

# Brimpton Parish Council

## Financial Regulations

### 1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the Parish Council and may only be amended or varied by resolution of the Parish Council. Financial regulations must be observed in conjunction with the Parish Council's Standing Orders<sup>1</sup> and any individual financial regulations relating to contracts.
- 1.2. The Parish Council is responsible in law for ensuring that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of its functions, including arrangements for the management of risk.
- 1.3. The Parish Council's accounting control systems must include measures:
  - for the timely production of accounts;
  - that provide for the safe and efficient safeguarding of public money;
  - to prevent and detect inaccuracy and fraud; and
  - identifying the duties of employees.
- 1.4. These financial regulations demonstrate how the Parish Council meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Governance Statement, the Parish Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7. Councillors are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.

The Responsible Financial Officer (RFO) holds a statutory office and must be appointed by the Parish Council. The Clerk of the Council has been appointed as RFO for Brimpton Parish Council and these regulations will apply accordingly.

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<sup>1</sup> Model standing orders for councils are available in Local Councils Explained © 2013 National Association of Local Councils

1.8. The RFO:

- acts under the policy direction of the Parish Council;
- administers the Parish Council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the Parish Council its accounting records and accounting control systems;
- ensures the accounting control systems are observed;
- maintains up to date accounting records for the Parish Council in accordance with proper practices;
- assists the Parish Council to secure economy, efficiency and effectiveness in the use of its resources;
- produces financial management information as required.

1.9. The accounting records maintained by the RFO shall be sufficient to explain the Parish Council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, or management information prepared for the Parish Council from time to time, comply with the Accounts and Audit Regulations.

1.10. The accounting records maintained by the RFO shall contain:

- entries from day to day of all sums of money received and expended by the Parish Council and the matters to which the income and expenditure or receipts and payments account relate;
- a record of the assets and liabilities of the Parish Council;
- wherever relevant, a record of the Parish Council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.

1.11. The accounting control systems shall include:

- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- procedures to ensure that uncollectable amounts are only submitted to the Parish Council for approval to be written off with

the support of the RFO and that the approvals are shown in the accounting records;

- measures to ensure that risk is properly managed.

1.12. The Parish Council is not empowered to delegate to an individual, or to a committee, decisions regarding:

- setting the final budget or the precept;
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the General Power of Competence;
- addressing recommendations in any report from the internal or external auditors,

These shall be a matter for the Parish Council only.

1.13. In addition, the Parish Council must:

- determine and keep under regular review the bank mandate for all council bank accounts;
- approve any grant or a single commitment in excess of £50;
- have regard to national recommendations about the annual salaries of employees.

1.14. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation in force, together with the Accounts and Audit Regulations 2015.

In these financial regulations, the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Local Councils - a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

## **2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)**

- 2.1. All accounting procedures and financial records of the Parish Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations and appropriate guidance and proper practices.
- 2.2. At the Parish Council's AGM a councillor other than the Chairman shall be appointed to act as the Internal Checker. Twice a year they will work with the RFO to ensure:
- all payments have been authorised by two Members;
  - cheque signatories have initialled the original invoice;
  - the cheque signatories have initialled the counterfoil;
  - bank accounts are reconciled quarterly;
  - all payments are entered into accounting system accurately with a note of the relevant power under which the expenditure is committed;
  - a payment schedule is presented to the Council;
  - there are separate s137 and VAT columns on the accounting system;
  - VAT is claimed regularly;
  - receipts are correctly recorded on the accounts system;
  - receipts are reconciled against original bank statements;
  - for funds being transferred between accounts, a virement has been agreed and recorded by the Council

Every six months the Internal Checker will report their findings to the Parish Council.

- 2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the Parish Council contained in the Annual Return as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the Parish Council within the timescales set by the Accounts and Audit Regulations.
- 2.4. The Parish Council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Councillors shall make available such documents and records as appear to be necessary for the purpose of the audit and shall supply the RFO, Internal Auditor, or External Auditor with such information and explanation as the Parish Council considers necessary for that purpose.

