

# Statement of Financial Regulations

## Cheriton Bishop Parish Council

Reviewed October 2015

### **1) General**

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.

The responsible financial officer (RFO) under the policy direction of the council shall be responsible for the proper administration of the council's financial affairs.

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

### **2) Annual Budgets**

The council shall formulate proposals in respect of revenue services and capital projects for inclusion in the rolling capital programme not later than the December meeting of the council.

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

The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.

### **3) Budgetary Control**

Expenditure on the revenue account may be incurred up to the amounts included in each approved budget.

No expenditure may be incurred which cannot be met from the amount provided in the appropriate budget unless a virement has been approved.

The RFO shall periodically provide the council with a statement of income and expenditure to date under each heading of the approved annual revenue and capital budgets.

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 £ 250. The Clerk shall report the action to the council as soon as practicable thereafter.

The Clerk is authorised to purchase stationary and stamps as required.

Unspent provisions in the revenue budget shall not be carried forward to a subsequent year.

No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital account unless the council are satisfied that it is contained in the rolling capital programme and that the necessary capital funds are available.

All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

#### **4) Accounting and audit**

All accounting procedure and financial records of the council shall be determined by the RFO as required by the Accounts and Audit regulations 2014

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 the council.

The RFO shall be responsible for maintaining an adequate and effective system of internal audit of the councils accounting, financial and other operations in accordance with the Accounts and audit Regulations 2014

The internal auditor shall make a written report to the council.

#### **5) Banking Arrangements and Cheques**

The councils banking arrangements shall be made by the RFO and approved by the council.

A schedule of the payment of money shall be prepared by the RFO and together with the relevant invoices presented to the council.

If the schedule is in order it shall be authorised by a resolution of the council.

Cheques shall be signed by at least two members of the council who should also initial the cheque stub.

#### **6) Payment of Accounts**

All invoices shall be examined and verified by the RFO. The RFO shall satisfy himself that the work, goods or services has been carried out.

All duly certified invoices will then be entered on the schedule referred to in **(5)**.

#### **7) Payment of Salaries and Wages**

The payment of salaries and wages shall be made by the RFO in accordance with the payroll records.

#### **8) Loans and investments**

All loans and investments under the control of the council shall be in the name of the council.

#### **9) Income**

The Collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.

The council will review all fees and charges annually.

All sums received on behalf of the council shall be paid to the RFO for banking.

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

## **10) Orders for Works, Goods and Services**

An official order or letter shall be issued for all works, goods and services unless a formal contract is to be prepared.

Order shall be numbered in sequence and copies of orders issued shall be maintained.

Order books shall be controlled by the RFO.

Invoices shall be in the name of the council or addressed to the Clerk of the Council.

## **11) Contracts**

Procedures as to contracts are laid down in standing orders and no exception from any provisions shall be made other than by direction of the council.

Provided that these standing orders shall not apply to contracts which relate to items (i) to (v) below.

- I. For the supply of gas, electricity, water, sewerage, and telephone services
- II. For specialist services such as provided by solicitor's accountant's surveyors and planning consultants
- III. For work to be executed or good or materials to be supplied which consists of repairs to or parts for existing machinery or equipment or plant
- IV. For work to be executed or goods or materials to be supplied which constitute an extension of an existing contract
- V. For good or materials proposed to be purchased which are propriety articles and/or which are sold only at a fixed price

## **12) Properties and Estates**

The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the council. The RFO shall ensure a record is maintained of all properties owned by the council recording the location extent plan reference purchase details nature of the interest, tenancies granted, rents payable and purpose for which it is held in accordance with the Accounts and Audit regulations 2014

No property shall be sold, leased or otherwise disposed of without the authority of the council, save where the estimated value of any one item does not exceed £500.

## **13) Insurance**

The RFO shall effect all insurance and negotiate all claims on the Council's insurers.

The RFO shall keep a record of all insurances effected by the Council and the property and risks covered.

All appropriate employees of the council shall be included in a suitable fidelity guarantee insurance.

## **14) Revision of Financial Regulations**

It shall be the duty of the Council to review the financial regulations of the Council annually