

Arreton Parish Council

FINANCIAL REGULATIONS

2024

1 GENERAL

- 1.1 The Clerk shall be the Parish Council's Responsible Financial Officer (RFO).
- 1.2 The RFO will be responsible for the proper administration of the Parish Council's affairs.
- 1.3 The RFO will be responsible for the production of financial management information.

2 ANNUAL ESTIMATES AND SETTING OF PRECEPTS

- 2.1 Detailed estimates of expenditure on services will be prepared by the RFO for the forthcoming year, and submitted to each Councillor in time for the December Parish Council Meeting.
- 2.2 The Parish Council will review its estimated expenditure at the December and January Meetings and will recommend the precept to be levied for the ensuing Financial Year at the February Meeting.

3 BUDGETARY CONTROL

- 3.1 Expenditure must always be incurred in accordance with the annual estimated Budget and Precept levied unless agreed by the Parish Council.
- 3.2 All expenditure incurred on behalf of the Parish Council must be resolved at a full Parish Council Meeting.
- 3.3 All capital works shall be administered in accordance with the Parish Council's Standing Orders and Financial Regulations relating to contracts.
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- 3.5 The Clerk may authorise revenue expenditure on behalf of the council which in the Clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, within budget headings, subject to a limit of £500.

4 ACCOUNTING AND AUDIT

- 4.1 All accounting procedures and financial records of the Parish Council shall be determined by the RFO, as required by the most recent Accounts and Audit Regulations.
- 4.2 The RFO will be responsible for completing the Annual Accounts of the Parish Council as soon as practicable after the end of the Financial Year and will submit them, and report thereon, to the Parish Council.
- 4.3 The RFO will be responsible for maintaining an adequate and effective system of internal audit of the Parish Council's accounting, financial and other operations in accordance with the most recent Accounts and Audit Regulations.
- 4.4 The RFO will be authorised to have made available any documents that are required for accounting purposes and financial record keeping.

5 BANKING ARRANGEMENTS and CHEQUES

- 5.1 The Parish Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Parish Council; banking arrangements may not be delegated to a committee. Three accounts will be maintained: a current account and two savings account.
- 5.2 A schedule of the payment of money will be prepared by the RFO, together with any relevant invoices, etc., and presented to the Parish Council at each full meeting. If the schedule of payments is in order, it will be authorised for payment by resolution of the Parish Council.
- 5.3 Bank transfers, electronic payments, cheques and withdrawal forms for all accounts will be signed as specified in 6.4 below.

6 PAYMENT OF ACCOUNTS

- 6.1 All payments shall be effected by cheque or other order drawn on the Parish Council's Bankers.
- 6.2 All invoices will be examined, verified and certified by the RFO. Before certifying an invoice, the RFO will satisfy himself/herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
- 6.3 The RFO, when satisfied as to validity of the invoice, will take all possible steps to settle invoices received within the time allowed by the contractor, or within 30 days of receipt if at all practicable.
- 6.4 The RFO shall be authorised to make payments up to and including £500 or a requirement for one signature; payments from £501-£1,000 shall require two signatures and payments of £1,001 and over shall require three. Any one signatory can make the payments online, subject to appropriate authorisation. Any bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.
- 6.5 The RFO will as required, for operational and other expenses pay for small items of expenditure and claim back via the monthly expenses system. Receipts for payments made will be kept to substantiate the payments and the RFO will provide the Parish Council, at each full meeting, a statement of expenditure incurred since the previous full meeting.
- 6.6 Any corporate credit card or trade card account opened by the Parish Council will be specifically restricted to use by the Clerk and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances.

7 PAYMENT OF SALARIES and WAGES

- 7.1 As an employer, the Parish Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council.
- 7.2 The Clerk's salary will be paid monthly in accordance with the terms agreed in the Contract with the Parish Council, this payment being authorised at each Parish Council meeting. In the event of the Parish Council not meeting in any one month, the Clerk shall use delegated powers to pay the monthly salary.
- 7.3 The salary details will be entered in the administration section of the general accounts by the RFO.

8 LOANS and INVESTMENTS

- 8.1 All loans and investments will be negotiated by the RFO in the name of the Parish Council. Changes to loans and investments must be reported to the Parish Council at the earliest opportunity.
- 8.2 All investments of money under the control of the Parish Council will be in the name of the Parish Council.
- 8.3 All borrowings will be effected in the name of the Parish Council
- 8.4 All investment certificates and other documents relating thereto will be retained in the custody of the RFO.

9 INCOME

- 9.1 The collection of all sums due to the Parish Council will be the responsibility of, and under the supervision of, the RFO.

- 9.2 The RFO will be responsible for the collection of any accounts due to the Parish Council.
- 9.3 The Parish Council will review all fees and charges annually, following a report from the Clerk.
- 9.4 Any bad debts will be reported to the Parish Council by the RFO.
- 9.5 All sums received on behalf of the Parish Council will be banked by the RFO as soon as is possible.
- 9.6 Personal cheques will not be cashed out of money held on behalf of the Parish Council.

10 ORDERS FOR WORK, GOODS and SERVICES

- 10.1 Written evidence of orders placed for any of the above must be made and copies maintained unless a formal contract is to be entered into, or in a situation where an official order would be inappropriate as in the case of the RFO or Clerk's out of pocket expenses.
- 10.2 The principles of best value will be embraced at all times when negotiating any of the above.

11 INSURANCE

- 11.1 The RFO will effect all insurance matters and negotiate all claims on the Parish Council's Insurers.
- 11.2 The RFO will ensure that all new risks are brought to the attention of the Parish Council.
- 11.3 The RFO will ensure that all Parish Council property, effects and risks are covered by the Policy and ensure they are reviewed by the Parish Council annually.
- 11.4 The RFO will inform the Parish Council, in the event of any loss, liability or any other situation, which may lead to a claim.
- 11.5 The RFO will be included in a suitable Fidelity Guarantee.

12 CONTRACTS

- 12.1 All Contracts entered into by the Parish Council will be passed by a resolution made by the Parish Council at a full Parish Council Meeting.
- 12.2 At least three tenders will be sought for each contract exceeding £2,500.
- 12.3 The Parish Council should always consider best value principles when deciding upon a contractor but it is not bound to select the lowest, or any, tender.

13 REVISION OF FINANCIAL REGULATIONS

- 13.1 The RFO has the responsibility for ensuring that these regulations are reviewed annually and to make such recommendations to the Parish Council as circumstances may require.

Adopted by Arreton Parish Council

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Chairman

9th September 2024