

Woodbridge Town Council
FINANCIAL REGULATIONS
ISSUE 4
APPROVED BY THE
FINANCE AND STAFFING COMMITTEE
ON 17TH OCTOBER 2006

1. General

- 1.1 These regulations shall govern the conduct of the financial transactions of the Council and may only be amended or varied by resolution of the Council.
- 1.2 The Town Clerk is appointed Responsible Financial Officer and shall be responsible for the proper administration of the Council's financial affairs under the policy direction of the Finance and Staffing Committee.
- 1.3 The Clerk shall be responsible for the projections of financial management information.

2 Annual Estimates

- 2.1 Each committee shall formulate and submit proposals to the Finance and Staffing Committee in respect of revenue services and capital projects for inclusion in the rolling capital programme and not later than September each year.
- 2.2 Detailed estimates of income and expenditure on revenue services, and receipts and payment on capital account, shall be prepared each year by the Clerk
- 2.3 The F & S Committee shall review the proposals and estimates and submit them to the Council not later than the January meeting of the Council each year and shall recommend (subject to the Rateable Authority requirements) the precept to be levied for the ensuing financial year. The Clerk shall supply each member with a copy of the approved estimates.
- 2.4 The annual capital and revenue budgets shall form the basis of financial control for the coming year.

3. Budgetary Control

- 3.1 The Clerk shall use best endeavours to ensure that expenditure on the revenue account may be incurred up to the amounts included in each approved committee budget, if the budget is likely to be exceeded the Chairman and vice Chairman of the F&S Committee to agree the overspend and report to the Committee
- 3.2 The Clerk shall periodically provide the F & S committee with a statement of income and expenditure to date under each head of the approved annual revenue and capital budget.

- 3.3** Unspent provisions in the revenue budget shall be estimated and used to finance spending under the same budget heading in the ensuring year. If the unspent provision is from a budget heading which has ceased then the unspent provision shall revert to the revenue account.
- 3.4** No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital account without a detailed and costed justification submitted to and approved by the F&S Committee
- 3.5** All capital works shall be administered in accordance with the Council's Standing Orders and financial regulations relating to contracts.

4. Accounting and Audit

- 4.1** All accounting procedures and financial records of the Council shall be determined by the Clerk as required by the Accounts and Audit Regulations (Amendment) (England) 2006.
- 4.2** The Clerk shall be responsible for completion of 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 F & S Committee.
- 4.3** The following principles shall be observed in connection with accounting duties.
- (a)** The duty of providing information, calculating, checking and recording sums due to, or from the Council, shall be separated as completely as possible from the duty of collecting or dispersing them.
- (b)** Officers charged with the duty of examining and checking the accounts of cash transactions should not be engaged in any of those transactions.
- 4.4** The Clerk 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 regulation 6 of the 2006 Act. The Internal Auditor will carry out an audit as appropriate of the financial records of the Council and make his report to the F & S Committee twice a year.

5 Banking arrangements

- 5.1** The Council's banking arrangements shall be made by the Clerk subject to approval by the F & S Committee.
- 5.2** All payments shall receive the prior approval of the Council unless approved by the Clerk and the Mayor or Deputy Mayor on the grounds of urgency, the particulars being submitted to the Council at its following meeting.
- 5.3** All payments shall be paid by the Bank Automated Clearing Service (BACS) or else by cheque bearing any two signatures drawn from those of the Town Mayor, the Deputy Mayor and two appointed members of the Finance and Staffing Committee.

6 Payment of Accounts

- 6.1** All invoices for payment shall be examined verified and certified by the officer issuing the order. Before certifying an invoice the officer shall satisfy himself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.
- 6.2** Duly certified invoices shall when approved for payment by a resolution of the Council be settled within 30 days of their receipt.
- 6.3** The Clerk may provide petty cash to officers for the purpose of defraying the cost of petties. The petty cash account and all relevant vouchers, receipts etc will be maintained in the prescribed manner for petty cash records.

