

DEDDINGTON PARISH COUNCIL

FINANCIAL REGULATIONS

1. GENERAL

- 1.1 These financial regulations 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 policy direction of the Council, is responsible for the proper administration of the Council's affairs. Council members remain accountable for ensuring the financial viability of the Council.
- 1.3 The RFO is responsible for the production of financial management information.
- 1.4 Each month the RFO will send a list of any payments over £500 to the Parish Council web site updater for posting on the web site (Transparency Regulations).

2. ANNUAL ESTIMATES

- 2.1 Each working group will submit proposals to the council in respect of revenue and capital costs for the following financial year in time for the proposals to be considered as part of the precept calculation. Agreed figures will form the basis for the budget.
- 2.2 The Council will agree the precept for the ensuing financial year to meet the Cherwell District Council timetable.
- 2.3 The annual budget will form the basis of financial control for the ensuing year.

3 BUDGETARY CONTROL

- 3.1 Expenditure on revenue items may be incurred up to the amounts included in the approved budget for specified items.
- 3.2 Expenditure above the amount provided in the revenue budget can be incurred only with the agreement of the Council.
- 3.3 The RFO will provide the Council with a monthly statement of receipts and payments under each head of the budget, making possible a comparison of actual expenditure against budget.
- 3.4 No expenditure will be incurred in relation to any capital project and no contract entered into or tender accepted involving capital

expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.

4. ACCOUNTING AND AUDIT

- 4.1 All accounting procedures and financial records of the Council will be determined by the RFO as required by the Accounts and Audit Regulations 2003 as amended or superseded.
- 4.2 The RFO will, with guidance from the Chairman of the Finance and General Purposes Working Group, complete the annual financial statements of the Council as soon as practicable after the end of the financial year and will submit them and report on them to the Council.
- 4.3 The RFO, with guidance from the Chairman of the Finance and General Purposes Working Group, will be responsible for completing the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission) and for submitting the Annual Return for approval and authorisation by the Council within the timescales agreed with the Auditor.
- 4.4 The RFO will work with the Chairman of the Finance and General Purposes Working Group to ensure that there is 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.
- 4.5 A register will be maintained detailing assets acquired, or disposed of. The accounting treatment of these assets will be through the Capital Account.
- 4.6 No asset will be treated as a capital asset with a lower value than £1,000.

5. BANKING ARRANGEMENTS AND CHEQUES

- 5.1 The Council's banking arrangements will be made by the RFO and approved by the Council.
- 5.2 A schedule of the payments from the main bank account, forming part of the Agenda for the Meeting, will be prepared by the RFO and, together with the relevant invoices, be presented to Council. If the schedule is in order it will be authorised by a resolution of the Council.
- 5.3 Cheques drawn on the main bank account in accordance with the schedule referred to in paragraph 5.2, will be signed by two members of Council.
- 5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories will each also initial the cheque counterfoil.

- 5.5 The Council has a direct debit card drawn on the Imprest Account. This can be used by the RFO for urgent or otherwise appropriate payments up to £200 in any one case, with a monthly maximum of £400. Any such payment or use of the card to be promptly reported to the Chair or a Vice Chair.

6 PAYMENT OF ACCOUNTS

- 6.1 All payments will be made by cheque or direct debit or electronically drawn on the Council's bankers.

- 6.2 All invoices for payment will be examined, verified and certified by the RFO. The RFO will satisfy him/herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.

- 6.3 Correct invoices will be paid within 30 days of receipt.

- 6.4 The Council will also maintain an imprest account which will have a float level which will be agreed by the Council from time to time.

a) The RFO is authorised to use the imprest account, and can sign cheques, for those types of expenditure which are agreed in advance by the Council or are within the RFO's authorised delegated financial limits, and will list items on the schedule of payments making up the monthly transfer from the main account to replenish the imprest account. Transfers between the main account and the imprest account to top up the imprest account can be made by the RFO electronically. Vouchers for payments made from the imprest account will be kept to substantiate the payment.

b) The Chairman (chairman's allowance) can authorise payments of up to £100 without prior Council approval. Such payments will be included on the next schedule presented to the Council under 5.2.

c) Income received must not be paid into the imprest account but must be separately banked in the main bank account.

d) Payments to maintain the imprest account will be shown separately on the schedule of payments presented to the Council under 5.2

7 PAYMENT OF SALARIES AND WAGES

- 7.1 The payment of all salaries and wages will be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salaries will be as agreed by Council.

8 LOANS AND INVESTMENTS

- 8.1 All loans and investments shall be negotiated in the name of the Council and approved by the Council. Once an investment has been approved in principle by the Council, the detailed negotiation of the investment can be delegated to two councillors.
- 8.2 The Council's Annual Investment Strategy, will be in accordance with current legislative guidelines, and reviewed at least annually.
- 8.3 All investments of money under the control of the Council will be in the name of the Council.
- 8.4 All borrowings will be in the name of the Council, after obtaining Council approval.
- 8.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

9 INCOME

- 9.1 The collection of all sums due to the Council is the responsibility of the RFO.
- 9.2 Any bad debts should be reported to the Council.
- 9.3 The Council will review all fees and charges annually, following a report of the Clerk.
- 9.4 All sums received on behalf of the Council should be banked intact as soon as is convenient.
- 9.5 The RFO will complete any required VAT Return, and make repayment claims at least 6 monthly.

10 CONTRACTS

- 10.1 An invitation to quote will detail the intended work or service to be provided.
- 10.2 The Council will decide from time to time a financial limit for work to be carried out or service to be provided above which three quotations would normally be sought. The present limit is £1,000.
- 10.3 The Council is not obliged to accept the lowest quotation.
- 10.4 If and when a contract over £60,000 is approached, appropriate tender procedures will be drafted and agreed by the Council.

11 INSURANCE

- 11.1 The RFO is responsible for effecting all insurances and negotiating all claims on the Council's insurers.

- 11.2 The RFO will give prompt notification to the Council of any new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 11.3 All employees of the Council are included in suitable fidelity guarantee cover.

12 RISK MANAGEMENT

- 12.1 A risk management analysis will be prepared and reviewed annually, or when appropriate.

13 REVISION OF FINANCIAL REGULATIONS

- 13.1 It is the duty of the Council to review these Financial Regulations from time to time.

Version 1 BW / DA January 2013

Version 2 BW January 2015

Version 3 Revised June 2015 and approved by DPC 17/06/15

Version 4 LW March 2017 and approved by DPC 19/04/17