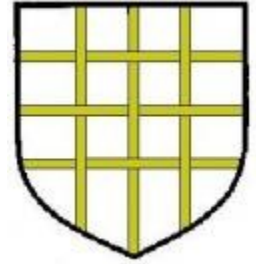


# SKIRLAUGH PARISH COUNCIL

Clerk: Sara Towne  
31 West Street, Leven, Beverley, HU17 5LE  
Tel: 01964 544067  
Email: [clerk@skirlaughparishcouncil.gov.uk](mailto:clerk@skirlaughparishcouncil.gov.uk)



## **Financial Regulations**

1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.

2. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. The Clerk has been appointed as RFO and these regulations apply accordingly. The RFO:

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and control systems;
- ensures the accounting control systems are observed;
- ensures the accounting records are kept up to date;
- seeks economy, efficiency and effectiveness in the use of council resources; and
- produces financial management information as required by the council.

3. The council must not delegate any decision regarding:  
setting the final budget or the precept (council tax requirement);

- the outcome of a review of the effectiveness of its internal controls
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- declaring eligibility for the General Power of Competence; and
- addressing recommendations from the internal or external auditors.

#### **4. Risk management and internal control**

The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.

At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.

The accounting control systems determined by the RFO must include measures to:

- ensure that risk is appropriately managed;
- ensure the prompt, accurate recording of financial transactions;
- prevent and detect inaccuracy or fraud; and
- allow the reconstitution of any lost records;
- identify the duties of officers dealing with transactions and
- ensure division of responsibilities.

### **Accounts and audit**

All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.

The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonable accuracy at any time. In particular, they must contain:

- day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;
- a record of the assets and liabilities of the council;

The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.

Any officer or member of the council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit.

### **Budget and precept**

Before setting a precept, the council must calculate its [council tax (England)/budget (Wales)] requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.

Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must and must disclose at the start of the meeting that Section 106 applies to them.

The RFO shall issue the precept to the billing authority no later than the end of February and supply each member with a copy of the agreed annual budget.

### **Procurement**

Members and officers are responsible for obtaining value for money at all times.

For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public

Contracts Regulations 2015 or any superseding legislation (“the Legislation”), must be followed in respect of the tendering, award and notification of that contract.

For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation<sup>1</sup> regarding the advertising of contract opportunities and the publication of notices about the award of contracts.

Contracts must not be split into smaller lots to avoid compliance with these rules.

### **Banking and Payment**

All payments shall be made by online banking or cheque in accordance with a resolution of the council or a delegated decision by an officer unless the council resolves to use a different payment method.

The RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, together with the relevant invoices, to the council. The council shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled by the person chairing the meeting.

Electronic payments: Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator.

Cheque payments: Cheques or orders for payment in accordance in accordance with a resolution or delegated decision shall be signed by two members.

### **Payment of salaries and allowances**

As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.

Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.

### **Loans and investments**

Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full council and recorded in the minutes. All borrowing shall be in the name of the council, after obtaining any necessary approval.

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

All investments, certificates, loans and other financial documents relating thereto shall be retained in the custody of the RFO.

### **Income**

The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.

---

1

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

Expenditure of less than £500 for goods and services can be authorised at a council meeting without obtaining competitive quotations. The supplier's confirmation of cost may be verbal or written.

Expenditure of more than £500 for goods and services will require at least two quotations. These will normally be considered at a Council meeting unless the Chairman or Clerk is authorised to accept the cheaper quote before the next council meeting.

The RFO is responsible for obtaining value for money at all times.

The Council shall not be obliged to accept the lowest of any quote. Where a quotation, which is other than the lowest, is to be accepted it shall be recorded in the minutes of the Council the reasons for accepting other than the lowest.

Emergency expenditure up to £500 can be authorised by the chairman and vice-chairman or, in the absence of one of these, by another councillor.

### **Equipment**

The RFO shall be responsible for the care and custody of all the council's equipment.

### **Insurance**

The RFO shall effect all insurance and negotiate all claims on the council's insurer.

The RFO shall keep a record of all insurance effected by the council and the property risks covered thereby.

Insurance cover will be reviewed annually.

The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim.

### **Revision of Financial Regulations**

It shall be the duty of the Council to review these financial regulations from time to time and to make appropriate amendments.

**These financial regulations were approved and adopted at a meeting of the parish council held on**