

**FINANCIAL REGULATIONS FOR STRETTON PARISH COUNCIL**

**ADOPTED ON 3<sup>rd</sup> APRIL 2017**

## **1. General**

1.1 These financial regulations shall govern the conduct of the financial transactions of the Council and shall only be amended by resolution of the Council.

1.2 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, including arrangements for the management of risk. The RFO to the Parish Council will normally also undertake the role as Clerk.

1.3 The RFO shall be responsible for the production of financial management information as agreed by the Council.

1.4 At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its systems of internal controls.

1.5 The accounting records 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, as the case may be, or management information prepared for the Council from time to time comply with the Accounts and Audit Regulations.

1.6 The Council must determine and keep under regular review the bank mandate for all Council accounts.

## **2. Annual Estimates**

2.1 A budget shall be prepared and approved by Council no later than December in each year.

2.2 During December of each year the Council shall set the precept to be levied for the ensuing year.

2.3 The budget shall form the basis of the financial control for the ensuing year.

### **3. Budgetary Control**

3.1 Revenue expenditure may be incurred up to the amounts included in the Council's budget.

3.2 The RFO shall provide the Council with a statement of income and expenditure as requested.

3.3 No expenditure shall be incurred in relation to any project and no contracts entered into or tender accepted involving expenditure on capital account unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval can be obtained.

3.4 The RFO and/or Chairman shall have delegated powers to undertake payments accrued within the normal activities of the Parish Council up to the amount of £1,000 per annum.

### **4. Accounting and Audit**

4.1 All accounting procedures and financial records of the Council shall be determined by the RFO as required by the Accounts and Audit Regulations, or other Statutory Instrument which may supersede those Regulations.

4.2 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 in any case by the statutory date of 30 June and submit such accounts and report thereon to the Council.

4.3 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 regulation 5 of the Accounts and Audit Regulations 1996.

## **5. Banking Arrangements**

5.1 The Council's banking arrangements shall be approved by the Council.

5.2 Relevant invoices shall be presented to the Council and if in order shall be authorised for payment by a resolution of the Council.

5.3 Cheques drawn on the Council's bank accounts shall be signed by two elected Members of the Parish Council or one elected Member and the Clerk.

## **6. Payment of Accounts**

6.1 All payments shall be effected by cheque, standing order, direct debit or Internet/Telephone Banking by the Council's bankers. Any standing orders, direct debits or Internet/Telephone Banking instructions are to be approved by Council by resolution.

6.2 All invoices for payment shall be examined verified and certified by the RFO as evidenced by the presentation to Council for payment. Before such certification the RFO shall be satisfied that the works, goods or services to which the invoice relates have been received, carried out, examined and approved.

6.3 Salaries shall be effected by cheque or standing order, as approved by Council.

6.4 The payment of all salaries shall be made in accordance with the HMRC requirements.

## **7. Loans and Investments**

7.1 All loans and investments in the name of the Council must have approval by the Council and shall be for a set period of time as approved by Council.

7.2 All investments of money under the control of the Council shall be in the name of the Council.

7.3 All borrowings shall be in the name of the Council.

7.4 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

## **8. Income**

8.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.

8.2 Any bad debts shall be reported to the Council.

8.3 All sums received on behalf of the Council shall be banked with such frequency as the RFO considers necessary.

## **9. Contracts**

9.1 An invitation to tender shall state the general nature of the intended work or service to be provided and shall be required to be delivered to such persons as the Council may direct, by a specified date as agreed by the Council. All tenders for the same work shall be considered at the same time by the Council.

Stretton Parish Council  
Financial Standing Orders

Signed.....

Date .....

9.2 The Council shall decide from time to time a financial limit for work to be carried out or service provided above which tenders shall be sought.

9.3 The Council shall not be obliged to accept the lowest or any tender.

9.4 All contracts must be procured in line with the Policy contained in Section 18d of the Parish Council's Standing Orders.

### **10.1 Insurance**

10.1 The RFO shall be responsible for effecting all insurance and negotiating all claims against the Council's insurers.

10.2 The RFO shall give prompt notification to the Council of all new risks any of any amendments affecting existing cover.

10.3 All appropriate employees of the Council shall be included in suitable fidelity guarantee cover.

### **11. Revision of Financial Regulations**

11.1 It shall be the duty of the Council to review these financial regulations from time to time.