

WICKHAMBROOK PARISH COUNCIL

FINANCIAL STANDING ORDERS

1. BANK ACCOUNTS

- 1.1 Bank accounts shall not be set up or closed except by minuted resolution of the Council.
- 1.2 Every account shall be identified with the Council's name as part of its title.
- 1.3 All income shall be banked and no expenditure made from un-banked income other than that allowed under petty cash rules.
- 1.4 In addition to a Current Account a high interest account shall be maintained for funds not immediately required. The RFO (Responsible Finance Officer) shall be responsible for affecting transfers as required to keep the Current Account in credit.
- 1.5 At least two signatures shall be required on all cheques.
- 1.6 Cheques shall be used in sequential order.

2. INCOME

- 2.1 The RFO shall be responsible for collecting all moneys due to the Council and banking such on a regular basis.
- 2.2 Bank paying in slips shall show details of the origin of payments received.
- 2.3 The Council shall annually review all charges made for premises, services, etc
- 2.4 The RFO shall report to the Finance Committee and/or Council all bad debts.

3. ANNUAL BUDGETS

- 3.1 Committees, where operational, shall prepare expenditure proposals covering both revenue and capital requirements for use in a draft budget proposal to be brought before the Council. In the absence of committees this responsibility shall fall on the RFO and the Chairman of the Council.
- 3.2 Estimates of anticipated receipts/income and payments/expenditure and capital requirements, other than those covered in 3.1 above, shall be made by the RFO together with the Chairman.
- 3.3 The RFO and/or the Chairman of the Finance Committee (where operational) shall prepare an overall draft budget.
- 3.4 The Finance or General Purposes committee (where operational) shall review this draft budget and recommend to the Council a budget for the next year as the basis for setting the precept. Budgets shall be prepared for the September Council meeting to ensure sufficient time for discussion and amendment before the precept submission date of early December.
- 3.5 All council members shall be supplied with a copy of the draft budget and any subsequently amended versions.
- 3.6 The Council shall discuss and approve the budget as the basis for setting the precept and for the regular monitoring of the Councils finances (see Section 4.2)

4. CONTROLLING EXPENDITURE AND REPORTING TO COUNCIL

- 4.1 Where so empowered, committees shall plan expenditure against approved budgets. Potential over expenditure shall require approval of the Finance Committee and/or the Council (the Finance Committee/RFO shall provide the Council with a draft amended annual budget indicating where savings can be made). Once agreed the amended budget shall become the operational control budget.
- 4.2 The RFO shall, each quarter, provide committees and the Council with updated income and expenditure figures against agreed budgets. Reports shall be minuted and appended to the minutes.

- 4.3 Capital expenditure shall require prior agreement of the Council. Any transfer from reserves shall be minuted. Any requirement to meet all or part of capital expenditure from reserves/special funds shall be included in budgets.
- 4.4 The potential of raising a loan shall require similar treatment to 4.3 above and any current Government legislation shall be complied with.

5. PAYMENT OF ACCOUNTS – EXPENDITURE APPROVAL

- 5.1 The RFO shall, before presenting accounts for payment, satisfy him/herself that the amount is correct, relates to the supply of goods or services that have been received and where relevant VAT has been shown. If the RFO is uncertain as to the standard of work, quantity, etc, the invoice shall be referred to the Council, or where a separate committee exists e.g. Playing Field to the Chairman of such committee or other nominated councillor, for verification before presentation for payment.
- 5.2 The RFO shall prepare a list of verified invoices for payment approval at the next Council meeting.
- 5.3 Cheques to cover verified invoices shall be raised by the RFO and presented for signature to those councillors with mandated authority to sign (list supplied previously to the bank)
- 5.4 All cheques for signature shall be accompanied by the relevant verified invoice. “Cash with Order” requirements, deposits, etc where there is no invoice, shall be covered by a copy letter, suppliers order form, etc. At least one of the cheque signatories shall initial the invoice to cross confirm it agrees with the cheque details.
- 5.5 The cheque signatories shall initial the cheque stub to indicate that it agrees with the cheque details.
- 5.6 The cheque number shall be added to the ‘paid’ copy invoice for audit trail purposes.
- 5.7 By resolution from time to time, named councillors may authorise expenditure on behalf of the Council to a maximum of £100.00 provided that in their view the interests of the Council require such authority to be given prior to the next Council meeting by reason of emergency or extraordinary circumstances and providing a full report of the expenditure and reason for it is made at that meeting.

