

Earsham Parish Council - Financial Regulations

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 responsible financial officer (RFO) under the direction of the council shall be responsible for the proper administration of the council's affairs.
- 1.3. The RFO shall be responsible for the production of regular financial management information, which will be presented to the council at its regular bi-monthly meetings.

2. Annual Estimates

- 2.1. The RFO will produce detailed estimates of income and expenditure for the following financial year for discussion and decision by the council at the November meeting of the council.
- 2.2. The agreed estimates will form the budget of the council and form the basis of financial control for the ensuing year.

3. Budgetary Control

- 3.1. The RFO will produce for each regular bi-monthly meeting of the council an up to date statement showing the monthly and year to date income and expenditure of the council. The council will, after discussion and amendment if necessary, formally approve this statement.
- 3.2. The clerk in consultation with the chairman of the council 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 it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £250 (minuted July 2012 item 8)
- 3.3. When money is ear-marked for certain items in the Budget, the Clerk can put the relevant work in hand when it becomes necessary, without having to wait for a meeting of the Parish Council, to gain approval or to seek approval between meetings.

4. Accounting and Audit Commission

- 4.1. All accounting procedures and financial records of the council shall be determined by the RFO as required by the Accounts and Audit Regulations 2003.
- 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 report them to the AGM of the council and the Parish Meeting.

5. Banking Arrangements and Cheques

- 5.1. The council's banking arrangements shall be made by the RFO and approved by the council. A current account shall be maintained at the bank to cover general expenses.
- 5.2. Cheques drawn on the bank account in accordance with the previous paragraph shall be signed by two of the three or four signatories one of which to be the Chairman, duly authorised councillors. At the same time the cheque stubs and invoice/voucher supporting the payment are also to be signed.

- 5.3. To maximise the income of the council, monies not immediately required to meet general expenses of the council shall be placed in an interest-bearing deposit account.
- 5.4. If the Parish Council agrees to pay invoices/salary by BACS, two signatories will be involved in the process. One to set up the payments (usually the Clerk) and another to authorise (Councillor). This will be after approval at the Parish Council meeting, or if a payment becomes urgent between meetings, councillors will be informed by email and it will be duly reported at the next meeting. This will only apply to payments which have already been approved by the Parish Council at a prior meeting.

6. Payment of Accounts

- 6.1. All payments shall be effected by cheque, direct debit or BACS on the council's bankers.
- 6.2. All invoices for payment shall be examined, verified and certified by the RFO before presenting them to the council for approval. Before certifying an invoice the officer shall satisfy himself/herself that the work, goods or services to which the invoice relates have been received carried out examined and approved.

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. The council will review all fees and charges annually following a report of the clerk at their September council meeting.
- 7.3. All sums received on behalf of the council shall be banked by the RFO within two weeks of receipt.
- 7.4. Personal cheques shall not be cashed out of money held on behalf of the council.

8. Orders for Work, Goods and Services

- 8.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate e.g. petty cash purposes. Copies of orders issued shall be maintained.
- 8.2. All officers and councillors are responsible for obtaining value for money at all times. Any officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction.

9. Properties and Estates

- 9.1. The clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the council.

10. Insurance

- 10.1. The RFO shall effect all insurances and negotiate all claims on the council's insurers in consultation with the chairman.
- 10.2. All appropriate employees of the council shall be included in a suitable fidelity guarantee insurance.

11. Revisions of Financial Regulations

- 11.1. It shall be the duty of the council to review and amend if necessary the financial regulations of the council from time to time.