



# **FISHBURN PARISH COUNCIL**

## **FINANCIAL REGULATIONS**

This document contains the Financial Regulations for Fishburn Parish Council

Keep for reference.

Approved by Fishburn Parish Council at a meeting on  
26th January 2016

# FISHBURN PARISH COUNCIL FINANCIAL REGULATIONS

## **1. Finance**

### **1.1. Responsible Finance Office (RFO)**

1.1.1. The Responsible Finance Officer is a statutory office and appointed by the Council. The Clerk of the Council will take on this role of managing the Council's financial affairs in accordance with proper practices.

### **1.2. Estimates and Precept**

1.2.1. The RFO will compile estimates of income and expenditure annually for the Council's consideration. The Council will review the budget not later than the end of December in preparation for the precept being agreed and submitted to the Billing Authority no later than the end of January. During the year the budget will be reviewed against actual expenditure and income. Amendments to the budget will be discussed in Council and any changes will be minuted.

### **1.3. Income and Expenditure**

1.3.1. The RFO will supply regular updates of income and expenditure throughout the year and detail actual figures against estimate. Significant underspends or overspends will be brought to the attention of the Council and action taken to address any discrepancies. Underspent revenue will be identified and earmarked to reserves by a Council resolution.

### **1.4. Accounting and Audit**

1.4.1. The RFO will determine all accounting procedures and financial records of the Council in accordance with the Accounts and Audit Regulations.

1.4.2. The RFO will complete the annual financial statements of the Council including the annual return as soon as practicable after the end of the financial year and will submit and report on them for approval by the Council. The Council will review them each year and ensure that there is an adequate, effective system of internal audit of the Council's accounting, financial and other procedures in line with Proper Practice.

1.4.3. An Internal Auditor will be appointed by the Council to carry out the work required to comply with the Proper Practice. The person appointed will be competent and independent of the operation of the Council.

1.4.4. The RFO will submit the Annual Return to the External Auditor by the due date, ensuring the return is complete.

### **1.5. Banking Arrangements and Cheques**

1.5.1. The Council's banking arrangements, including the Bank Mandate, will be made by the RFO and approved by the Council. They will be regularly reviewed for efficiency.

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1.5.2. A resolution of the Council will nominate at least three members to be authorised by the Council to sign cheques.

1.5.3. All items of expenditure will be authorised by the Council and the payments approved. The RFO will examine invoices and verify and certify the expenditure. Cheques will be completed for all transactions and signed by two authorised Councillors.

1.5.4. Any utility bill may be paid by Direct Debit, provided that the instructions are signed by two authorised Councillors, and reviewed at least every year.

1.5.5. If the Council resolves to operate 'electronic banking' arrangements, appropriate standing orders and financial regulations will be adopted, to conform with Proper Practices.

### **1.6. Loans and Investments**

1.6.1. All loans and investments will be negotiated in the name of the Council and will be set for a period approved by the Council.

1.6.2. All borrowings will be in the name of the Council and will not be entered into until necessary approvals have been given. Any application will be approved by Council, especially the terms and purpose. These terms must be reviewed annually.

1.6.3. All investments of money under the control of the Council will be in the name of the Council and all certificates or other documents will be retained by the RFO.

### **1.7. Contracts and Purchase Orders**

1.7.1. An official order or letter will be issued for all work or services paid for by the Council. All Councillors and officers are responsible for obtaining good value for money at all times. An officer placing an order on behalf of the Council will ensure that good value and appropriate terms are obtained for the transaction.

1.7.2. Orders for values from £500 to £2000 require a minimum of two quotations; for values above £2000 three quotations are required. Contracts exceeding £50,000 require additional safeguards and will follow Proper Practice.

1.7.3. All orders and contracts which require quotations will be approved by the Council. While the Council is not obliged to accept the lowest quotation the reasons for accepting the quotation will be recorded.

### **1.8. Assets**

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1.8.1. The RFO will ensure that an appropriate and accurate Register of Assets is maintained by the Council. It will be reviewed at least annually, in conjunction with a health and safety inspection of assets if appropriate.

### **1.9. VAT**

1.9.1. The RFO will promptly complete any VAT Return that is required. Any repayment claim due in accordance with the VAT Act 1974 section 33 will be made at least annually coinciding with the financial year.

## **2. Insurance**

2.1. Following the annual risk assessment the Council will review the level of insurance cover and ensure it is adequate and appropriate for the activities of the Council. Minimum cover will include Public Liability, Employers Liability, Money and Fidelity Guarantee.

## **3. Risk Assessment**

3.1. A risk assessment will be undertaken annually of all the activities of the Council and a report approved by the Council. This assessment will also cover the appropriateness of the internal audit arrangements. The Risk Assessment will be reviewed annually, and recorded in the minutes of the Council meeting.

3.2. If the Council undertakes a new activity not covered by the existing risk assessment an assessment will be undertaken before the activity commences.

Reviewed by Fishburn Parish Council at a meeting on  
11th October 2018