

QWEN TUDAN E P. C.

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 Finance Officer (RFO) under the policy direction of the Council shall be responsible for the proper administration of the Council's financial affairs. The RFO shall be responsible for the production of financial management information. The Clerk will be the RFO for the Council.

2. ANNUAL ESTIMATES

2.1 Detailed estimates of income and expenditure on revenue services, and receipts and payments on capital account shall be prepared each year by the RFO.

2.2 The Council shall review the estimates not later than the end of January in each year and shall recommend the precept to be levied for the ensuing financial year. The RFO shall supply each member with a copy of the approved estimates.

2.3 The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL

3.1 Expenditure on the revenue account may be incurred up to the amounts included in the approved budget.

3.2. No expenditure may be incurred which cannot be met from the amount provided in the revenue budget, unless a virement has been approved by the Council.

3.3. 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.

3.4. The Clerk may incur expenditure, with the approval of the Chairman or Vice-Chairman, on behalf of the Council 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. The Clerk shall report the action to the Council as soon as practicable thereafter.

3.5. Where expenditure is incurred in accordance with regulation 3.4 above and the sum required cannot be met from an existing budget heading the Council shall find the sum by finding savings elsewhere or by approving the additional expenditure if funds are available.

3.6. Unspent provisions in the revenue budget shall not be carried forward to a subsequent year, unless specifically agreed by the Council.

3.7. 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 are satisfied that it is contained in the rolling capital programme and that the necessary capital funds are available, or the requisite borrowing approval can be obtained.

3.8. All capital works shall be administered in accordance with the Council's financial regulations relating to contracts.

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.

4.2. 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 and report thereon to the F&GP Committee.

4.3. The following principles shall be observed in connection with accounting duties

- (a) The duty of providing information, calculating, checking and recording sums due to, or from the Council, should be separated as completely as possible from the duty of collecting or dispersing them.
- (b) Officers charged with the duty of examining and checking the accounts of cash transactions should not be engaged in any of those transactions.

4.4. 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 1996. Any officer or member of the Council shall, if the RFO requires, make available such documents of the Council which relate to their accounting and other records as appear to the RFO with such information and explanation as the RFO considers necessary for that purpose.

5. BANKING ARRANGEMENTS AND CHEQUES

5.1. The Council's banking arrangements shall be made by the RFO and approved by the Council.

5.2. A schedule of the payment of money shall be prepared by the RFO and together with the relevant invoices etc. presented to the Council. If the schedule is in order it shall be authorised by a resolution of the Council and signed by the Chairman or Vice-Chairman.

5.3 Cheques drawn on the bank accounts shall be signed by two members of the Council.

6. PAYMENTS OF ACCOUNTS

6.1. Apart from petty cash payments all payments shall be effected by cheque or other order drawn on the Council's bankers

6.2. All invoices for payment shall be examined, verified and certified by the officer issuing the order. Before certifying an invoice the officer shall satisfy himself that the work, goods or services to which the invoice relates have been received, carried out examined and approved.

6.3. Duly certified invoices shall be passed to the RFO who shall examine them in relation to arithmetical accuracy and authorisation, and shall code them to the appropriate expenditure head. He shall take all possible steps to settle all invoices submitted and which are in order, within thirty days of their receipt.

6.4. All duly certified invoices will then be entered on the schedule referred to in 5.2 above

7. PAYMENT OF SALARIES AND WAGES

7.1 The payment of all salaries and wages shall be made in accordance with the decisions of Council.

8. LOANS AND INVESTMENTS

8.1. 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 to loans and investments should be reported to the Council at the earliest opportunity.

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 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 shall be the responsibility of and under the supervision of the RFO.

9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the RFO and the RFO shall be ultimately responsible for the collection of all accounts due to the Council

9.3. The Council will review all fees and charges annually, following a report of the Clerk.

9.4. Any bad debts shall be reported to the Council.

9.5. All sums received on behalf of the Council shall be banked by the RFO. In all cases all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.

9.6. A reference to the related debt, or otherwise, indicating the origin of each cheque shall be entered on the paying-in slip.

9.7. 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 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 issued shall be maintained.

10.2. Order books shall be controlled by the RFO

10.3. All Officers are responsible for obtaining value for money at all times and to this end. When issuing an official order, should endeavour to ensure in respect of each transaction, as far as is reasonable and practicable in all the relevant circumstances, that, taken as a whole (including but without limitation the timescale involved, the amount and other terms), the transaction represents such value.

11. CONTRACTS

11.1. Procedures as to the contracts are laid down in the Council's standing orders as follows

a. Every contract made by the Council shall comply with these standing orders, and no exception from any of the following provisions of these standing orders shall be made otherwise than by direction of the Council provided that these standing orders shall not apply to contracts which relate to items (i) to (v) 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 goods or materials proposed to be purchased which articles and/or which are sold only at a fixed price

(b) Where it is intended to enter into a contract

(i) exceeding £2,500 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 expected as set out in paragraph (a) the Clerk shall invite tenders from at least three firms.

(ii) for expenditures of £2,500 or less in value the Chairman of the Council or his appointed Vice-Chairman together with the Clerk shall have executive power.

(c) When applications are made to waive standing orders relating to contracts to enable a tender to be negotiated without competition the reason shall be embodied in a recommendation to the Council.

(d) 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 and the last date by which such tenders should reach the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specially marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

(e) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk or the properly authorised deputy in the presence of at least one Member of the Council.

(f) If less than three tenders are received for contracts valued above £2,500 or If all the tenders are identical the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.

(g) The Council shall not be obliged to accept the lowest of any tender.

12. PROPERTIES AND ESTATES

12.1. The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The RFO shall ensure a record is maintained of all properties owned by the Council, recording the 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 1996

12.2. 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

13. INSURANCE

13.1. The RFO shall effect all insurances and negotiate all claims on the Council's

insurers.

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

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

13.4. All appropriate employees of the Council shall be included in a suitable fidelity guarantee Insurance.

14. REVISION OF FINANCIAL REGULATIONS

14.1 It shall be the duty of the Council to review the financial regulations from time to time.

Adopted 24 Jan - 2000 -