

WINWICK PARISH COUNCIL - FINANCIAL REGULATIONS

1. GENERAL

- 1.1 These financial regulations shall govern the conduct of the financial transactions of Winwick Parish Council (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.
- 1.3 The RFO shall be responsible for the production of financial management information.

2. ANNUAL STATEMENTS

- 2.1 Detailed estimates of income and expenditure shall be prepared each year by the RFO.
- 2.2 The estimates shall be submitted to the Council not later than the end of November each year for approval and the Council will then decide the precept to be levied for the ensuing financial year.
- 2.3 The approved budget will form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL

- 3.1 No expenditure may be incurred which cannot be met from the amount provided for it in the budget unless a virement has been approved by the Council.
- 3.2 The RFO shall periodically provide the Council with a statement of receipts and payments to date under each head of the approved budget.
- 3.3 The Clerk to Winwick Parish Council (The Clerk), in consultation with the RFO, may incur expenditure 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, subject to a limit of £2000, The Clerk shall report the action to the Council as soon as practicable thereafter. Minor repairs of up to £500 can be carried out without the need for additional quotations. Repairs between £500 and £1000 require two quotations. Any expenditure over £1000 will require three quotations provided to the Clerk in a sealed bid. Photographs of before and after repairs are also required.
- 3.4 Where expenditure is incurred in accordance with regulation no. 3.3 above and the sum required cannot be met from savings elsewhere with the Council's budget, it shall be the subject of a supplementary estimate approved by the Council.
- 3.5 Unspent provisions in the budget shall not be carried forward to a subsequent year unless specifically earmarked or of a minor nature.

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 current Accounts & Audit Regulations.

- 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 the Council.
- 4.3 The principles of internal control and internal checks will be observed as far as is practicably possible in connection with accounting duties, whilst recognising that the separation of duties between different officers may not always be feasible.
- 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 the Accounts & Audit Regulations. Any officer or member of the Council shall, if the RFO requires, make available such documents and supply information & explanation as the RFO considers necessary for the purposes of the audit.
- 4.5 The RFO shall be responsible for drafting the Statement of Accounts and other financial information in the Annual Return to the appointed external auditor, and shall submit these to the Council for certification

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 All payments shall be approved by the Council on the basis of relevant invoices etc. presented by the RFO.
- 5.3 Cheques and electronic payments shall be signed by any three of the authorised signatories, these being the RFO and those members who have indicated they wish to act in this capacity.

6. PAYMENTS OF ACCOUNTS

- 6.1 Apart from petty cash and payments the Council has agreed should be made by cash or direct debit, all payments shall be made either by cheque drawn on the Council's bankers or by an electronic payment authorised as in 5.3 above.
- 6.2 All invoices for payment shall be examined and verified for payment by the RFO. The RFO must be satisfied that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
- 6.3 The RFO shall take all possible steps to settle all invoices submitted, and which are in order, within 30 days of receipt.
- 6.4 If thought appropriate by the council payment for certain items may be made by internet banking transfer provided evidence is retained showing which members approved the payment.
- 6.5 Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened. In whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council. **This will not be required for a member's personal computer used only for remote authorisation of bank payments.**

- 6.6 No employee or councillor shall disclose any PIN or password, relevant to the working of the council or its bank accounts, to any person not authorised in writing by the council or a duly delegated committee.
- 6.7 Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.
- 6.8 The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security, is used.
- 6.9 Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The Bank Mandate approved by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the Service Administrator with a stated number of approvals.
- 6.10 Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.11 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed in accordance with the bank mandate. A programme of regular checks of standing data with suppliers will be followed.

7. PAYMENT OF SALARIES AND WAGES

- 7.1 The payment of all salaries and wages shall be made or supervised by the RFO in accordance with the payroll records and current HMRC requirements.
- 7.2 Payment of wages in cash must be signed for by the recipient.
- 7.3 The RFO will account to HMRC for all national insurance and PAYE contributions in line with current requirements.

8. LOANS AND INVESTMENTS

- 8.1 Any loans and investments shall be negotiated by the RFO in the name of the Council or Millennium Trust Fund (if exists), approved by the Council

9. INCOME

- 9.1 The collection of all sums due to the Council shall be the responsibility of the RFO. The manager of Winwick Leisure Centre (The Leisure Centre) shall be responsible for accounting to the RFO for all bar takings, room hires and other income received at the Leisure Centre. Weekly bar returns are to be countersigned by a Councillor on a monthly basis.
- 9.2 The raising of hire agreements shall be the responsibility of the Leisure Centre Manager. The raising of all other invoices for monies due to the Council, and the claiming of any grants, shall be the responsibility of the RFO.
- 9.3 The Council will review all fees and charges annually, following a report by the RFO.
- 9.4 Any bad debts shall be reported to the Council.

- 9.5 All sums received on behalf of the Council shall be banked promptly by the RFO.
- 9.6 A reference to the related hire agreement or other identification, indicating the origin of each cheque, shall be entered on the documentation accompanying the weekly bar return.
- 9.7 Personal cheques shall not be cashed out of money held on behalf of the Council.