Payments to maintain the petty cash float shall be shown separately on the schedule of payment of money.

7 Payment of Salaries and Wages

- 7.1** Employment of and conditions of Employment to be approved by the F&S Committee
- 7.2** The payment of all salaries and wages, and any associated standing orders or direct debits shall be authorised by the Clerk from the bank account in accordance with the payroll records. Payment will be made on 25th of each month.

8 Loans and Investments

- 8.1** All loans and investments shall be negotiated by the Clerk 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 should be reported to the F & S Committee at the earliest opportunity.
- 8.2** All investments of money under the control of the Council shall be in the name of the Council.
- 8.3** All borrowings shall be effected in the name of the Council.
- 8.4** All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk.

9 Income

- 9.1** The collection of all sums due to the Council shall be the responsibility of and under the supervision of the Clerk.
- 9.2** Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the Clerk who shall ultimately be responsible for the collection of all accounts due to the Council.
- 9.3** The Council will review all fees and charges annually, following a report of the Clerk to the Council.

- 9.4** Any bad debts shall be reported to the F & S Committee.
- 9.5** All sums received on behalf of the Council shall be banked by the officer collecting the money as directed by the Clerk. In all cases all receipts shall be deposited with the council's bankers with such frequency as the Clerk considers necessary.
- 9.6** A reference to the related debt or otherwise indicating the origin of each cheque shall be entered on the paying-in slip.
- 9.7** Personal cheques shall not be cashed out of money held on behalf of the Council.

10 Orders for Work, Goods and Services

- 10.1** The Town Clerk has delegated authority for issuing an official order or letter shall be issued 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. Copies of orders issued shall be maintained.
- 10.2** All officers are responsible for obtaining best value for money at all times. An officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction.

11 Contracts

- 11.1** Procedures as to contracts are laid down in the Council's Standing Orders as follows:
- 11.2** The council may authorise the letting of a written contract for the supply of goods or the execution of works or services to an appropriately detailed specification according to the following two criteria:
- 11.2.1** less than the lower contract limit whereupon the Council may accept a quotation judged to be fair from a contractor known to be satisfactory,
- 11.2.2** greater than the lower contract limit but less than the upper contract limit whereupon three tenders shall be invited for submission to the Clerk within at least four weeks from the date of issue and the lowest quotation shall be accepted unless:
- none are submitted,
- all are identical
- non adequately satisfies the specification,
- There are sound reasons, which the Council would be prepared to publish, for rejecting the lowest, otherwise the Council may make such arrangements as it thinks fit.
- 11.2.3** greater than the upper contract limit whereupon the procedure of the forgoing paragraph shall apply supplemented by a general invitation to tender announced in the regional daily press.

12 Stores and Equipment

- 12.1** The Clerk shall be responsible for the care and custody of stores and equipment.
- 12.2** Delivery notes must be obtained in respect of all goods received and goods must be checked as regard quality at the time delivery is made.
- 12.3** Stock shall generally be maintained at the minimum levels consistent with operational requirements.
- 12.4** The Clerk shall be responsible for an annual check of all stocks and stores

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.
- 13.2** No property shall be acquired sold, leased or otherwise disposed of without the authority of the Council.

14. Insurance

- 14.1** The Clerk shall ensure the Council is adequately insured and effect all insurances and negotiate all claims on the Council's insurers
- 14.2** The Clerk shall give prompt notification to the F & S Committee of all new risks, properties or other items which require to be insured and of any alterations affecting existing insurances.
- 14.3** The Clerk shall keep a record of all insurance's effected by the Council and the property and risks covered thereby and annually review it.
- 14.4** The Clerk shall report any notified loss liability or damage or of any event likely to lead to a claim to the F&S Committee.

15. Revision of Financial Regulations

- 15.1** It shall be the duty of the F & S Committee to review the financial regulations of the Council from time to time and to make such recommendations to the Council as the Committee considers are required.