

# **BROGBOROUGH PARISH COUNCIL**

## **FINANCIAL REGULATIONS**

### **GENERAL**

These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. The Council, including the Responsible Financial Officer (in Brogborough Parish Council this is the Clerk), are responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of financial control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk and for the prevention and detection of fraud and corruption. These financial regulations are designed to demonstrate how the Council meets these responsibilities.

### **ANNUAL ESTIMATES**

The Council shall formulate proposals in respect of revenue services and capital projects for the following financial year, in readiness for the Precept request.

### **BUDGETARY CONTROL**

Any changes to the planned proposed expenditure must be approved by the Council at a full Council meeting. The RFO shall regularly provide the Council with a statement of receipts and payments. 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 £500. The Clerk shall report the action to the Council as soon as practicable thereafter.

### **ACCOUNTING AND AUDIT**

All accounting procedures and financial records of the Council shall be determined by the RFO. 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 Council for their approval.

The Annual Return and Corporate Governance statement shall be compiled by the RFO and circulated to Council members prior to the Council meeting to which they are to be submitted for approval, and for signature of the Chairman of the Council and the RFO.

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 proper practices. An independent Internal Auditor will be appointed annually by the Council to audit the accounts in accordance with proper practices, prior to the submission to the External Auditor. The Internal Auditor, who shall be competent and independent of the operations of the Council.

The Annual Return and Corporate Governance statement shall be displayed on the Council notice boards in accordance with proper practices in order to allow the public to make representations should they so wish.

On completion of the External Audit the Annual Return together with any recommendations made by the External Auditor will be circulated by the Clerk to all Council members for their action as required.

## BANKING ARRANGEMENTS AND CHEQUES

The Councils banking arrangements shall be made by the RFO and approved by the Council. Cheques shall be drawn up by the RFO and presented along with the relevant invoices to the Council. The RFO plus two named members of Council must sign each cheque, one member shall also sign the appropriate invoice. In case of urgency cheques may be signed out of Council by the RFO and two named members of the Council and shall be reported to the next meeting of the Council.

## PAYMENT OF SALARIES

The payment of the Clerk's salary shall be paid by Standing Order, to be reported to the next Council meeting. The RFO shall be responsible for ensuring the appropriate Tax and National Insurance is paid as required by the Inland Revenue.

## GRANTS

When the Council is requested for a grant towards a club, society or trust's activities The Council have the responsibility to ensure that the applicant provides all the information necessary to ensure the request meets the policies and procedures of the Council. The information required will usually include full details of the requirement for which the money is requested, a copy of the latest audited accounts, and where appropriate a copy of the organisations business plan. Other information may be requested if deemed necessary. Any such grant will normally only be made to an organisation which is active in the village and for the benefit of the local community.

## INCOME

The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO. 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. The Council shall review all fees and charges annually, following a report of the Clerk. Any bad debts shall be reported to the Council. All sums received on behalf of the Council shall be paid to the RFO for banking, in all cases all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary. Personal cheques shall not be cashed out of money held on behalf of the Council.

## ORDERS FOR WORK, GOODS, SERVICES AND CONTRACTS

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

When it is intended to enter a new contract for the supply of goods and services exceeding the value of £5000 the Clerk shall invite tenders from at least three firms. Such an invitation shall state the specific nature of the work required. The invitation shall in addition state that the tenders must be addressed to the Clerk and the last date by which the tenders should reach the Clerk. The Council shall not be obliged to accept the lowest tender.

## PROPERTIES AND ESTATES (Asset Register)

The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The RFO shall ensure that a record is maintained of all properties owned by the Council, recording the location, extent, plan, reference and purchase details. No property shall be sold, leased or otherwise disposed of without the authority of the Council.

## INSURANCE

The RFO shall affect all insurances and negotiate all claims on the Council's insurers in consultation with the Finance Committee. The RFO shall keep a record of all insurances affected by the Council and the property and risks covered thereby and annually review it in conjunction with the Finance Committee. The RFO shall be notified of any loss, liability or any event likely to lead to a claim.

## REVISION OF FINANCIAL REGULATIONS

It shall be the duty of the Councillors to review the financial regulations of the Council from time to time and if appropriate recommend any changes to Council for approval.

This policy was APPROVED In November 2019