



# Clifford Parish Council Financial Regulations

## General

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.
2. The Clerk shall be the responsible financial officer (RFO), be responsible for the proper administration of the council's financial affairs and for the production of financial management information.

## Annual Estimates

3. The Council shall formulate proposals in respect of revenue services and capital projects for inclusion in the rolling capital programme in accordance with the calendar set by Leeds City Council..
4. Estimates of income and expenditure on revenue services and receipts and payments on capital account shall be prepared each year by the RFO, providing each member with a copy.
5. The Council shall recommend the precept to be levied for the ensuing financial year in accordance with the calendar set by Leeds City Council.
6. The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.

## Budgetary Control

7. No expenditure may be incurred which cannot be met from the amount provided in the budget unless virement has been approved by council.
8. (a) The RFO shall provide members with a quarterly print-out of expenditure.  
(b) The RFO shall periodically provide council with a statement of income and expenditure to date under each head of the revenue and capital budgets.
9. The Clerk may incur expenditure on behalf of the council necessary to carry out any repair, replacement or other work which is of such extreme urgency that it must be done at once whether or not there is any budgetary provision for the expenditure subject to a limit of £500, reporting the action to council at the next meeting.
10. 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 it is contained in the rolling capital programme and that the necessary capital funds are available or that the requisite borrowing approval can be obtained.
11. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

## Accounting and Audit

12. All accounting procedures and financial records of the council shall be determined by the RFO as required by the Accounts and Audit Regulations 2011.
13. 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 submit them to council.

14. (a) 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 and Audit Regulations 2011.
- (b) An internal audit shall take place no later than May and November of each year.

### **Banking Arrangements**

15. The council's banking arrangements shall be made by the RFO and approved by the council.
16. A schedule of payments to be made shall be presented to each meeting of the council which shall be authorised by resolution of the council.
17. All payments shall be effected by cheque or other order drawn on the council's current account.
18. Cheques for authorised payments shall be signed by any two members of the council.

### **Payment of Accounts**

19. All invoices for payments shall be examined, verified, certified and checked for arithmetical accuracy by the RFO who shall satisfy himself that the work goods or services to which the invoice relates have been received, carried out, examined and approved.
20. The RFO shall take all possible steps to settle all invoices submitted and found to be in order within 30 days.
21. The council shall defray the expenses of the RFO and Clerk on a monthly basis against a claim submitted with appropriate vouchers and signed by the Chairman or, in his absence, the Vice-Chairman

### **Clerk's Salary**

22. The payment of the Clerk's salary shall be made monthly in accordance with the salary rate for the time being determined by council.

### **Loans and Investments**

23. All loans and investments shall be negotiated by the RFO in the name of the council and shall be for a set period of time in accordance with council policy. Changes in loans and investments shall be reported to the council at the earliest opportunity.
24. All investments of money under the control of the council and all borrowing shall be effected in the name of the council.
25. All certificates and other documents relating thereto shall be retained in the custody of the RFO.

### **Income**

26. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
27. Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the RFO who shall be ultimately responsible for the collection of all accounts due to the council.
28. The council will review all charges annually, following a report of the clerk.
29. Any bad debts shall be reported to the council.
30. All sums received on behalf of the council shall be deposited with the council's bankers with such frequency as the RFO considers necessary.

31. A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.
32. Personal cheques shall not be cashed out of money held on behalf of the council.

### **Orders for Work, Goods and Services**

33. 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 purchases. Copies of orders issues shall be maintained.
34. The council and RFO are responsible for obtaining value for money at all times and should ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction.

### **Contracts**

35. Procedures as to contracts are laid down as follows:
  - a. Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
    - i. for the supply of gas, electricity, water, sewerage and telephone services;
    - ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
    - iii. 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;
    - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;
    - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of council); and
    - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
  - b. Where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("the Regulations") which is valued at £25,000 or more, the council shall comply with the relevant requirements of the Regulations
  - c. The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)
  - d. When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the council.
  - e. 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 in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
  - f. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.
  - g. Any invitation to tender issued under this regulation shall be subject to Standing Orders[ ], and shall refer to the terms of the Bribery Act 2010.
  - h. When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3

quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £100 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 34 above shall apply.

- i. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- j. Should it occur that the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision making process was being undertaken.

### **Payments under Contracts**

36. Where contracts provide for payment by instalments, the RFO shall maintain a record of all such payments. In any case when it is estimated that the total cost of work will exceed the contract sum by 5% or more, a report shall be submitted to council.
37. Any variation, addition or omission to or from a contract must be approved by the clerk in writing, the council being informed where the final cost is likely to exceed the financial provision.

### **Stores and Equipment**

38. The RFO shall be responsible for the care and custody of equipment, for deliveries and for making an annual check thereof.

### **Properties**

39. The clerk shall make appropriate arrangements for the custody of all title deeds of property owned by the council. The RFO shall ensure that a record is maintained of all properties owned by the council recording location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with regulation 4(3)(b) of the Accounts and Audit Regulations 2011.
40. No property shall be sold, leased or otherwise disposed of without the authority of the council save where the estimated value of any one item does not exceed £500.

### **Insurance**

41. The RFO shall effect all insurances and negotiate all claims on the council's insurers.
42. The RFO shall notify council of all new risks which require to be insured and of any alterations affecting existing insurances.
43. The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it, making recommendations to council.
44. The RFO shall be notified of any loss, liability or damage or of any event likely to lead to a claim.
45. The Clerk as employee of the council shall be included in a suitable fidelity guarantee insurance.

### **Revision of Financial Regulations**

46. The council shall review the financial regulations annually.