

LACOCK PARISH COUNCIL

FINANCIAL REGULATIONS



Lacock Parish Council Financial Regulations approved by Lacock Parish Council at a meeting held on 12/02/2018.

1. General

- 1.1. These financial regulations will govern the conduct of the financial transactions of the Council and may only be amended or varied by resolution of the Council.
- 1.2. The Responsible Financial Officer (RFO)/Clerk will be responsible for the proper administration of the Council's financial affairs.
- 1.3. The Clerk will be responsible for the production of financial information on a regular basis and will circulate it to all members in those months when meetings of the Council are held.

2. Finance Committee

- 2.1. The Finance Committee shall comprise at least 3 councillors including the RFO, and will include the Chair and/or Vice-Chair of the council as ex-officio members of the committee.
- 2.2. Membership of the Finance Committee is reviewed annually at the Annual Parish Council Meeting in May of each year. Changes in the composition of the committee are minuted.

3. Annual Budget Estimates and Precept Calculation

- 3.1. The Finance Committee will meet not later than December each year and agree details of income and expenditure for the following financial year.
- 3.2. The RFO will recommend the precept to be levied for the following year at the December Council meeting.
- 3.3. When members have approved the projected spend and precept calculation, the Clerk will submit the precept request to Wiltshire council in January or any other date as revised by Wiltshire Council.
- 3.4. The approved projected annual spend will form the basis of financial control for the following financial year.

4. Budgetary Control

- 4.1. All expenditure will be approved by members at a Council meeting.
- 4.2. No expenditure will be incurred which cannot be met from the budget, unless approved by Councillors at the Council meeting.

- 4.3. The Clerk will update the balance of funds available each month against each bank account held by the Council at the Cooperative Bank, Skelmersdale, or such other bank/accounts as agreed by Councillors.
- 4.4. The RFO will consult with the full Parish Council to agree any continuing investment, of any significant Council reserves.

5. Accounting and Audit

- 5.1. The Clerk will carry out all accounting procedures and keep adequate records, in accordance with approved practices .
- 5.2. The Clerk will claim any refund of VAT at the end of March each year, which is owed to the Council, by HM Revenue & Customs.
- 5.3. The RFO will meet with the Finance Committee members at the beginning of September, so that random checks can be carried out by members to ensure that all accounts have been correctly recorded and kept throughout the year. Members will approve and record the accuracy of the accounts they check.
- 5.4. The Clerk will prepare the annual accounts for the Council for the financial year and will submit them for approval at the April Council meeting.
- 5.5. The Clerk will liaise with the internal auditor to ensure that all records and accounts are kept in an approved and accurate format and will present them to the internal auditor for approval, in accordance with agreed Financial Regulations.

6. Banking Arrangements

- 6.1. The Clerk will include an agenda item in each summons, listing invoices received and due for payment, along with brief detail of the items claimed and the total expenditure for the month.
- 6.2. When approved by Councillors, all invoices will be paid by cheque drawn on the Council's bank account.
- 6.3. Cheques for approved payments will be signed by two Councillors who are duly authorised signatories to the bank account. Each Councillor duly authorised to sign a cheque will also initial the cheque stub, which will then remain in the cheque book. The RFO will not be authorised to sign cheques on behalf of the Parish Council.
- 6.4. The RFO will monitor the Council's bank accounts and will transfer funds between accounts if approved by Councillors at the Council Meeting. Copies of the latest bank statements received will be presented to Councillors at each Parish Council meeting, to confirm month end account balances.
- 6.5. The RFO may advise the Finance Committee on the amount of any reserves which can be invested in a one year bond, in order to maximise the interest earned.
- 6.6. Payments to the Council will where possible be made by BACS transfer direct to the Council's bank account. Where payments are received by cheque, the Clerk will deposit the cheque in the Council's bank account, within 7 days of receipt.
- 6.7. PAYE payments to HMRC will be paid via BACS.
- 6.8. Internet Banking ID numbers and Pin numbers will be held by the Chair securely in a sealed envelope. The sealed envelope will only be opened in the presence of at least 2 other councillors and once opened any Internet Banking ID and Pin Numbers will be changed.

7. Payment of Invoices

- 7.1. All invoices received will be checked by the RFO for authorised and correct content and arithmetical accuracy.
- 7.2. The RFO will take all reasonable steps to settle invoices received and found to be in order, within 30 days.
- 7.3. No invoice will be settled with a cash payment.

8. Clerk's Salary

8.1. The Clerk will be paid monthly by cheque to cover salary and any authorised expenses, ie stationery, postage and telephone calls, supported by vouchers details of which will be kept in a separate book (black book)

9. Investments

9.1. All investments will be made in the name of Lacock Parish Council, with the current Chairman and two other Council member being nominated as Trustees to the investment account.

10. Tenders

10.1. Any works which are identified to be undertaken for the Council will where appropriate be specified in a detailed document showing the materials to be used, the method of use, the quality standards to be achieved and the length of the contract period to complete the works.

10.2. Tender documents will be forwarded to suitably qualified persons or organisations and will specify the return date by which a tender price must be received by the RFO/Clerk in a sealed envelope without identifying marks.

10.3. Tenders will be opened by the RFO at a Parish Council meeting and the results recorded.

10.4. The Clerk will acknowledge in writing to each person or organisation submitting a tender, that their tender has been received and will list the figures submitted, without identifying the person or organisations replying.

11. Contracts

11.1. Every contract made by the Council which exceeds £1000.00 (one thousand pounds) in value, will only be issued if two competitive tenders have been requested.

11.2. The Council is not bound to accept the lowest tender received.

11.3. Where it does not prove possible to attract competitive tenders or the works are of a specialist nature, a single tender may be accepted.

11.4. Where the value of a contract does not exceed £1000.00 (one thousand pounds), the Chairman and the RFO will have joint executive authority to accept a single tender.

11.5. No contract will be issued for any contract until approved by Councillors at a Council meeting.

11.6. A written confirmation will be issued by the RFO/Clerk to a person or organisation submitting a successful tender, for any works to be carried out for the Council.

11.7. Where a contract provides for payments by instalments, the Clerk will maintain a record of all payments made. In any case where the total cost of the work will exceed the contract sum, the RFO will produce a report for approval by the Council.

11.8. Any variation, addition or omission to or from a contract, will be approved, following agreement at a Parish Council meeting, in writing by the RFO/Clerk and the facts reported to the Council at its next Meeting.

12. Insurance

12.1. The RFO will review the adequacy of the Council's Insurance Policy each year before renewal and will be responsible for negotiating any insurance claim which arises.

12.2. The RFO will notify Councillors of all new risks or assets which require to be insured and confirm that the Insurance cover has been extended to cover them.

- 12.3. The RFO will be advised of any loss, liability or damage or of any event which may lead to a claim against the Council.
- 12.4. All employees of the Council will be included in a suitable fidelity guarantee insurance policy.

13. Revision of Financial Regulations

- 13.1. The Council will review the financial regulations every three years.