10. ORDERS FOR WORK, GOODS OR SERVICES

- 10.1 A letter/email shall be issued for all work, goods and services ordered unless a formal contract is in existence or unless such action would be inappropriate (eg petty cash purchases). Copies of letters/emails shall be maintained.
- 10.2 The person ordering the work, goods or services shall ensure, as far as reasonable and practical, that the best available terms are obtained.

11. CONTRACTS

- 11.1 All contracts shall comply with this regulation and no exception shall be made otherwise than by direction of the Council, though it will not apply to contracts for:
- (i) the supply of gas, electricity, water, sewerage and telephone services
 - (ii) specialist services such as are provided by solicitors, accountants and surveyors
 - (iii) repairs to, or parts for, existing machinery or equipment or plant
 - (iv) extensions to existing contracts
 - (v) proprietary articles and/or those sold only at a fixed price
- 11.2 Where it is intended to enter into a contract exceeding £2000 in value, the Clerk shall invite tenders from at least three firms.
- 11.3 If less than three tenders are received, the Council may make such arrangements as it thinks fit for procuring the goods or services or executing the works.
- 11.4 For expenditure of £2000 or less, the chairman & Clerk shall have executive power.
- 11.5 The Council shall not be obliged to accept the lowest of any tender.

12. STORES AND EQUIPMENT

- 12.1 The Leisure Centre manager shall be responsible for the care and custody of stores and equipment held in the Leisure Centre.
- 12.2 Delivery notes must be obtained in respect of all goods received and goods must be checked as regards quantity and quality at the time the delivery is made.
- 12.3 Stocks shall generally be maintained at the minimum levels consistent with operational requirements.
- 12.4 The RFO shall be responsible for supervising an annual check of all stocks & stores.
- 12.5 The RFO shall be responsible for the maintenance of a Fixed Assets Register.

13. PROPERTIES AND ESTATES

- 13.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council, and shall maintain a full record of all such properties, in accordance with current Accounts & Audit Regulations.

13.2 No property shall be sold, leased or disposed of without the authority of the Council, save where the estimated value of any item does not exceed £100.

14. INSURANCE

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

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

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

15. VALUE ADDED TAX

15.1 The RFO shall maintain records of VAT inputs and outputs, accounting to HMRC for the balance between the two.

16. REVIEW OF FINANCIAL REGULATIONS

16.1 It shall be the duty of the Council to review these Regulations biennially.

February 2017

CONTRACTS - SUMMARY OF FINANCIAL REGULATIONS

Type of Expenditure	Amount	Quotations Required	Authorisation for Expenditure
1. GENERAL CONTRACTS FOR GOODS AND SERVICES			
All contracts (except the categories listed below)	Over £2,000	Three quotations provided to the Clerk in a sealed bid	Council (or Management Committee in the case of urgency)
	Up to £2,000	Preferred Supplier/ Single quotation	Clerk, in consultation with the Chairman
2. URGENT REPAIR/REPLACEMENT WORKS			
Expenditure 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	Up to £2,000	Preferred Supplier/ Single quotation	Clerk, in consultation with the RFO. (Clerk to report the action to the Council as soon as practicable thereafter)
3. MINOR REPAIRS AND RENEWALS			
Minor Repairs/ Renewals (Premises)	Over £1,000	Three quotations provided to the Clerk in a sealed bid	Clerk, in consultation with the Chairman <u>or</u> RFO and 2 Members of the Management Committee
	£500 - £1,000	Two quotations	Clerk, in consultation with the Chairman <u>or</u> RFO and 2 Member of the Management Committee
	Up to £500	Preferred Supplier/ Single quotation	RFO or Clerk, in consultation with the Chairman
4. SPECIALIST WORKS			
Supply of gas, electricity, water, sewerage and telephone services	Over £2,000	Preferred Supplier/ Single quotation	Council (or Management Committee in the case of urgency)
Specialist services such as are provided by solicitors, accountants and surveyors			
Repairs to, or parts for, existing machinery or equipment or plant			
Extensions to existing contracts			
Proprietary articles and/or those sold only at a fixed price			
	Up to £2,000		Clerk or RFO, as appropriate, in consultation with Chairman
5. ROUTINE LEISURE CENTRE/BAR SUPPLIES AND SERVICES			
Bar supplies	Unlimited	Preferred Supplier	Bar Manager
Sundries	Up to £50	Preferred Supplier	Bar Manager
Key Holding Contract	Up to £500	Preferred Supplier	RFO and 2 Members of the Management Committee

6. LEISURE CENTRE OPERATIONS

Leisure Centre expenditure in the categories shown below	Up to £50	Preferred Supplier	Bar Manager
Food/Buffer/Event Disbursements	Over £50	Preferred Supplier	RFO, in consultation with Cllrs Gosney and Mitchell
Function Advertising	Over £50	Preferred Supplier	RFO
Entertainment and Package Costs	Over £50	Preferred Supplier	RFO or Bookings Administrator, in consultation with Cllr Matthews
Cleaning Costs	Over £50	Preferred Supplier	RFO, in consultation with Cllr Iddon
Special Night and Complimentaries	Over £50	Preferred Supplier	RFO, in consultation with Cllr Gordon
Advertising	Over £50	Preferred Supplier	Management Committee