

Little Missenden Parish Council

Financial Regulations

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 matters. The RFO will seek to follow the guidance from NALC – model financial regulations document.
- 1.3 The RFO shall be responsible for the production of financial management information.
- 1.4 The RFO shall work in close co-operation with the Chairman of Finance or his Representative in respect of the Council's financial management.

2. Annual Budget

- 2.1 A budget for the following accounting year shall be prepared by the RFO no later than the end of December in each year.
- 2.2 During January 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 financial control and management for the ensuing year.
- 2.4 The budget for the forthcoming financial year shall be provisionally confirmed no later than the December Council meeting to enable the level of the Precept to be established with the final budget being agreed at the following March Council Meeting.
- 2.5 All annual Budgets for any financial year should be agreed by Council at each annual March meeting.

3. Budgetary Control

- 3.1 Expenditure may be incurred up to the amounts included in the Council's budget unless approval for additional expenditure has been obtained from Council.
- 3.2 On a monthly basis, and as a matter of routine, the RFO shall provide the Council with a statement of income and expenditure.

- 3.3 The annual forecast for income/expenditure should be reviewed quarterly and agreed by the Members of the Council.
- 3.4 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 urgency that, in the opinion of the Clerk, must be carried out immediately, whether or not there is a budgetary provision, and subject to a financial limit of £200. The Clerk shall report the action taken to the Council as soon as practicable thereafter.
- 3.5 No expenditure shall be incurred in relation to any capital project and no contracts entered into or tender accepted involving expenditure of a capital nature unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval can be obtained.

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 (England) Regulations 2011 (si2011/817) or other statutory instruments which may supersede these regulations.
- 4.2 The RFO shall be responsible for completion of the annual accounts of the Council no later than 30th June and will submit the Annual Return to the External Auditor as determined by the External Auditor.
- 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 (England) 2011.

5. Banking Arrangements

- 5.1 The Council's banking arrangements shall be made by the RFO and approved by 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 authorised signatories.

6. Payments of Accounts.

- 6.1 All payments shall be effected by cheque or by direct debit drawn on the Council's bankers.

6.2 All invoices for payment shall be examined, verified and certified by the RFO for 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 properly approved.

7. Payments of Salaries and Wages

7.1 It shall be the responsibility of the RFO to calculate payment of salaries and wages in accordance with the National Joint Council for Local Government Services rates in force and arrange for such payment to be made via the Business Payments Service of the Council's banker. This should be approved by either the Chairman of the Council or the Chairman of Finance or their representatives.

8. Loans and investments

8.1 All loans and investments shall be negotiated by the RFO in the name of the Council and approved by the Council.

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

8.3 All borrowings shall be solely in the name of the Council.

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

9. Income

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

9.2 Any bad debts should be reported to the Council for approval prior to being written off.

9.3 All sums received on behalf of the Council shall be banked with such frequency as the RFO considers necessary, and at least on a weekly basis.

10. Contracts

10.1 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 in sealed envelopes. All tenders for the same work shall be opened at the same time by such persons as the Council shall direct

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

10.3 The Council shall not be obliged to accept the lowest or any tenders.

11. Insurance

- 11.1 The RFO shall be responsible for affecting all insurance and negotiating all claims against the Council's Insurers.
- 11.2 The RFO shall give prompt notification to the Council of all new risks and of any amendments affecting existing cover.
- 11.3 All appropriate employees of the Council shall be included in suitable fidelity guarantee cover.
- 11.4 The RFO and the Chairman of Finance shall review the insurance cover annually prior to renewal.

12. Fixed Assets

12.1 The RFO shall maintain a Register of the Council's Fixed Assets.

13	Revision of Financial Regulations	
14.1	Spending limits shall be as follows: -	
	Chairman	Up to £100
	Chairman plus two Members	£101 to £500
	Chairman plus three Members	£501 to £750
	Council without tenders	£751 to £2000
	Three tenders to be invited	£2001 upwards.

The Clerk/RFO

£200 in an emergency and for stationery and postage needs.

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Clerk to LMPC

August 2019