6. SALARIES & OTHER STAFF PAYMENTS

- 6.1 The Council shall annually review salaries and other payments.
- 6.2 Adjustments to salaries and other payments shall require prior approval by Council and shall be minuted.
- 6.3 Records shall be kept to satisfy Inland Revenue enquiries.
- 6.4 The RFO shall ensure that Tax and N.I liabilities, if any, are met.

7. EXPENSES – Staff and Councillors

- 7.1 Staff shall be able to claim authorised travel and out of pocket expenses.
- 7.2 Councillors shall be able to claim travel and out of pocket expenses for travel outside the Parish when attending training or on other authorised Council work.
- 7.3 Rates shall be subject to regular review and shall be agreed by the Council and minuted.
- 7.4 All claims shall be made in writing in the name of and signed by the person claiming.
- 7.5 Records shall be kept of all such payments so as to be able to satisfy Inland Revenue inquiries.

8. PETTY CASH

- 8.1 The RFO may maintain a Petty Cash Float to meet day to day cash expenditure. The average float shall not exceed £50,000.
- 8.2 The Petty Cash Book shall be submitted for verification when further funds are required and as proof for those signing the cheque.

9. ORDERS

- 9.1 All orders for goods and/or services, other than those obtained through Petty Cash, shall be confirmed in writing on Council headed paper or an order form. Where supplier's order forms are used a copy shall be taken.
- 9.2 Copies of all orders shall be retained for audit purposes.

10. CONTRACTS AND TENDERS

10.1 All contracts shall require prior approval by the Council.

10.2 Where the supply of goods, materials, equipment and services is required and the total expenditure is likely to exceed £1000 the RFO shall seek a minimum of 3 tenders. Invitation to tender shall be in writing with a similar and full specification and set closing date – where appropriate return envelopes should indicate ‘Sealed Tender’.

10.3 Sealed tenders shall only be opened before a relevant committee or the Council and on the date previously agreed.

10.4 The Council shall not be obliged to accept the lowest or any tender.

10.5 Failure to obtain 3 tenders, where there is evidence of at least 3 potential suppliers being sought, shall not make the process invalid.

10.6 An exception to these rules may be made for:

- the continued supply of services such as electricity, phone, water and sewage
- the extension of an existing contract in order to allow for completion or supply
- the repair and/or supply of parts for existing machinery, equipment or plant

11. INSURANCE

11.1 The RFO shall be responsible for ensuring the Council has adequate insurance to provide cover for property, third party liability, fidelity guarantee, employer’s liability and other areas as directed by Council and in accordance with current legislation.

11.2 The RFO shall notify the relevant committee and/or Council of new risks arising.

11.3 The level of cover shall be reported annually to Council for approval.

11.4 The RFO shall be responsible for processing all claims.

12. ASSET REGISTER

12.1 The RFO shall maintain a register of Council Assets, reviewed annually by the Council.

No property shall be sold or otherwise disposed of without the prior consent of the Council.

13. COMPUTERISED RECORDS

13.1 A copy of any passwords required to access financial records must be lodged in a secure place as dictated by the Council.

13.2 The RFO shall agree with the Council the frequency of hard copy records.

13.3 Backups shall be taken weekly and maintained at a separate location. Three such backups shall be held and used in sequence.

13.4 To guard against computer viruses no private or unauthorised software to be loaded on to Council owned computers.

14. INTERNAL AUDIT

14.1 The Council shall nominate a Councillor who will periodically examine the accounting records of the Council to check they are in order and all relevant supporting papers are being maintained and that the detail in these Standing Orders is being adhered to. The person appointed shall not be a cheque signatory.

15. REVISION OF FINANCIAL STANDING ORDERS

15.1 No amendments to these orders shall be made except by minuted resolution of the Council.

15.2 An addendum shall be maintained to record any amendments made by section number and date of amendment.

16. ANNUAL LEASE

16.1 A sum of £10 shall be paid annually to Memorial Social Centre Trustees for the lease of Wickhambrook Children’s Playground area.

Signed Chairman

Authorised by resolution at Parish Council meeting held on 24th February 2000

Amendment 16.1 was approved at Parish Council meeting held on 27th June 2013 (Minute Ref. 10270/11.3)

Currently under review October 2015

