



## **Reviewed 2026**

### **HARTSHILL 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) shall be responsible for the proper administration of the council's financial affairs.

1.3 The RFO shall be responsible to produce financial information.

#### **2. Annual Budgets and Precept**

2.2 The RFO shall present annual budget options to Council for consideration each year.

2.3 Council should approve the budget for the following year by its January Council meeting. Following approval of the budget, the RFO will recommend the precept to be levied for the ensuing financial year. Council will approve the precept to be levied for the following year at its December/January Council meeting.

2.4 The annual budget will form the basis of financial control for the following year.

#### **3. Budgetary Control**

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

3.2 The RFO shall, on a monthly basis, provide the council with details of all monies paid since the date of the previous meeting.

3.3 The Clerk/ RFO may incur expenditure on behalf of the Council which is necessary to carry out his/her duties, any repair or other work which is of such extreme urgency that it must be done at once and purchase any materials/equipment as needed whether there is any budgetary provision for the expenditure, subject to a limit of £500 for any single event. The Clerk shall report the action to the Council as soon as practicable thereafter.

3.4 No expenditure shall be incurred in relation to contracts entered or tender accepted involving expenditure unless such expenditure is authorised by Council and minutes and the Council is satisfied that the necessary funds are available, or requisite borrowing approval can be obtained.

3.5 All capital works shall be administered in accordance with the Council's standing orders and 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 council as required by current Accounts and Audit Regulations or any other statutory requirement as may be introduced from time to time. The Council shall produce annually an Income and Expenditure Account and Balance Sheet.

4.2 The Clerk/RFO shall be responsible for completing the annual return (as supplied by the Auditor appointed from time to time by the Audit Commission) of the Council as soon as practicable after the end of the financial year and shall, not later than 31st July each year, report thereon to the Council.

4.3 The Council shall receive and approve the annual accounts for the preceding year not later than at its September meeting each year.

4.4 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 shall be undertaken by the Clerk/RFO.

#### **5 Banking Arrangements, online banking, and Cheques**

5.1 The Council's banking arrangements shall be made by the Clerk/RFO following approval by Council.

5.2 The Council has an online banking system with Unity Trust Bank along with a cheque book. Clerk/RFO can set up payments. Councillors can access all bank statements online and approve any expenditure where necessary.

5.3 All payments made via online banking are to be referenced, recorded, and reported to the Council via a monthly expenditure report issued to all Councillors. This is to be approved and minutes.

5.4 All invoices to be paid and payment receipts to be inspected and initialled by the Chairperson and one other Councillor /or two councillors prior to each meeting.

5.4 Cheques received shall be banked as soon as practicable. Cheques are banked via postage paying in system.

5.5 Any income received in cash is to be paid into the Councils account via the post office through the paying in card.

5.3 Cheques drawn on bank accounts shall be signed by any two duly authorised councillors and countersigned by the Clerk/RFO.

5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil, invoice or other similar documentation, the signatories shall each also initial the cheque counterfoil.

## **6 Payments of Accounts**

6.1 Apart from petty cash payments all payments shall be paid by cheque or BACS. The Clerk/RFO shall transfer amounts between Hartshill Parish Council accounts via internet banking, telephone or at a local branch office.

6.2 If a payment is necessary to avoid a charge of interest and the payment is due before the next scheduled meeting of the council, the Clerk/RFO can take all steps necessary to settle such accounts provided that a list of such payments is submitted at the next appropriate meeting of the council. Payments should always be made in good time.

In the event of a payment needing to be made urgently the Clerk can contact the Council via email/whatsapp for approval before the meeting, payment can then be officially approved and minuted at the next meeting.

6.3 All invoices shall be passed to the Clerk/RFO who shall examine them to confirm their arithmetical accuracy and prior approval in principle. After that scrutiny, invoices shall be authorised for payment by the Council and recorded in the Receipts & Payments ledger.

6.4 Before approving payment of an account, the Council shall satisfy itself that the work, goods, or services to which the invoice relates have been carried out, received, or approved. Accounts approved for payment shall be settled by the RFO within 14 days of their approval by Council.

6.5 The RFO may provide petty cash for the purpose of defraying approved expenses properly incurred on behalf of the Council. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement:

(a) The RFO shall maintain a petty cash float to a maximum limit of £600 for the purpose of defraying expenses. Vouchers for payments made from petty cash shall be kept substantiating the payments. A prescribed form shall be used for claiming expenses.

(b) Income must not be paid into the petty cash float but separately banked, as provided elsewhere in these regulations.

(c) Payments to maintain the petty cash float shall be shown separately in the Petty Cash ledger.

