MAWGAN-IN-MENEAGE PARISH COUNCIL

FINANCIAL REGULATIONS 2015

1. General

1.1 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.
1.2 The Clerk as responsible financial officer (RFO) under the policy direction of the council shall be responsible for the proper administration of the council's financial affairs.
1.3 The RFO shall be responsible for the production of financial management information.
1.4 A suitably qualified accountant shall carry out the internal audit functions and risks of the Council as set out in the 2015 Account and Audit Regulations.

2. Annual Estimates

2.1 Detailed estimates of income and expenditure shall be prepared each year by the RFO.
2.2 The annual budget shall form the basis of financial control for the coming year.
2.3 The Precept of the Parish Council will be approved at the December Council meeting

3 Budgetary Control

3.1 The RFO shall provide the council at least quarterly with a statement of income and expenditure to date under each head of the approved annual revenue budget.
3.3 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 is satisfied that the necessary capital funds are available, or the requisite borrowing approval can be obtained.
3.4 All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4. Accounting and Audit

4.1 All accounting procedures and financial records of the council shall be determined by the REO as required by the Accounts & Audit Regulations 2015

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 shall supply to each member at the next practicable meeting (May) after the end of the Financial Year and no later than September after the close of the Financial Year, a full statement of accounts for approval by the Council. These accounts must be accepted by formal resolution and will subsequently be presented to the Auditor for full audit.

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 & Audit Regulations 2015.

5. Banking Arrangements Cheques and Payment of Accounts

5.2 A schedule of the payment of money shall be prepared by the RFO together with the relevant invoices etc and presented to the council for approval.
5.3 Cheques drawn on the bank account in accordance with the schedule referred to at para 5.2 shall be signed by two out of three authorised members of the council.

5.4 Where it is necessary to make a payment before it has been authorised by the Council, such payment shall be certified as to its correctness and urgency by the appropriate officer. Such payment shall be authorised by the committee, if any, having charge of the business to which it relates, or by the chairman or vice chairman of the council. It will be reported at the next full Council meeting and included in the Minutes.

5.5 All payments ratified under paragraph (11) of this Standing Order shall be separately included in the next schedule of payments laid before the Council.

6. Payment of Salary

6.1 The payment of salary shall be shown on the schedule referred to in 5.2 above and approved by the council.

7. Income

7.1 The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
7.2 Any bad debts shall be reported to the council.
7.3 All sums received on behalf of the council shall be promptly banked by the RFO.

8. Contracts

8.1 Procedures as to contracts

(a) Where it is intended to enter into a contract:
  (i) exceeding £3,000.00 in value for the supply of goods or materials or for the execution of works or specialist services other than as set out above the Clerk shall invite tenders from at least three firms.
  (ii) for expenditures greater than £1,500.00 but less than £3,000.00 the Clerk shall invite tenders from at least two firms.

(b) Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk and include the last date by which such tenders should reach the Clerk.

(c) If less than the requisite number of tenders are received *see 8.1 (a) (i) and 8.1 (a) (ii*), or if all the tenders are identical the council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.

(d) The council shall not be obliged to accept the lowest or any tender.

(e) Where it is proposed not to accept the lowest tender, the Council, as appropriate, will set out a justification for the decision within the resolution to accept a higher tender

9. Payments under Contracts for Building or Other Construction Works

9. 1 Payments on account of the contract sum shall be made within the time specified within the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract.
9.2 Where contracts provide for payment by installments the RFO shall maintain a record of all such payments.
9.3 Any variation to a contract or addition to or omission from a contract must be approved by the council in writing.

9.4 If any Member has any pecuniary interest, direct or indirect, within the meaning of sections 94-95 of the Local Government Act 1972, in any contract, proposed contract or other matter, they shall, while it is under consideration by the Council, withdraw from the meeting unless the interest is trivial in the manner described in section 97 (b) of said Act and

a) The Council invites them to remain; or

b) The contract, proposed contract or other matter is under consideration as part of the report of a Committee and is not itself the subject of debate.

9.5 The Clerk to the Council shall record in a book to be kept for the purpose, particulars of any notice given by any Member or any Officer of the Council of a pecuniary interest in a contract and the book shall be open during reasonable hours of the day for the inspection of any Member.

9.6 Every contract made by the Council shall comply with these Standing Orders, and no exception from any of the following provisions of these Standing Orders shall be made otherwise than by direction of the Council or in an emergency by such a Committee as aforesaid provided that these Standing Orders shall not apply to contracts which relate to items (a) to (e) below:

a) for the supply of gas, electricity, water sewerage and telephone services.

b) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants.

c) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant.

d) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council.

e) for goods or materials proposed to be purchased which are proprietary articles and/or which are sold only at a fixed price.

10. Insurance

10.1 The RFO shall effect all insurances and negotiate all claims on the council's insurers.

10.2 The RFO shall identify all new risks and report them and any alterations effecting existing insurances to the council.

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

11. Out of pocket expenses

11.1 The council shall pay member out of pocket expenses IF requested.

12. Revision of Financial Regulations

12.1 It shall be the duty of the council annually to review these financial regulations and make such amendments as are required.

Adopted by the Council on…15th July 2015……

Minutes reference……Page 825 item 13……..