

BRPC Financial Regulations

NB: In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability in Local Councils in England and Wales – a Practitioner's Guide, which is published jointly by NALC and SLCC and updated from time to time. The Council's standing orders shall be considered in conjunction with these regulations.

1. The Responsible Financial Officer (RFO) is a statutory office appointed by the Council. The Clerk has been appointed as RFO for Brompton Regis Council and these regulations will apply accordingly.
2. The RFO, acting under the policy direction of the Council, shall administer the Council's financial affairs in accordance with proper practices, in conjunction with the Chairman of the Council.
3. The RFO shall determine on behalf of the Council its accounting records and accounting control systems provided they are in accordance with the Accounts and Audit Regulations. The RFO shall ensure that the accounting control systems are observed and the accounting records of the Council are maintained and kept up to date in accordance with proper practices.
4. The RFO shall produce financial management information as required by the Council and at least once a year, prior to approving the annual return, shall provide a statement of income and expenditure for that year together with a comparison with the previous year.
5. At least once a year the Council shall review the effectiveness of its system of internal financial controls.
6. An annual estimate or budget shall be approved by the Council once a year and before its December meeting, and periodically reviewed by it thereafter.
7. The budget shall inform the definition of the Precept to be levied for the ensuing financial year.
8. Single items of expenditure below £50 may be approved by the Chairman and reported to the Council before or as soon as possible after expenditure is incurred.
9. Single items of expenditure over £51, other than employee's salaries which are set and paid through the HMRC PAYE system, must be approved by the Council prior to payment.
10. The Clerk, in consultation with the Chairman, 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 for the expenditure, subject to a limit of £250. The Clerk shall report the action to the Council as soon as practicable thereafter.
11. Unspent provisions in the budget shall be carried forward to a subsequent year.
12. No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.
13. All capital works and any proposed contract in excess of £10,000 shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts, as follows.
 - i. A public notice of intention to place a contract to be placed in a local newspaper.
 - ii. A specification of the goods, materials, services and the execution of works shall be drawn up.

- iii. The clerk will invite tenders from at least three potential providers, to be taken from an appropriate approved list following the public notice.
 - iv. Tenders are to be sent in a sealed marked envelope to the Proper Officer by a stated date and time.
 - v. Tenders submitted are to be opened, after the stated closing date and time, by the Proper Officer and at least two Councillors.
 - vi. Tenders are then to be assessed and reported to the next meeting of the Council.
- d. Neither the Council, nor any Committee, is bound to accept the lowest tender, estimate or quote.
- e. Where the value of a contract is likely to exceed £138,893 (or other threshold specified by the Office of Government Commerce from time to time) the Council must consider whether the Public Contracts Regulations 2006 (SI No 5, as amended) and the Utilities Contracts Regulations 2006 (SI No 6, as amended) apply to the contract and, if either of those Regulations apply, the Council must comply with EU procurement rules.
14. The RFO shall complete the annual financial statements of the Council, including the Council's annual return, as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
 15. The RFO shall complete the Council's Annual Return (as supplied by the Auditor) and submit it for approval and authorisation by the Council within the timescales set by the Accounts and Audit Regulations.
 16. The RFO shall ensure that there is an adequate and effective system of internal audit of the Council's accounting, financial and other operations in accordance with proper practices.
 17. Any officer or member of the Council shall, if the RFO or Internal Auditor requires, make available such documents of the Council which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO or Internal Auditor considers necessary for that purpose.
 18. The Internal Auditor shall be appointed by, and shall carry out the work required by, the Council in accordance with proper practices. The Internal Auditor who, shall be competent and independent of the operations of the Council, shall report to Council in writing, or in person, at a minimum of once per annum in each financial year. In order to demonstrate objectivity and independence the Internal Auditor shall be free from any conflicts of interest and have no involvement in the financial decision making, management or control of the Council.
 19. The RFO shall make arrangements for the public inspection of the accounts and supporting information as required by the Accounts and Audit Regulations
 20. The RFO shall, as soon as practicable, bring to the attention of all Councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.
 21. The Council's banking arrangements, including the Bank Mandate, shall be made by the RFO and approved by the Council. They shall be annually reviewed for efficiency.
 22. A schedule of the payments shall form an item on the Agenda for Council Meetings, and, if the schedule is in order, it shall be recommended for payment and authorised by resolution of the Council at the Meeting.
 23. Cheques drawn on the bank account shall be signed by two Councillors

24. All payments shall be effected by cheque.
25. All invoices for payments shall be examined, verified and certified by the Clerk. The Clerk shall satisfy herself that the work, goods or services, to which the invoices relates, have been received, carried out, examined and approved.
26. The Clerk shall take all steps to settle all invoices submitted, and which are in order, at the next available Council Meeting.
27. If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled meeting of the Council, where the RFO is satisfied there is no dispute or other reason to delay payment, the Clerk may take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate Meeting of the Council.
28. As an employer, the Council shall make arrangements to meet fully the statutory requirements placed on all employers for 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 salaries shall be as agreed by Council.
29. Payment of salaries and payment of deductions from salary such as may be made for Tax, National Insurance, may be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts.
30. All loans, investments and borrowing shall be negotiated in the name of the Council after obtaining any necessary approvals and shall be for a set period and reviewed at least annually.
31. The collection of all sums due to the council shall be the responsibility of the RFO.
32. Particulars of all charges to be made for work done, services rendered or goods supplied, shall be agreed annually by the Council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the Council.
33. The Council will review all fees and charges annually, following a report of the Clerk.
34. Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.
35. All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.
36. The origin of each receipt shall be entered on the paying-in slip.
37. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 Section 33 shall be made at least annually coinciding with the financial year-end.
38. An official letter shall be issued for all work, goods and services unless a formal contract is prepared or an official purchase order would be inappropriate. Copies of orders shall be retained and controlled by the RFO.
39. All members and Officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provision.
40. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.
41. Payments on account of a contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates (subject to any percentage withholding as may be agreed in the particular contract).
42. Where contracts provide for payment by instalment the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of the work

carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.

43. Any variation to a contract or addition to or omission from a contract must be approved by the council and the Contractor in writing, the council being informed where the final cost is likely to exceed financial provision.
44. The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council.
45. 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 Accounts and Audit Regulations.
46. No Council owned property shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible moveable property does not exceed £50.00.
47. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in The Register shall be verified at least annually, in conjunction with a health & Safety inspection of assets.
48. The RFO shall effect all insurances and negotiate all claims on the Council's insurers and keep appropriate records.
49. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Council at the next available meeting.
50. Where the Council is sole trustee of a Charitable body the Clerk/RFO shall ensure that separate accounts are kept of 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. The Clerk/RFO shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing document.
51. The Council will review the Financial Regulations of the Council from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential C Financial standing orders

Signed:.....Chairman, Brompton Regis Parish Council

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