

West Deeping Parish Council: Financial Regulations

General

1. These financial regulations, which were adopted by the Council at its meeting on 18 November 2019, govern the conduct of financial management by the Council. They may only be amended or varied by resolution of the Council.
2. The Council shall exercise utmost propriety in respect of its funds and property, and shall observe all necessary financial provisions of the Local Government Acts, other legislation and associated Regulations, guidance and auditors' instructions and advice.
3. The Council shall ensure that its financial management is adequate and effective and that the Council has a sound system of financial control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk and for the prevention and detection of fraud and corruption. These financial regulations demonstrate how the council meets these responsibilities.
4. Unless otherwise provided by express resolution of the Council, the Clerk to the Council shall be the responsible financial officer as required by section 151 of the Local Government Act 1972.

Budget

5. The Clerk shall, before the end of January each year (or prior to the meeting at which the Council needs to fix the precept for the following year, if that is earlier), propose to the Council a budget for the following financial year, including a proposal for the precept necessary to finance the expected expenditure. The Council shall adopt the budget, amended in any way it so determines, in sufficient time to request the necessary precept from the District Council.
6. The Clerk shall report to each regular meeting of the Council on the receipts and payments for the financial year to date, showing in particular the comparison with the budget. The Council may revise the budget at any time during the year in the light of developments.

Annual accounts and audit

7. The Council shall appoint an Internal Auditor to carry out the work required by the Council in accordance with proper practices. The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council in writing, or in person, on a regular basis (with a minimum of one annual written report in respect of each financial year). The Council shall not appoint a person to be Internal Auditor unless they are free from any conflicts of interest and have no involvement in the financial decision making, management or control of the council.
8. As soon as possible after 1 April each year, the Clerk shall prepare the statutory annual returns and a summary of the expenditure for the financial year just completed, and present them to the Council's Internal Auditor prior to presentation to Annual Meeting of the Council (to be held in accordance with the Council's Standing Orders and Local Government Act).
9. The Clerk shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers and for the display or publication of any Notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations.

10. The Clerk shall, as soon as practicable, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.

Record keeping

11. The Clerk shall maintain records of all receipts and payments and maintain a register of the Council's assets.

Bank Account

12. The Council shall maintain a bank account with the Barclays Bank (Stamford Branch), or such other bank as may be determined by resolution of the Council.
13. Unless the Council specifically decides otherwise, two members of the Council shall be authorised signatories on the Council's bank account. The Chairman shall propose the necessary resolution as and when necessary whenever membership of the Council changes. The mandate with the Bank shall require that all transactions shall be authorised by the Clerk and one other authorised councillor.
14. The Clerk shall not normally be an authorised signatory, but will be the recipient of bank statements and other financial correspondence, and shall be authorised to be the normal point of contact with the bank, with authority to communicate with the Bank.

Payments and Receipts

15. No payment may be made by the Council without specific resolution of the Council. The resolution shall state the legal power under which the expenditure is incurred.
16. No payment may be made unless the expenditure is evidenced by an invoice or similar document, which has been examined and verified by the Clerk.
17. The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk (for example for postage or minor stationery items) shall be refunded on a regular basis.
18. At each regular meeting of the Council the Clerk, if required, shall:
 - report the transactions made since the last meeting of the Council (in the case of expenditure previously authorised by the Council), and any sums received;
 - place on the agenda any resolution necessary for the Council to approve new expenditure;
 - report on the current state of the Council's balance, and report on likely variances between the Council's budget for the year and the total expected expenditure.

Payment of Salaries

19. The Council shall fulfil all necessary requirements in respect of the payment of any salaries and associated disbursements relating to any employees.

Loans and Investments

20. In the event of the Council entering into any loans or investments, the Council shall have regard to the relevant statutory provisions in force at the time.

Income

21. The Clerk shall take any steps necessary to ensure the collection of any sums due to the Council, and shall promptly pay all receipts into the Council's bank account.

22. Any fees set by the Council shall be reviewed by it at least annually.
23. The Clerk shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with current regulations shall be made at least annually coinciding as closely as practical with the financial year end.

Orders for Works, Goods and Services

24. Prior to purchasing any work, goods or services, the Council shall take such steps as it considers appropriate in the circumstances to obtain best value for money.
25. In the event of the Council contemplating a single item of expenditure exceeding £500, the Council shall endeavour to obtain at least three estimates/tenders prior to taking a decision. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.

Financial Risk Management

26. The Clerk shall record detail of any significant risks faced by the Council, if applicable.
27. Prior to the Council approving any new activity or major purchase, the Clerk shall assess the financial implications and provide relevant details for the consideration of the Council.

Insurance

28. The Council shall effect all necessary insurances as advised by our appointed insurance brokers.

Revision of Financial Regulations

29. The Council shall review these Financial Regulations as required by legislation.

Interpretation

30. In these Financial Regulations:
 - “Accounts and Audit Regulations” means the Regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force.
 - “District Council” means the South Kesteven District Council;
 - “regular meeting of the Council” means a routine, planned meeting of the Council, (ie a meeting which is not an extraordinary meeting within the meaning of Paragraph 9 of Schedule 12 to the Local Government Act 1972);
 - “proper practice” or “proper practices” shall refer to guidance issued in Governance and Accountability in local Councils in England and Wales – a Practitioners’ Guide which is published jointly by NALC and SLCC and updated from time to time;
 - “the Council” means West Deeping Parish Council.