BRAMPFORD SPEKE PARISH COUNCIL

Financial Regulations

Policy Name	Financial Regulations
Creation Date	8th August 2021
Approved by Full Council	3rd November 2026
Review date	3rd November 2027
Author	Tracy Watkins - Parish Clerk

OBJECTIVES: These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial regulations are one of the council's two governing policy documents providing procedural guidance for members and officers. Financial regulations must be observed in conjunction with the council's standing orders.

The council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.

1. RESPONSIBLE FINANCIAL OFFICER

The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. (The Clerk has been appointed as RFO for this council and these regulations will apply accordingly).

The RFO:

1.1 Acts under the policy direction of the council;
1.2 Administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
1.3 Determines on behalf of the council its accounting records and accounting control systems;
1.4 Ensures the accounting control systems are observed;

1.5 Maintains the accounting records of the council up to date in accordance with proper practices;

1.6 Assists the council to secure economy, efficiency and effectiveness in the use of its resources; and

1.7 Produces financial management information as required by the council.

2. ANNUAL BUDGET AND FORWARD PLANNING

2.1 The RFO must each year, by no later than December, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the council.

2.2 The council shall fix the precept (council tax requirement), and relevant basic amount of council tax (precept) to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.

2.3 The approved annual budget shall form the basis of financial control for the ensuing year.

3. RECEIPTS

3.1 All monies will be recorded on the Electronic Spreadsheet Microsoft Excel.

3.2 A receipt if appropriate given, and a copy kept on file.

3.3 Cheques and Cash will be banked with Santander Commercial Bank and the paying-in counterfoils kept on file.

3.4 All electronic receipts will be kept on file and date payment received will be noted on them

3.5 All documentation will be presented to the Internal Auditor prior to being advertised as available for public scrutiny before being presented to the Audit Commission.

4. PAYMENTS

4.1 Invoices will be processed monthly and payments recorded on the Electronic Spreadsheet Microsoft Excel.

4.2 Monthly Bank Statements will be reconciled with the details on the spreadsheet and will be presented to the Lead Finance Councillor and presented in the Meeting Finance report of the Parish Council.

4.3 Invoices received will be emailed to the Councillor signatories for authorisation by the RFO

4.4 Any two of the three Councillor signatories to provide emailed authorisation. The current signatories are:

- Cllr R Tillett
- Cllr S Luxton
- Cllr A Ferns
- T Watkins (RFO) - Cannot authorise payments but will make the payment on line

4.5 Once the authorisations have been received via email the Clerk will have delegated authority to make the payment on-line

4.6 Emailed authorisations will be retained and attached to the invoice for inspection by the Internal Auditor

4.7 The RFO is not permitted to sign a cheque

4.8 On-line payments to the RFO must be agreed in advance and authorised by any two of the three Councillor signatories (refer to Payroll section)

4.9 Decisions about any invoices in urgent need of payment will be made in consultation with the Chairman and other signatories. These will be reported and NOTED at the next meeting.

4.10 The RFO has delegated authority to purchase administration items for the Council up to a maximum of £50 as and when required without prior authorisation. These items will be reimbursed during the payroll process and authorised by two of the three Councillor Signatories

4.11 The council will normally seek three estimates/quotations for items costing more than £250, but will retain discretion to waive this requirement by prior agreement of the council.

4.12 Expenses made by Councillors outside of the agreed budget must be agreed and resolved at a Parish Meeting prior to the expense being made

4.13 Reimbursements for expenses by Councillors will be made following the above procedure on receipt of the invoice

4.14 All cheque counterfoils and on-line remittances will be retained for inspection by the Internal Auditor

4.15 All expenditure and authorisations received will be reported and NOTED at the next Council meeting

4.16 All documentation will be presented to the Internal Auditor prior to being advertised as available for public scrutiny before being presented to the Audit Commission at a given date in June of each year.

5. PAYROLL

5.1 As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by council, or duly delegated committee.

5.2 Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available council meeting, as set out in these regulations above.

5.3 The RFO/Clerk will not be paid on a self-employed basis

5.4 Salary payments will be paid via the Council's payroll software, currently Moneysoft

5.5 The RFO will submit a monthly timesheet and expenses form for hours worked/mileage claim/working from home expenses and payments paid

5.6 An employee cannot be paid any additional monies outside of the Payroll system

5.7 The RFO/Clerk will ensure that Real Time Information (RTI), which details the amount of tax owed for the month, is submitted to HMRC within the specified timeframes and payments made to HMRC are made within the required timeframes

5.8 The RFO/Clerk will ensure that employees tax codes are kept up to date within the payroll system

5.9 The RFO/Clerk will ensure that HMRC are notified of any change of employees

5.10 The RFO/Clerk will ensure that any tax refund or obligations notified by HMRC is paid

5.11 The RFO/Clerk will ensure that the end of year reconciliation to HMRC is provided to the Internal Auditor to ensure that all monies owned to HMRC have been paid

5.12 The RFO will ensure that the licence for the payroll software is paid when due and budgeted for in the Council's finances

6. URGENT EXPENDITURE

6.1 There may be instances that an urgent purchase is required over £50, for example, if the Council computer needs to be replaced urgently. In this instance the RFO/Clerk should seek pre authorisation for any purchase and agree a budget with all three of the Council's signatories

6.2 Once the expenditure and budget to spend confirmation have been received via email the RFO/Clerk will have delegated authority to purchase the item(s) required

6.3 If the RFO/Clerk cannot purchase the item through the Council's own bank account (due to type of payment constraints) they will have delegated authority to purchase the item themselves and reimburse themselves (or another Councillor) immediately to ensure they are not out of pocket

6.4 All receipts will be sent to the three signatories for noting

6.5 The expenditure and authorisation will be reported and **NOTED** at the next Council meeting

7. VAT

7.1 VAT amounts will be entered on to the spreadsheet and a refund will be claimed according to the required returns only if the invoice is made out to Brampford Speke Parish Council.

7.2 The RFO/Clerk will ensure that all invoices are made out to Brampford Speke Parish Council

7.3 The RFO/Clerk will ensure that VAT invoices are submitted by suppliers who are VAT registered

7.4 The RFO/Clerk will ensure that VAT invoices are entered on the VAT spreadsheet

7.5 The RFO/Clerk will ensure that VAT is reclaimed from HMRC every 12 months or when the balanced owed is over £100