- 2.5. The Internal Auditor shall be appointed and shall carry out the work in relation to internal controls required by the Parish Council in accordance with proper practices.
- 2.6. The Internal Auditor shall:
- be competent and independent of the financial operations of the Parish Council;
  - report to Parish Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
  - be free from any actual or perceived conflicts of interest, including those arising from family or personal relationships; and
  - have no involvement in the financial decision making, management or control of the Parish Council.
- 2.7. Internal or External Auditors may not under any circumstances:
- perform any operational duties for the Parish Council;
  - initiate or approve accounting transactions; or
  - direct the activities of the Clerk/RFO, except to the extent that the Clerk/RFO has been assigned to assist the Internal Auditor.
- 2.8. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 2.9. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations 2015.
- 2.10. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from Internal or External Auditors.

### **3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING**

- 3.1. 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 Parish Council.

- 3.2. The Parish Council shall fix the precept, and relevant basic amount of council tax 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 West Berkshire Council and shall supply each councillor with a copy of the approved annual budget.
- 3.3. The approved annual budget shall form the basis of financial control for the ensuing year.

#### **4. BUDGETARY CONTROL AND AUTHORITY TO SPEND**

- 4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:
  - the Parish Council for all items over £100;
  - where a payment cannot wait until the next council meeting, the RFO, with the approval of the Chairman and one other councillor may raise any payment deemed necessary, provided that the liability was incurred as a result of work previously approved by the Parish Council and at the price agreed by them. An email will be circulated to the rest of the Parish Council confirming the expenditure and a list of any payments made during the month will be presented at the next meeting for recording purposes.
  - the Clerk/RFO, in conjunction with Chairman, for any items below £100.

Such authority is to be evidenced by a Minute or by an authorisation signed by the Clerk/RFO, and where necessary also by the appropriate Chairman.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

- 4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Parish Council. During the budget year and with the approval of the Parish Council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate.
- 4.3. Unspent provisions in the budget for completed projects shall not be carried forward to a subsequent year.
- 4.4. The salary budget will be reviewed annually in November for the following financial year and such review shall be evidenced by a hard copy

schedule signed by the Clerk/RFO and the Chairman. The Parish Council will be informed of any changes impacting on its budget requirement for the coming year.

- 4.5. In cases of extreme risk to the delivery of council services, the Clerk/RFO may authorise revenue expenditure on behalf of the Parish Council which in their judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £100. The Clerk/RFO shall report such action to the Chairman as soon as possible and to the Parish Council as soon as practicable.
- 4.6. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Parish Council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 4.7. All capital works shall be administered in accordance with the Parish Council's Standing Orders and financial regulations relating to contracts.
- 4.8. The RFO shall regularly provide the Parish Council with a statement of receipts and payments to date for each budget heading, comparing actual expenditure to the appropriate date against that shown in the budget. These statements are to be prepared at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of £100 or 15% of the budget.
- 4.9. Changes in earmarked reserves shall be approved by Parish Council as part of the budgetary control process.

## **5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS**

- 5.1. The Parish Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Parish Council. They shall be reviewed annually for safety and efficiency.
- 5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present it to the Parish Council. The Parish Council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the Parish Council. The approved schedule shall be ruled off and initialled by the Chairman. A detailed list of all payments shall be disclosed within or as an attachment to the Minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation

to the termination of a contract of employment) may be summarised to remove public access to any personal information.

- 5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received and carried out and represents expenditure previously approved by the Parish Council.
- 5.4. The RFO shall examine invoices for accuracy and analyse them to the appropriate expenditure heading. The RFO shall submit invoices which are in order for payment at the next Parish Council meeting.
- 5.5. The RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
  - a) 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 meeting of Parish Council, where the RFO certifies that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next meeting of Parish Council;
  - b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next meeting of the Parish Council
  - c) fund transfers within the Parish Council's banking arrangements up to the sum of £5,000, provided that a list of such payments shall be submitted to the next meeting of the Parish Council.
- 5.6. For each financial year the RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation, such as salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts. The Parish Council may authorise payment of these for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to and provided also that a list of such payments shall be submitted to the next meeting of the Parish Council.
- 5.7. To control the risk of duplicated payments being authorised and / or made, a record of regular payments made under 5.6 above shall be drawn up and be signed by two members on each and every occasion when payment is authorised.
- 5.8. Any grant shall be subject to ratification by resolution of the Parish Council before payment.

