

STOKE GIFFORD PARISH COUNCIL Accounts and Audit Regulations 2009
FINANCIAL REGULATIONS

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 Finance and General Purposes Committee (F & GP) 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 Estimates

Relevant committees shall formulate and submit proposals to the F&GP in respect of revenue services and capital projects for inclusion in the rolling capital programme not later than the end of November each year.

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

The F&GP Committee shall review the estimates and submit them to council no later than the end of January in each year and shall recommend the precept to be levied for the ensuing financial year. The RFO shall supply each member with a copy of the approved estimates. 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 the F&GP or the Council has approved a virement. The RFO shall provide the F&GP with a quarterly statement of income and expenditure to date under each head of approved annual revenue and capital budgets.

The Clerk may incur expenditure on behalf of the council, which is necessary to effect repairs, replacements 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. The Clerk shall report the action to the appropriate committee as soon as practicable thereafter.

Where expenditure is incurred in accordance with regulation 3.4 above and the sum required cannot be met from savings elsewhere within that particular approved budget, it shall be subject to the provisions of a supplementary estimate approved by F&GP or the Council. 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 committee concerned are satisfied that it is contained in the rolling capital programme and that the necessary capital funds are available, or the requisite borrowing approval can be obtained.

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

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4. Accounting and Audit

All accounting procedures and financial records of the Council shall be determined by the RFO as required by the Accounts and Audit Regulations 2003.

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 and report thereon to the F&GP.

The following principles shall be observed in connection with accounting duties.

The duty of providing information, calculating, checking and recording sums due to, or from, the council, should be separated as completely as possible from the duty of collecting or dispersing them.

Member(s) charged with checking the information of the RFO should not be engaged in the transactions.

The RFO is 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 2003.

5. Banking Arrangements and Cheques

The council's banking arrangements shall be made by the RFO and approved by the F&GP. One current account is maintained at the Co-operative Bank.

A schedule of the payment of money and income received shall be prepared by the RFO and presented to the Council, together with the relevant invoices. If the schedule is in order it shall be authorised by a resolution of Council and signed by the Chairman of the meeting, the RFO and the Chairman of Finance & GP.

Cheques drawn on the bank account in accordance with the foregoing schedule shall be signed by two members of the F&GP.

6. Payment of Accounts

Apart from petty cash payments, all payments shall be effected by cheque or electronically where deemed appropriate by the RFO and approved by F&GP. All invoices shall be examined and verified by the RFO, who shall code them to the appropriate expenditure head. He shall take all possible steps to settle verified invoices within 30 days of their receipt. All duly certified invoices shall then be entered on the schedule referred to in 5.2 above.

7. Payment of Salaries and Wages

The RFO in accordance with staff wishes and the agreement of the F&GP shall make the payment of salaries and wages. The Clerk will certify time sheets.

8. Loans and Investments

All loans and investments shall be negotiated by the RFO in the name of the Council, and shall be for a set period in accordance with Council's policy. All investments of money under the control of the council shall be in the name of the Council. All borrowings shall be in the name of the Council.

9. Income

The collection of all sums due to the Council shall be the responsibility of the RFO.

The council will review all fees and charges annually, following a report of the Clerk.

Any debts will be reported to the F&GP.

All monetary receipts shall be deposited with the Council's bankers with such frequency as the RFO deems necessary.

Reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying in slip.

10. Orders for Work, Goods or Services

An official order for all work shall be issued, or where an order has been effected on the telephone, the Clerk will sign the subsequent invoice.

11. Contracts

Procedures as to the contracts are as follows:

(a) All contracts shall comply with the following, unless directed by the Council, or in an emergency by a committee. 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, like solicitors, accountants, surveyors and planning consultants
- iii. for work which constitutes repairs
- iv. for work which constituted an extension of an existing contract
- v. goods proposed to be purchased which are either proprietary articles and/or which are only sold at fixed price.

Where it is intended to enter into a contract:

Exceeding £5,000 in value for the supply of goods or services or the execution of works other than those excepted in paragraph (a) above the clerk shall invite tenders from (ideally) three organisations.

For expenditures up to £5,000 or less the Chairman of the relevant committee or Vice-Chairman, together with the Clerk shall have executive power.

(c) The following 14 point process is to be used [as appropriate] for agreeing projects:

- 1) Statement of project aims with clearly defined benefits to the residents
- 2) Project requirements / specification
- 3) Invitation for tenders
- 4) All tenders received
- 5) Reasons for selecting a tender
- 6) Planning permission (if applicable)
- 7) Any Health & Safety documentation (if applicable)
- 8) Project Contract - dictating time (start & completion dates) and cost, trial periods and retainers
- 9) Documentary evidence that the Parish Council's insurers have been notified.
- 10) The minutes of all meetings of the project committee
- 11) A Project Plan and schedule
- 12) An assessment of risks
- 13) A catalogue of any issues outstanding.
- 14) Plan for verification

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- (d) When applications are made to waive standing orders relating to contracts to enable a tender to be negotiated without competition, the reason shall be embodied in a recommendation to the Council.
- (e) Every exception made by a committee to which the power of making contracts has been delegated shall be reported to the Council and the report shall specify the emergency by which the exception was justified.
- (f) Invitations to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification where appropriate. The invitation shall state that tenders be addressed to the Clerk and the last date by which tenders should arrive in the ordinary course of post. Each tendering firm shall be supplied with a specially marked envelope in which the tender is to be sealed until the prescribed date for opening tenders for that contract.
- (g) The Clerk or authorised deputy in the presence of at least one member of council shall open all sealed tenders at the same time on the prescribed date.
- (h) If less than three tenders are received for contracts valued above £5,000 or if all the tenders are identical, Council may make such arrangements as it sees fit for procuring the goods or executing the works.
- (i) The Council shall not be obliged to accept the lowest tender.
- (j) Invitations to tender shall refer to these Standing Orders.

12. Payments under Contracts for Building or other Construction Works

Payments on account of the contract sum shall be made within the time specified by the RFO upon authorised certificates of the architect or other supervisory consultants. Where contracts provide for payment by instalments, the RFO shall maintain a record of such payments. If it is estimated that the total cost of the contract work shall exceed the contract by 5% or more, a report shall be submitted to F&GP.

The Clerk must approve any variation to a contract in writing and F&GP must be informed.

13. Stores and Equipment

Staff are responsible for the care and custody of stores and equipment in their section. Delivery notes must be obtained for all goods delivered, and goods checked. The RFO shall be responsible for an annual check of stocks and stores.

14. Properties and Estates

The Clerk shall make appropriate arrangements for the custody of title deeds of properties owned by the council. The RFO shall ensure a record is maintained of all properties owned by the Council, recording location, extent, plan, reference, purchase details, nature of interest and purpose for which held in accordance with regulation 4(3)(b) of the Accounts and Audit Regulations 1966.

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.

15. Insurance

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

15.2 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.

15.3 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance

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16. Revision of Financial Regulations

16.1 It shall be the duty of the F&GP to review the financial regulations of the council from time to time and to make such recommendations to the Council as the committee considers are required.

Approved by F & GP 8/10/03

Confirmed by Council 10/05/05

Amended by Council 13/06/06

Amended by F & GP on 24/06/07

Amended by Council on 08.09.09

Amended by Council on 13.12.11