon as practicable thereafter.

3.5. Where expenditure is incurred in accordance with regulation 3.4 above and the sum required cannot be met from savings made elsewhere within the Council's approved budget, it shall be subject to the provisions of a supplementary estimate approved by the Council.

3.6. 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 rolling capital programme and that the necessary capital funds are available, or the requisite borrowing approval can be obtained.

3.7. All capital works shall be administered in accordance with the Council's standing orders and financial regulations.

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 1996.

4.2. The RFO shall be responsible for ensuring the completion of 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 Council.

4.3. 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 1996. 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 by the RFO and approved by the Council.

5.2 A schedule of the payment of money shall be prepared by the RFO and presented to the Council together with the relevant invoices. If the schedule is in order it shall be authorised by the Council.

5.3 The schedule of payment may be amended on receipt of additional invoices during the meeting at the RFO's discretion.

5.4 Cheques drawn on the bank account in accordance with the schedule referred to in the previous paragraph shall be signed by the two members of the Council, together with the accompanying invoice(s).

5.5 Online payments shall be set up by the RFO and authorised by a member of the Council upon receiving notification and evidence of the relevant invoice.

6. PAYMENT OF ACCOUNTS

6.1. The Parish Council does not currently operate a petty cash system. All payments (including expenses incurred by council members or the clerk) shall be actioned by online payments or cheque or other order drawn on the Council's bankers.

6.2. All invoices for payment shall be examined, verified and certified by the Council member issuing the order. Before certifying an invoice the Council member shall satisfy themselves 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 passed to the RFO who shall examine them in relation to arithmetical accuracy and authorisation. The RFO shall take all possible steps to settle all invoices submitted, and which are in order, within 30 days of their receipt.

6.4. All duly certified invoices will then be entered on the schedule referred to in 5.2 above.

7. PAYMENT OF SALARIES AND WAGES

7.1. The payment of all salaries or wages shall be made by cheque or BACS transfer using the schedule of the payments and presented to the Council in the normal way.

8. PAYMENT OF EXPENSES

8.1 To claim reimbursement for operational and other expenses, all receipts for payments made shall be submitted to the RFO on the UPC Expenses form with all receipts attached.

8.1.1 The RFO may maintain a petty cash float to a limit of £30 for the purpose of settling minor operational and other expenses. Receipts for payments made from petty cash shall be kept to substantiate the payment. However, there is currently no petty cash system run by UPC.

8.1.2 Income received must not be paid into petty cash float but must be separately banked, as provided elsewhere in these regulations.

8.1.3 Payments to maintain the petty cash float shall be shown separately on the schedule of the payment of money presented to the Council (under 5.2 above).

8.2 The Parish Council shall pay expenses as follows:

- A car user allowance of 45p per mile (or such other amount as shall be determined by the Council) shall be offered to all councillors, parishioners or employees undertaking journeys on behalf of the council.
- Reimbursement of bus, train or taxi fares shall be offered to all councillors, parishioners or employees undertaking journeys on behalf of the council.
- Councillors or parishioners may claim any identifiable out-of-pocket expenses including telephone calls, postage, stationery, or any other materials required to undertake duties on behalf of the council, subject to prior authorisation or limits from the Council.

8.3 All claims shall be submitted to the RFO and be approved by the Council before payment.

9. LOANS AND INVESTMENTS

9.1 All loans and investments shall be negotiated by the RFO in cooperation with 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.

9.2 All investments of money under the control of the Council shall be in the name of the Council.

9.3 All borrowings shall be in the name of the Council.

9.4 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO and copies placed in the council archive.

10. INCOME

10.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.

10.2 Particulars of all charges to be made for work done, services rendered, or goods supplied shall be notified to the RFO and the RFO shall be ultimately responsible for the collection of all accounts due to the Council.

10.3 The Council will review all fees and charges annually, following a report by the clerk.

10.4 Any bad debts shall be reported to the Council.

10.5 All sums received on behalf of the Council shall be banked by the RFO or a member of the council if so agreed.

10.6 A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.

10.7 Every transfer of official money from one member of the Council to another member shall be signed for by the receiving officer.

10.8 Personal cheques shall not be cashed out of money held on behalf of the Council.

10.9 Donations received by the council will be acknowledged by a receipt and minuted at the earliest opportunity.

11. ORDERS FOR WORK, GOODS AND SERVICES

11.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate e.g. petty cash purchases. Copies of orders issued shall be maintained.

11.2 All officers are responsible for obtaining value for money at all times. An officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of cash transaction.

12. INSURANCE

The RFO shall, in cooperation with the Council:

12.1 Effect all insurance and negotiate all claims on the Council's insurer;

12.2 Ensure all new risks, properties or vehicles which require to be insured are insured;

12.3 Keep a record of all insurance effected by the Council and the property and risks covered thereby and annually review it;

12.4 Be notified of any loss liability or damage or of any event likely to lead to a claim;

12.5 Ensure all members and appropriate employees of the Council are included in a suitable fidelity guarantee insurance.

13. REVISION OF FINANCIAL REGULATIONS

13.1. 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.