Morton 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 financial affairs.

1.3 The RFO shall be responsible for the production of financial management information.

**2. Annual Estimates**

2.1 Detailed estimates of income and expenditure shall be prepared for the following financial year by the RFO and be presented for consideration to the meeting of the parish council to be held in November each year.

2.2 The council shall, once approved, use the estimates as guidance to recommending the precept to be levied for the ensuing financial year.

**3. Budgetary Control**

3.1 The RFO shall periodically provide the council with a statement of income and expenditure to date under each head of the approved annual revenue and capital budgets.

3.2 The clerk may incur expenditure on behalf of the council with the approval of any two councillors which is 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 £250.00 The clerk shall report the action to the council as soon as practicable thereafter.

3.3 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital accounts unless the council is satisfied that it has necessary funds available or borrowing approval can be obtained.

**4. Accounting and Audit**

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 1996 as amended by the Accounts and Audit Regulations 2003 and 2006.

4.2 The RFO shall be responsible for completing the annual accounts of the council by 31 May after the end of the financial year and shall submit them and report thereon to the council.

4.3 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 the Accounts and Audit Regulations (as amended).

**5. Banking Arrangements and Cheques**

5.1 The council’s banking arrangement shall be made by the RFO and approved by the council.

5.2 All invoices for payment shall be approved for payment at council meetings by a majority of the members present and voting at a meeting.

5.3 Cheques drawn on the bank account shall be signed by two councillors.

**6. Payment of Accounts**

6.1 All payments shall be effected by cheque.

6.2 Prior to approval of invoices for payment, the RFO shall satisfy him/herself that the work, goods or services to which the invoice related has been received, carried out, examined and approved.

6.3 Invoices approved for payment shall be settled within 7 days of authorisation wherever practicable.

6.4 All income received shall be paid into the bank.

6.5 The RFO shall maintain a petty cash float not exceeding £50 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

6.6 Income received must not be paid into the petty cash float but must be separately banked, as

provided elsewhere in these regulations.

6.7 Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to the Council under 5.2 above.

**7. Payment of Salaries**

7.1 The payment of salaries shall be made by the RFO following approval of payment by the council.

**8. Loans and Investments**

8.1 All loans and investments shall be negotiated by the RFO upon instructions from the council.

8.2 All investments of money under the control of the council shall be in the name of the council.

8.3 All borrowings shall be effected in the name of the council.

8.4 All investment certificated 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 shall be the responsibility of the RFO.

9.2 Bad debts shall be reported to the council.

9.3 The RFO shall bank all sums received by or on behalf of the council.

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

**10. Orders for Work, Goods and Services**

10.1 An official order, letter or email shall be issued for all work, goods and services unless a formal contract is to be prepared. Copies of orders shall be retained.

10.2 The clerk or RFO shall endeavour to obtain value for money at all times.

**11. Contracts**

11.1 Where it is intended to enter a contract exceeding £1,000 for the supply of goods or materials or for the execution of works or specialist services the RFO shall invite quotations from at least three organisations.

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

**12. Payment under Contracts for Building or other Construction Works**

12.1 Payments on accounts of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract.

**13. Properties and Estates**

13.1 The clerk shall work towards making appropriate arrangements for the custody of all title deeds of properties owned by the council and a record of ownership, location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payment and purpose for which shall be kept.

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

**14. Insurance**

14.1 The RFO shall effect all insurance and negotiate all claims on the council’s insurers in consultation with the council.

14.2 The RFO shall keep a record of all insurances effected by the council the property and risks covered thereby and annually review it.

14.3 All appropriate employees of the council shall be included in a suitable fidelity guarantee insurance.

**15. Revision of Financial Regulations**

15.1 It shall be the duty of the council to review the financial regulations of the council from time to time and to make such amendments as are required.

These Financial Regulations were approved by Morton Parish Council on 19th May 2021.

Chair:

Responsible Financial Officer: