

FINANCIAL REGULATIONS

1. GENERAL

- 1.1 These financial regulations 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 is the Clerk who, under the policy direction of the Council, shall be responsible for the proper administration of the Council's affairs.
- 1.3 The Clerk shall be responsible for the production of financial management information.

2. ANNUAL ESTIMATES

- 2.1 Detailed estimates of all receipts and payments for the year shall be prepared each year by the Clerk.
- 2.3 The Council shall review the estimates not later than the end of January each year and shall fix the Precept to be levied for the ensuing financial year.
- 2.4 The annual budgets shall form the basis of financial control for the ensuing year.
- 2.5 The Council shall ensure that inflation is taken into consideration when discussing the precept for the coming year.

3 BUDGETARY CONTROL

- 3.1 The Clerk shall regularly provide the Council with information regarding receipts and payments.
- 3.2 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.
- 3.3 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 Clerk as required by the Accounts and Audit Regulations 1996 as amended.
- 4.2 The Clerk shall be responsible for completing the annual financial statements of the Council as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
- 4.3 The Clerk shall be responsible for completing the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission) and for submitting the Annual Return for approval and authorisation by the Council within the time scales set by the Accounts and Audit Regulations 1996 as amended, or set by the Auditor.
- 4.4 The Clerk shall be responsible for ensuring that there is 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 as amended.
- 4.5 The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council annually in respect of each financial year.
- 4.6 The Clerk shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers required by Audit Commission Act 1998 section 15 and the Accounts and Audit Regulations 1996 as amended.
- 4.7 The Clerk shall, as soon as practicable, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.

5. BANKING ARRANGEMENTS AND CHEQUES

- 5.1 The Council's banking arrangements shall be made by the CLERK and approved by the Council. They shall be regularly reviewed for efficiency.
- 5.2 A schedule of the payments required, shall be prepared by the CLERK and, together with the relevant invoices, be presented to Council. If the schedule is in order it shall be authorised by a resolution of the Council and shall be initialled by the Chairman of the Meeting. If more appropriate the detail may be shown in the Minutes of the Meeting.
- 5.3 Cheques drawn on the bank account shall be signed by two of the three authorised signatories of Council.
- 5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

6 PAYMENT OF ACCOUNTS

- 6.1 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 Clerk. The Clerk shall satisfy him/herself that the work, goods or services to which the invoice relates shall have been received, carried out, examined and approved.
- 6.3 The Clerk shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading. The Clerk shall take all steps to settle all invoices submitted, and which are in order, at the next available Council Meeting.
- 6.4 If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the Clerk certify that there is no dispute or other reason to delay payment, the Clerk may (notwithstanding para 6.3) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of Council.
- 6.5 The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk (for example for postage or minor stationery items) shall be refunded on a regular basis.

7 PAYMENT OF SALARIES

- 7.1 The payment of salaries is currently under review, but it is expected that the payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salaries shall be as agreed by Council.
- 7.2 Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, may be made in accordance with the payroll records and on the appropriate dates, provided that each payment is reported to and ratified by the next available Council Meeting.

8 INCOME

- 9.1 All sums received on behalf of the Council shall be banked intact as directed by the Clerk. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the Clerk considers necessary.
- 9.2 The origin of each receipt shall be entered on the paying-in slip.
- 9.3 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.4 The Clerk shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

9 INSURANCE

- 9.1.1 Following an annual risk assessment, the Clerk shall effect all insurances and negotiate all claims on the Council's insurers
- 9.1.2 The Clerk shall give prompt notification to councillors of all new risks, or properties or which require to be insured and of any alterations affecting existing insurances.
- 9.3 The Clerk shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 9.4 The Clerk shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Council at the next available meeting.
- 9.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council.

10 CHARITIES

- 10.1 Where the Council is sole trustee of a Charitable body the Clerk and Clerk shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk and Chairman shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

11 RISK MANAGEMENT

- 11.1 The Clerk and Chairman shall prepare and promote risk management policy statements in respect of all activities of the Council.
- 11.2 When considering any new activity the Clerk and Chairman shall prepare a draft Risk Management policy for the activity and shall bring a draft addressing the legal and financial liabilities and Risk Management issues that arise to Council for consideration and, if thought appropriate, adoption.

12 REVISION OF FINANCIAL REGULATIONS

- 12.1 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time, usually on a yearly basis.