



# COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

## Table of Contents

|  |   |
|--|---|
| General .....                            | 2 |
| Annual Estimates.....                    | 2 |
| Budgetary Control .....                  | 2 |
| Accounting and Audit .....               | 3 |
| Banking Arrangements and Cheques .....   | 3 |
| Payment of Accounts .....                | 4 |
| Payment of Salary .....                  | 5 |
| Loans and Investment.....                | 5 |
| Income .....                             | 5 |
| Orders for Work, Goods and Services..... | 6 |
| Contracts.....                           | 6 |
| Insurance .....                          | 7 |
| Revision of Financial Regulations .....  | 7 |



## COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

### General

1. These Financial Regulations are made in accordance with the requirements of the Accounts and Audit Regulations 2014 and shall govern the conduct of the financial transactions of the **Coychurch Lower Community Council** (hereinafter referred to as 'the Council') and may only be amended or varied by resolution of the Council.
2. The Council's properly appointed Clerk (Responsible Financial Officer) under the policy direction of the Council, shall be responsible for the proper administration of the Council's financial affairs.
3. The CLERK/R.F.O. shall undertake his/her duties and responsibilities as such in accordance with the terms set out in the resolution of the Council appointing him/her and shall otherwise be responsible for the production of financial management information.

### Annual Estimates

4. In accordance with the requirements of Part IV of the Local Government Finance Act 1992, or any statutory provision amending or replacing them, detailed estimates of income and expenditure on revenue services, and receipts and payments on capital account, shall be prepared each year by the CLERK/R.F.O. for submission to the Council not later than the end of January in each financial year and he/she shall recommend the Precept to be levied for the ensuing financial year. Following their consideration and amendment, if required, by the Council, the CLERK/R.F.O. shall supply each Member of the Council with a copy of the approved estimates.

### Budgetary Control

5. The annual capital and revenue budgets shall form the basis of financial control for the ensuing year.
6. Inclusion of provision for a particular purpose in the annual revenue budget shall not be construed as authorising expenditure. A specific approval to such expenditure shall be required to be given by resolution of the Council or a documented decision made under properly delegated powers for any item of revenue expenditure incurred, other than in respect of the day to day expenditure incurred in administering the affairs of the Council.
7. Notwithstanding the terms of Regulation 6 above, the CLERK/R.F.O. (in consultation with the Chairman and Vice-Chairman of the Council, or in their absence, any other two Members of the Council), 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 immediately, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500 (or such other sum as may be approved by the Council from time to time).The



## COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

Clerk shall report to the Council any action thus taken as soon as practicable thereafter.

8. Where expenditure is incurred in accordance with Regulation 7 above and the sum required cannot be met from savings made elsewhere within the Council's approved budget, it shall be met from the Council's reserves or, if no such reserves are available, it shall be subject to the provisions of a supplementary estimate approved by the Council.
9. Unspent provisions in the budget shall not be carried forward to a subsequent year.
10. 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 is satisfied that the necessary capital funds are available, or the requisite borrowing approval can be obtained.
11. All capital works shall be administered in accordance with the Financial Regulations relating to contracts.
12. The CLERK/R.F.O. shall present to the Council, on a quarterly basis, financial statements showing actual income and expenditure against the planned budget.
13. The CLERK/R.F.O. shall carry out bank reconciliation for each of the Council's accounts at regular intervals throughout the financial year and shall report to the Council thereon on a quarterly basis.

### **Accounting and Audit**

14. All accounting procedures and financial records of the Council shall be determined by the CLERK/R.F.O. as required by the Accounts and Audit Regulations 2014 or Regulations amending or superseding such Regulations
15. The CLERK/R.F.O. 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 Council at the Annual General Meeting.
16. The CLERK/R.F.O. 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 requirements of Regulation 5 of the Accounts and Audit Regulations 2014.

### **Banking Arrangements and Cheques**

17. The Council's banking arrangements shall be made by the CLERK/R.F.O. and approved by the Council. Two current accounts shall be maintained at the bank, a general account and a high interest account.



## COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

18. A schedule of the payment of money shall be prepared by the CLERK/R.F.O. and, together with the relevant invoices, vouchers etc., presented to the Council. If the schedule is in order, it shall be authorised by a resolution of the Council.
19. Payments by bank transfer from the general account shall be initiated by the Clerk and authorised by two Members of the Council and cheques on the general account shall be signed by two Members of the Council. All signatories shall, in addition to signing such cheques, append their initials on the counterfoils thereto for the purpose of certifying that the respective cheques and counterfoils are in agreement. Such authorisers or signatories shall also satisfy themselves from the supporting paperwork that the amounts equate to the amounts due for payment. Cheques shall additionally be countersigned by the CLERK/R.F.O. so as to enable that officer to be in a position to ensure no payments are made that are not properly authorised by or on behalf of the Council and by statute, having regard to the overriding responsibility in that respect vested in that officer, and so as to enable him/her to have adequate status on behalf of the Council in dealings with its bankers. A bank mandate shall be arranged accordingly by the CLERK/R.F.O.
20. The CLERK/R.F.O. shall be authorised to transfer money from the Council's general account to the high interest account, and vice versa, as he/she deems appropriate from time to time and a bank mandate for that purpose shall be arranged by the CLERK/R.F.O.

### **Payment of Accounts**

21. Apart from petty cash payments, all payments shall be effected by online bank transfer, cheque or other order drawn on the Council's bankers.
22. All invoices for payment shall be examined, verified and certified by the CLERK/R.F.O. Before certifying an invoice, the CLERK/R.F.O. shall satisfy himself/herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
23. The CLERK/R.F.O. shall examine invoices in relation to arithmetical accuracy and shall code them to the appropriate expenditure head. He/she shall take all possible steps to settle all invoices submitted, and which are in order, within 30 days of their receipt, subject to there being an available meeting during that period at which they may be approved for payment by the Council and, should there be no such available meeting thereof, without unreasonable delay following the next meeting of the Council.
24. All duly certified invoices shall be entered on the schedule referred to in paragraph 18 above.
25. Where appropriate the Council shall provide the CLERK/R.F.O. with an appropriate sum of petty cash for the purpose of defraying operational and other expenses (postage etc.). The CLERK/R.F.O. shall keep a record of petty cash received and the payments made there from.



## COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

26. Income received shall not be paid into the petty cash float but banked without undue delay by the CLERK/R.F.O.
27. Payments to maintain the petty cash float shall be shown separately on the schedule of the payment of money presented to the Council under paragraph 18 above.

### **Payment of Salary**

28. The salary of the Clerk/Responsible Financial Officer, and previously approved allowances etc., shall be paid by the Council quarterly by cheque, which shall be shown on the schedule of the payment of money presented to the Council under paragraph 18 above.

### **Loans and Investment**

29. All loans and investments shall be negotiated by the CLERK/R.F.O. 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 shall be reported to the Council at the earliest opportunity.
30. All investments of money under the control of the Council shall be in the name of the Council.
31. All borrowings shall be effected in the name of the Council.
32. All investment certificates and other documents relating thereto shall be retained in the custody of the CLERK/R.F.O., unless otherwise determined by the Council.

### **Income**

33. The collection of all sums due to the Council shall be the responsibility of and under the supervision of the CLERK/R.F.O.
34. Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the CLERK/R.F.O., who shall be ultimately responsible for the collection of all accounts due to the Council.
35. The Council will review all fees and charges annually, following submission of a report thereon by the CLERK/R.F.O.
36. Any bad debts shall be reported by the CLERK/R.F.O. to the Council.
37. All sums received on behalf of the Council shall either be paid to the CLERK/R.F.O. for banking or be banked as directed by the CLERK/R.F.O. In all cases all receipts shall be deposited with the Council's bankers with such frequency as the CLERK/R.F.O. considers necessary.



## COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

38. A reference to the related debt, or otherwise, indicating the origin of each cheque, shall be entered on the paying-in slip.
39. Personal cheques shall not be cashed out of money held on behalf of the Council.

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

40. An Official Order or letter shall be issued by the CLERK/R.F.O. 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 etc.) Copies of Orders issued shall be maintained.
41. Order books shall be controlled by the CLERK/R.F.O.
42. The CLERK/R.F.O. shall be responsible for obtaining best value for money at all times. He/she shall ensure, as far as reasonable and practicable, that the best available terms are obtained in respect of each transaction.

### **Contracts**

43. Where it is intended to enter into a contract exceeding £10,000 in value or amount for the supply of goods or materials or for the execution of works, the Council's Responsible Financial Officer shall give at least three weeks public notice of such intention in the same manner as public notice of meetings of the Council is given.
44. Where the value of the intended contract exceeds £20,000 in value or amount, similar notice shall be given in addition in such newspapers circulating in the district, as the Council shall direct.
45. Where, in the opinion of the Council, the goods, materials or work are of a specialist nature tenders may be invited from at least three contractors, selected by the Council, specialising in the type of work etc. comprising the contract in question.
46. The notice, or invitation to submit a tender, for a contract exceeding £10,000 in value or amount shall state the general nature of the intended contract and state the name and address of the person to whom tenders are to be addressed and the last date by which those tenders should reach that person in the ordinary course of post.
47. Tenders/quotations received shall be opened by the Responsible Financial Officer, or other person to whom tenders are required to be addressed, in the presence of the Council or Committee/Sub-Committee/Officer to which/whom the power to award the contract may have been delegated.
48. The Council is not bound to accept the lowest tender.
49. Should no tenders be received or should all the tenders be identical, the Council etc. may make such arrangements for procuring the goods or materials or executing the works as it thinks fit.



## COYCHURCH LOWER COMMUNITY COUNCIL FINANCIAL REGULATIONS

50. No member of the Council shall, in the name of the Council, issue orders, or transmit instructions or directions, unless such orders etc. are specifically authorised by the Council or in accordance with powers properly delegated to a Committee, Sub-Committee or Officer .
51. Where contracts provide for payment by instalments, the CLERK/R.F.O. 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 5% or more, a report shall be submitted to the Council.
52. Any variation to a contract or addition to or omission from a contract shall be approved by the CLERK/R.F.O. in writing, the Council being informed where the final cost is likely to exceed the financial provision made therefor.

### **Insurance**

53. The CLERK/R.F.O. shall effect all insurances and negotiate all claims on the Council's insurers
54. The CLERK/R.F.O. shall give prompt notification to the Council of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
55. The CLERK/R.F.O. shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
56. The CLERK/R.F.O. shall be notified of any loss, liability or damage or of any event likely to lead to a claim.
57. All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.

### **Revision of Financial Regulations**

58. It shall be the duty of the Council to review its Financial Regulations from time to time and to make such revisions thereto as may be considered desirable.

### **Reviewed and Adopted 10th May 2022**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_