- 5.9. Councillors are subject to the Code of Conduct that has been adopted by the Parish Council and unless a dispensation has been granted, shall comply with the Code and Standing Orders when a decision to authorise payment is made in respect of a matter in which they have a disclosable pecuniary or other interest.
- 5.10. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by the RFO.

## **6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS**

- 6.1. The Parish Council will make safe and efficient arrangements for the making of payments.
- 6.2. All payments shall be affected by cheque or other instructions to the Parish Council's bankers, in accordance with a resolution of the Parish Council.
- 6.3. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to the Parish Council shall be signed by two councillors in accordance with a resolution instructing that payment. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.
- 6.4. To indicate agreement of the details shown on the cheque and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 6.5. Cheques or orders for payment shall not normally be presented for signature other than at a Parish Council meeting. Any signatures obtained outside of such meetings shall be reported to the Parish Council at the next meeting.
- 6.6. Subject to the approval of the Parish Council, payment for certain items may be made by banker's standing order. The instructions must be signed by two councillors and any payments shall be reported to the Parish Council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the Parish Council at least every two years.
- 6.7. Subject to the approval of the Parish Council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed or otherwise evidenced, by two authorised bank signatories and any payments are reported to the Parish Council as

made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the Parish Council at least every two years.

- 6.8. Subject to the approval of the Parish Council, payment for certain items may be made by internet banking transfer provided that 2 signatories carry out the online approval and evidence is retained showing which members approved the payment.
- 6.9. Where a computer requires the use of a personal identification number (PIN) or other passwords for access to the Parish Council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened shall be reported to all councillors immediately and formally to the next meeting of the Parish Council.
- 6.10. No employee or councillor shall disclose any PIN or password, relevant to the working of the Parish Council or its bank accounts, to any person not authorised in writing by the Parish Council.
- 6.11. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question.
- 6.12. The RFO and any members using computers for the Parish Council's financial business shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.
- 6.13. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Administrator. The bank mandate approved by the Parish Council shall identify a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Administrator alone, or by the Administrator with a stated number of approvals.
- 6.14. Access to any internet banking accounts will be directly to the access page and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for Parish Council banking. Breach of this Regulation will be treated as a disciplinary matter.
- 6.15. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the

supplier and supported by hard copy authority for the change signed by the RFO. A programme of regular checks of standing data with suppliers will be undertaken.

- 6.16. Any Debit Card issued for use will be specifically restricted to the RFO and will also be restricted to a single transaction maximum value of £100 unless authorised by the Parish Council in writing before any order is placed.
- 6.17. Any corporate credit card or trade card account opened by the Parish Council will be specifically restricted to use by the RFO and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of councillors or the RFO shall not be used under any circumstances.
- 6.18. The Parish Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the RFO, for example for postage or minor stationery items, shall be refunded at least quarterly.

## **7. PAYMENT OF SALARIES**

- 7.1. As an employer, the Parish Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of the Clerk/RFO's salary shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and the salary rate shall be as agreed by the Parish Council.
- 7.2. 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 Parish Council meeting, as set out in these regulations.
- 7.3. No changes shall be made to the Clerk/RFO's pay, emoluments, or terms and conditions of employment without the prior consent of the Parish Council.
- 7.4. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record. This confidential record is not open to inspection or review under the Freedom of Information Act 2000 or otherwise, other than:

- a) by any councillor who can demonstrate a need to know;
  - b) by the Internal Auditor;
  - c) by the External Auditor; or
  - d) by any person authorised under Audit Commission Act 1998, or any superseding legislation.
- 7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 7.6. An effective system of personal performance management should be maintained for the Clerk/RFO.
- 7.7. In the event of terminating the employment of the Clerk/RFO, any termination payments shall be supported by a clear business case and authorised by Parish Council.
- 7.8. Before employing interim staff the Parish Council must consider a full business case.