## **7 Payment of Salaries**

7.1 The payment of all salaries and wages shall be made by the Clerk/RFO in accordance with payroll records which are provided to us by our Payroll provided.

7.2 Payroll is calculated by E. Hughes Payroll services, not affiliated to the council and shall be responsible for ensuring that PAYE and National Insurance regulations are followed in connection with any salary or wages payments.

7.3 Staff Salaries and pay scales are to be re-evaluated following annual appraisals each year. All salaries are to be adjusted in line with the NALC model PayScale once it is released each year to avoid back payments.

## **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 in accordance with Council policy and instructions as minutes.
- 8.2 All investments of money shall be in the name of the Council.
- 8.3 All borrowings shall be affected in the name of the Council.
- 8.4 All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk/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 Clerk/RFO.

9.2 All sums received on behalf of the Council shall either be paid to the Clerk/RFO for banking or be banked by the collector as directed by the Clerk/RFO. In all cases all receipts of money shall be deposited with the Council's bankers in accordance with paragraph 5.2 above.

9.3 Personal cheques shall not be cashed out of money held on behalf of the Council.

9.4 The council will review all fees and charges annually following a report by the Clerk/RFO.

9.5 Any sums found to be irrecoverable, and any bad debts shall be reported to the council and shall be written off in the year.

9.6 The Clerk/RFO shall complete any VAT return that is required.

## **10 Orders for Work, Goods or Services**

10.1 An official order on a letter or a prescribed form shall be issued for all work, goods, and services unless a formal contract is to be prepared or an official letter or a prescribed form would be inappropriate e.g., petty cash purchases. Copies of orders or letters shall be retained by the Clerk/RFO.

10.2 All members and officers are responsible for always obtaining value for money. An officer issuing an official order on behalf of the Council is to ensure as far as is reasonable and practicable that the best available terms are obtained in respect of each transaction.

## **11 Contracts**

11.1 Procedures as to the contracts are laid down in the Council's Standing Orders as follows:

(a) Every contract whether made by the Council or by a Working Party or Committee to which the power of making contracts has been delegated 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 or in an emergency by such a Working Party or Committee as aforesaid provided that these standing orders shall not apply to contracts which relate to items (1) to (IV) below:

- (i) for the supply of gas, electricity, water, sewerage, stationary, waste disposal, cleaning 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) Where it is intended to enter a contract exceeding £50,000 in value (excluding value added tax) 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 shall invite tenders from at least three firms (where practicable).

(c) When it is proposed to waive standing orders relating to contracts to enable a tender to be negotiated without competition the reason shall be embodied in a recommendation of the council and approved by at least 60% of those councillors present at the meeting, fractions of numbers to be rounded upwards.

(d) Invitations to tender shall state the general nature of the contract and the Clerk/RFO/Chairman 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 two members of the Council.

(f) If less than three tenders are received for contracts valued above £50,000 or if all tenders are identical the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the work,

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

## **12 Payments under Contracts for Building or Other Construction Works**

12.1 Payments on account 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 (subject to any percentage withholding as may be agreed in the particular contract).

12.2 Where contracts provide for payment by instalments the Clerk/RFO shall maintain a record of all such payments. In any case when it is estimated that the total cost of work carried out under a contract, excluding fluctuation clauses, will exceed the contract sum by 10 % or more a report shall be submitted to the Council.

12.3 Any variation to a contract or addition to or omission from a contract must be approved by the Council in writing, the appropriate Working Party or Committee being informed where the final cost is likely to exceed the financial provision.

### **13 Properties and Estates**

13.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties/land 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 interest, tenancies granted, rents payable and purpose for which held in accordance with current Accounts and Audit Regulations.

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

### **14 Stores and Equipment**

14.1 The Clerk/RFO shall be responsible for the care and custody of stores and equipment.

14.2 Delivery notes shall be obtained, goods checked as to order and quality.

14.3 Stores shall be kept to a minimum level consistent with operational requirements.

### **15 Insurance**

15.1 The Clerk/RFO shall affect all insurance and negotiate all claims on the Council's insurers.

15.2 The Clerk/RFO shall give prompt notification of all new risks which require to be insured and of any alterations effecting existing insurance.

15.3 The Clerk/RFO shall keep a record of all insurance and the property; risks covered thereby and annually review it.

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

15.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.

### **16. Charities**

Where the council is the sole trustee of a charitable body the Clerk/RFO shall ensure that separate accounts are kept if the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with charity law and legislation, or as determined by the Charity Commission.

### **17. Revision of Financial Regulations**

17.1 It shall be the duty of the Clerk/RFO to review the financial regulations of the Council from time to time and at least annually and to make any recommendations to the Council.

Reviewed
June 2011
June 2013
June 2015
June 2017
2021

2022
2023
2024
May 2025