

## **EAST HAGBOURNE PARISH COUNCIL FINANCIAL REGULATIONS**

**Adopted 22 March 2012; updated 4 October 2018**

### **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 Clerk as Responsible Financial Officer, under the policy direction of the Council, shall be responsible for the proper administration of the Council's financial affairs.

The Clerk as Responsible Financial Officer shall be responsible for the production of financial management information as required by the Council.

These financial regulations are reviewed annually.

### **BUDGET**

The Clerk shall prepare a draft detailed budget of income and expenditure each year, in conjunction with the Chairman and other Councillors as appropriate.

The Council shall review the budget at a meeting no later than the end of December each year and agree the precept to be levied for the ensuing financial year.

The annual budget shall form the basis of financial control for the ensuing year.

### **BUDGETARY CONTROL**

Expenditure may be incurred up to the amounts included in each approved budget head.

No expenditure may be incurred which cannot be met from the amount provided in the appropriate budget head unless approved by the Council beforehand.

The Clerk 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 a budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report the action to the Council as soon as practicable.

### **ACCOUNTING AND AUDIT**

All accounting procedures and financial records of the Council shall be maintained by the Clerk as Responsible Financial Officer.

The Clerk shall be responsible for completing the annual accounts and return of the Council as soon as practicable after the end of the financial year and shall submit them to Council for approval.

The Council shall be responsible for ensuring that there is an adequate and effective system of internal audit of the Council's accounting, financial and other operations.

The Internal Auditor shall be appointed by and carry out work required by the Council. A written report shall be submitted to the Council yearly.

The Clerk shall make arrangements for the display of a notice concerning the inspection of the accounts by the public.

### **BANKING ARRANGEMENTS AND CHEQUES**

The Council's banking arrangements shall be made by the Clerk and approved by the Council.

A schedule of the payments and receipts shall be prepared by the Clerk and presented to each meeting of the Council.

Cheques drawn on the Council's bank accounts shall be signed by two members of the Council together with counterfoils and covering invoices or documentation.

### **PAYMENT OF ACCOUNTS**

Payments shall be effected by cheque or direct debit drawn on the Council's bankers.

Payments may alternatively be effected by electronic means including internet banking, provided that similar levels of control are in place and evidence is retained showing which Councillors approved the payment.

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All invoices for payments shall be examined, verified and certified by the Clerk. The Clerk will ensure that goods, services or work to which invoices relate have been received or carried out.

### **PAYMENT OF SALARY & EXPENSES**

The Clerk's salary shall be paid in accordance with National Joint Council for local government services and payroll records. The salary is to be agreed by Council.

Councillors attending meetings representing the Council are entitled to claim travel expenses if approval for attendance has been obtained. Car sharing arrangements should be made where applicable. The car allowance rates are in accordance with National Joint Council for local government services.

### **LOANS AND INVESTMENTS**

All loans and investments shall be negotiated by the Clerk, shall be for a set period of time, and shall be approved by the Council.

All investments of money under the control of the Council and all borrowings shall be in the name of the Council.

All investment certificates and other related documents shall be retained in the custody of the Clerk.

### **INCOME**

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

The Council will review all fees and charges annually or as detailed in agreements and any decisions thereon shall be recorded in the minutes.

Personal cheques shall not be cashed out of money held on behalf of the Council.

### **ORDERS FOR WORK, GOODS AND SERVICES**

Orders for works, goods or services shall only be issued by or on the instructions of the Clerk.

An official order or letter shall be issued for all work, goods or services.

At least two quotations are to be obtained for items costing £5,000 and over.

Members of the Council and Clerk shall be responsible for obtaining value for money at all times in the placing of orders, including obtaining competitive quotes for items under £5,000 where appropriate.

The Council shall not be obliged to accept the lowest, or any, quote or tender.

### **PROPERTIES AND ESTATES**

The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council.

The Clerk shall ensure a record is maintained of all properties owned by the Council recording the location, extent, purchase details, nature of other interest tenancies granted and rents payable.

No property shall be sold, leased or otherwise disposed of without the authority of the Council.

The Assets Register is to be reviewed annually by the Council.

### **INSURANCE**

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

The Clerk shall keep a record of all insurances effected by the Council and the property and risks covered, and it will be reviewed annually.

The Clerk shall be notified of any loans, liability or damage or any event likely to lead to a claim.