## **8. LOANS AND INVESTMENTS**

- 8.1. All borrowings shall be made in the name of Brimpton Parish Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Parish Council as to terms and purpose.
- 8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the Parish Council. In each case a report in writing shall be provided in respect of value for money for the proposed transaction.
- 8.3. The Parish Council will arrange with their bank and investment providers for the sending of a copy of each statement of account to the Chairman at the same time as one is issued to the RFO.
- 8.4. All loans and investments shall be negotiated in the name of Brimpton Parish Council and shall be for a set period in accordance with the Parish Council's policy.
- 8.5. The Parish Council shall consider the need for an investment strategy which, if drawn up, shall be in accordance with relevant regulations,

proper practices and guidance. Any strategy shall be reviewed by the Parish Council annually.

- 8.6. All investments of money under the control of the Parish Council shall be in the name of Brimpton Parish Council.
- 8.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.8. Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## **9. INCOME**

- 9.1. The collection of all sums due to the Parish Council shall be the responsibility, and under the supervision of, the RFO.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be reported by the RFO and agreed annually by the Parish Council. The RFO shall be responsible for the collection of all accounts due to the Parish Council.
- 9.3. The Parish Council will review all fees and charges at least annually, following a report of the RFO.
- 9.4. Any sums found to be irrecoverable and any bad debts shall be reported to the Parish Council and shall be written off in the year.
- 9.5. All sums received on behalf of the Parish Council shall be banked intact by the RFO. All receipts shall be deposited with the bank with such frequency as the RFO considers necessary.
- 9.6. The origin of each receipt shall be entered on the paying-in slip.
- 9.7. Personal cheques shall not be cashed out of money held on behalf of the Parish Council.
- 9.8. The RFO shall complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made annually, but this may be increased to more frequently where there are significant sums of VAT to be reclaimed.
- 9.9. Where any significant sums of cash are regularly received by the Parish Council, the RFO shall take steps to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that

appropriate care is taken in the security and safety of individuals banking such cash.

- 9.10. Any income which is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the Parish Council (for example, to meet expenditure already incurred by the council) will be given by the Managing Trustees of the charity meeting separately from any Parish Council meeting. See also Regulation 16 below.

## **10. ORDERS FOR WORK, GOODS AND SERVICES**

- 10.1. 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. Copies of orders shall be retained by the RFO.
- 10.2. Order books shall be controlled by the RFO.
- 10.3. Councillors and the RFO are responsible for obtaining value for money at all times. Before an official order is issued, the RFO shall ensure 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* provisions in Regulation 11.1 below.
- 10.4. A councillor may not issue an official order or make any contract on behalf of the council.
- 10.5. 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.

## **11. CONTRACTS**

- 11.1. Procedures as to contracts are as follows:
  - a. Every contract shall comply with these financial regulations, and no exceptions shall be made **otherwise than in an emergency** provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
    - i. for the supply of gas, electricity, water, sewerage and telephone services;

- ii. for specialist services, such as are provided by solicitors, accountants, surveyors and planning consultants;
  - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
  - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;
  - v. for additional audit work of the external auditor up to an estimated value of £100 (in excess of this sum the RFO shall act after consultation with the Chairman and Vice Chairman);
  - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. Where the Parish Council intends to procure, or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 (“the Regulations”) which is valued at £25,000 or more, the Parish Council shall comply with the relevant requirements of the Regulations<sup>2</sup>.
  - c. The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)<sup>3</sup>.
  - d. When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Parish Council.
  - e. Such invitation to tender shall state the general nature of the intended contract and the RFO shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the RFO in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is

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<sup>2</sup> The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts

<sup>3</sup> Thresholds currently applicable are:

- a. For public supply and public service contracts 209,000 Euros (£164,176)
- b. For public works contracts 5,225,000 Euros (£4,104,394)

to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

- f. All sealed tenders shall be opened at the same time on the prescribed date by the RFO in the presence of at least one councillor.
- g. Any invitation to tender issued under this regulation shall be subject to Standing Orders regarding the declaration of personal and pecuniary interest and shall refer to the terms of the Bribery Act 2010.
- h. When council is to enter into a contract less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are exempted as set out in paragraph (a) the following table shall apply:

<b>Contract value</b>	<b>Up to £1000</b>	<b>£1000 to £10000</b>	<b>£10000-£25000</b>
<b>Format of Request for Quote</b>	<i>Oral request for quote</i>	<i>Written</i>	<i>Written</i>
<b>Minimum number of quotes</b>	<i>1 quote minimum</i>	<i>2 quotes minimum</i>	<i>3 quotes minimum</i>
<b>Form of contract</b>	<i>Oral</i>	<i>Written instruction to proceed , can be an email</i>	<i>Formal Purchase Order</i>

Otherwise, Regulation 10(3) above shall apply. In the event that work must be done urgently (for example for safety reasons) the RFO has delegated authority to arrange for work to be done at best price possible and this must be reported to Parish Council at the next meeting.

- i. The Parish Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- j. Should it occur that the Parish Council does not accept any tender, quote or estimate, the work is not allocated and the Parish Council requires further pricing, provided that the specification

does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision making process was being undertaken.

## **12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS (PUBLIC WORKS CONTRACTS)**

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of 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 Parish Council.
- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by the Parish Council and RFO to the contractor in writing, the Parish Council being informed where the final cost is likely to exceed the financial provision.

## **13. ASSETS, PROPERTIES AND ESTATES**

- 13.1. The RFO shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Parish Council. The RFO shall ensure a record is maintained of all properties held by the Parish Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 13.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Parish Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.
- 13.3. No property or interests in land shall be sold, leased or otherwise disposed of without the authority of the Parish Council, together with any other consents required by law. In each case a report in writing shall be provided to the Parish Council in respect of valuation and surveyed

condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

- 13.4. No property or interests in land shall be purchased or acquired without the authority of the Parish Council. In each case a report in writing shall be provided to the Parish Council in respect of valuation and surveyed condition of the property, including matters such as planning permissions and covenants, together with a proper business case.
- 13.5. Subject to the limit set in Regulation 13.2 above, no tangible moveable property shall be purchased or acquired without the authority of the Parish Council.
- 13.6. 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.

#### **14. INSURANCE**

- 14.1. Following the annual risk assessment (per Regulation 16 below), the RFO shall effect all insurances and negotiate all claims on the Parish Council's insurers.
- 14.2. The RFO shall keep a record of all insurances purchased by the Parish Council and the property and risks covered and review it annually.
- 14.3. The RFO shall report any loss, liability or damage or of any event likely to lead to a claim, to Parish Council at the next meeting.
- 14.4. Councillors and the Clerk/RFO shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the Parish Council.

#### **15. CHARITIES**

- 15.1. Where the Parish Council is the sole managing trustee of a charitable body, the 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 RFO shall arrange for any audit or independent examination as may be required by charity law or any governing document.

#### **16. RISK MANAGEMENT**

- 16.1. The Parish Council is responsible for putting in place arrangements for the management of risk. The RFO shall prepare risk management policy statements in respect of all activities of the Parish Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Parish Council at least annually.
- 16.2. When considering any new activity, the RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Parish Council.

## **17. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS**

- 17.1. It is the duty of the Parish Council to review its Financial Regulations from time to time. The Clerk/RFO shall make arrangements to monitor changes in legislation or proper practices and shall advise the Parish Council of any requirement for a consequential amendment to these Financial Regulations.
- 17.2. The Parish Council may, by resolution duly notified prior to its next meeting, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of the Parish Council.

## **18. APPROVAL**

- 18.1 These Financial regulations were approved by Brimpton Parish Council at its meeting on X and thereafter will be reviewed each year at its Annual General Meeting.