

Wymeswold Parish Council Financial Regulations

These Financial Regulations have been adopted to govern the financial affairs of Wymeswold Parish Council. The regulations may be amended by resolution of the Council. These Financial Regulations must be observed in conjunction with the Parish Council and Burial Board's Procedural Standing Orders and the Council's Bankline and Payments Best Practice Guidance (which are separate documents). At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.

1. The Responsible Finance Officer:

The Clerk to the Council is the Responsible Financial Officer (RFO) and, subject to the direction of the Council, is responsible for the proper administration of the Council's financial affairs. The RFO:

- a. acts under the policy direction of the Council.
- b. administers the Council's financial affairs in accordance with all relevant Acts, Regulations, and proper practices.
- c. determines on behalf of the Council its accounting records and accounting control systems.
- d. ensures the accounting control systems are observed.
- e. maintains the accounting records of the Council are up to date in accordance with proper practices.
- f. assists the Council to secure economy, efficiency, and effectiveness in the use of its resources.

The accounting records determined by the RFO shall be sufficient to show and explain the Council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information comply with the Accounts and Audit Regulations.

* Importantly, any decision regarding:

- i. setting the final budget or the precept (council tax requirement)
- ii. approving accounting statements
- iii. approving an annual governance statement
- iv. borrowing
- v. writing off bad debts
- vi. declaring eligibility for the General Power of Competence
- vii. addressing recommendations in any report from the internal or external auditors

is a matter for the full Council only.

Wymeswold Parish Council Financial Regulations

2. Annual Estimates (Budget) and forward planning:

The Council must determine no later than the beginning of January each year the precept for the forthcoming financial year. For the purposes of determining the precept, the following must be considered:

- a. The salary and expenses of the Clerk are fixed in accordance with agreed national scales.
- b. The Council must no later than the end of December each year formulate proposals and provide costings for capital projects and other non-recurrent expenditure for the forthcoming financial year.
- c. The RFO must prepare detailed estimates of recurrent income and expenditure, and a budget for the forthcoming financial year which must be approved by the Council before the precept is agreed and approved by the Council.
- d. The approved annual budget shall form the basis of financial control for the ensuing year.

3. Contracts for goods and services:

Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency.

- a. Where the Council intends to enter into a contract and the contract price is likely to exceed £1500 (excluding VAT), the RFO must normally invite tenders from more than one supplier, ideally three suppliers. In awarding the contract the Council is not required to accept the lowest priced tender, but it is responsible for ensuring value for money.
- b. Where the Council intends to enter into a contract and the contract price is not likely to exceed £1500 (exclusive of VAT), the Council will normally award the contract without inviting multiple tenders.
- c. The RFO or Councillor may incur expenditure on behalf of the Council, after consultation with either the Chair or Vice Chair alone (if possible), where such expenditure is necessary for work that must be carried out as a matter of extreme urgency; but such authority does not extend to expenditure more than £500 (exclusive of VAT).
- d. Where the Council intends to procure or award a public supply contract, public service contract or public works contract, which is valued at £30,000 (total value including VAT) or more, the Council shall use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts.

Wymeswold Parish Council Financial Regulations

- e. The Council may, where appropriate, enter into contracts for a maximum of three years.

4. Budgetary Control and authority to spend:

- a. The RFO must produce monthly accounts showing income and expenditure.
- b. No expenditure may be incurred unless the Council is satisfied that the necessary funds are available within the budget.
- c. During the budget year, and with the approval of the Council, having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- d. The salary budget is to be reviewed at least annually for the following financial year and such review is detailed in the Clerk's contract of employment.
- e. In cases of extreme risk to the delivery of Council services, 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, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report such action to the Chair as soon as possible and to the Council at the next Council meeting.

5. Banking arrangements, authorisation, and payment of accounts:

- a. The Council's banking arrangements, including the bank mandate, shall be made by the RFO, and approved by the Council. They shall be regularly reviewed for safety and efficiency.
- b. The RFO must normally arrange the payment of all invoices via the Parish Council's online banking provider which is Bankline – belonging to NatWest. The RFO must prepare a schedule of the payments required and must present these together with the relevant invoices to the Chair and Vice Chair and/or another authorised Councillor. This process is outlined separately in the Wymeswold Parish Council Bankline and Payments Best Practices Guidance Document.
- c. Online banking should be used as a preference to cheques in all instances. Where this is not possible, cheques drawn on the Council's bank account(s) must be signed by two authorised signatories.
- d. Councillors are subject to the Members' Code of Conduct that has been adopted by the Council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest unless a dispensation has been granted.

Wymeswold Parish Council Financial Regulations

6. Payment of salaries:

As an employer, the 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 the Council. No changes shall be made to any employee's pay, or terms and conditions of employment without the prior consent of the Council.

7. Loans and investments:

- a. All borrowings shall be affected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by the Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full Council.
- b. All investments of money under the control of the Council shall be in the name of the Council. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

8. Income:

- a. The RFO is responsible for the collection of all sums due to the Council and such sums must be banked as soon as possible after receipt.
- b. The Council will review all fees and charges at least annually.
- c. Any sums found to be irrecoverable, and any bad debts shall be reported to the Council and shall be written off in the year.

9. Accounting and Audit (Internal and External):

- a. The RFO is responsible for ensuring that all accounting procedures comply with the current Accounts and Audit Regulations, appropriate guidance, and proper practices.
- b. The RFO must complete the annual financial account statements of the Council as soon as practically possible after the end of the financial year and submit them to the Chair, Vice Chair, and members of the Parish Council for review.
- c. The Council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the Council shall make available such documents and records as appear to the Council to be

Wymeswold Parish Council Financial Regulations

necessary for the purpose of the audit and shall, as directed by the Council, supply the RFO, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.

- d. The internal auditor shall be appointed by the Council and shall carry out the work in relation to internal controls required by the Council in accordance with proper practices. They shall be competent and independent of the financial operations of the Council.
- e. The RFO is responsible for maintaining an adequate and effective system of internal audit of the Council's accounting, financial and other operations, and for complying with external audit requirements, in accordance with current Accounts and Audit Regulations.
- f. The RFO shall make arrangements for the Exercise of Electors' Rights in relation to the accounts including the opportunity to inspect the accounts, and display or publish any notices and statements of account required by the Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.
- g. The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from internal or external auditors.
- h. The RFO must complete any VAT Return as necessary and submit any repayment claim at least annually.

10. Assets and Risk Assessments:

- a. The RFO shall ensure that an appropriate and accurate Register of Assets is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually.
- b. The Council must review the insurance of its assets annually.
- c. The Council must carry out risk assessments on its assets at appropriate intervals which will be documented, and a collated annual risk assessment will be approved by the Council before the end of the financial year.

11. Suspension and Revision of Financial Regulations:

- a. The Council will review these Financial Regulations in March each year, ahead of the start of a new financial year and the annual internal and external audit. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these Financial Regulations.

Wymeswold Parish Council Financial Regulations

- b. The Council may, by resolution of the Council duly notified prior to the relevant meeting of the Council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded.

The Wymeswold Parish Council Financial Regulations Policy was approved at the Wymeswold Parish Council meeting on Monday 4th March 2024.
Next Policy Review date March 2025.