

Catterick Parish Council -Financial Regulations

1. General

1.1 These financial regulations govern the conduct of the financial transactions of the Council and can only be amended or varied by resolution of the Council.

1.2 The Clerk, as the Responsible Financial Officer (RFO), under the direction of the Council will be responsible for the proper administration of the Councils financial affairs.

1.3 The RFO will be responsible for the production of financial management information.

2. Annual Budget

2.1 A detailed budget will be prepared each year by the RFO.

2.2 The Council will review the budget not later than the end of December each year and will fix the Precept to be levied for the ensuing year. The RFO will provide each member of the Council with a copy of the approved budget.

2.3. The annual budget will form the basis of the financial control for the ensuing year.

3. Budgetary Control

3.1 Expenditure on revenue items may be incurred up to the amounts included in the annual budget.

3.2 Expenditure will not be incurred that would exceed the amount provided in the annual budget.

3.3 The RFO will provide the Council with a statement of Bank accounts and a statement of transactions to date at each Council meeting for approval. The RFO will report any significant variations in actual expenditure against budgeted expenditure.

3.4 No expenditure will be incurred, nor any contract entered into, nor any tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available or the required borrowing approval has been obtained.

3.5 All capital works will be administered in accordance with the Councils standing orders and financial regulations relating to contracts (see section 10).

4. Accounting and Audit

4.4 All accounting procedures and financial records of the Council will be determined by the RFO as required by the Accounts and Audit Regulations applying at the time. To be reviewed annually.

4.4 The RFO will be responsible for completing the annual financial statements of the Council as soon as practicable after the end of the financial year. The RFO will report these to the Council at the earliest opportunity following their completion.

4.5 The RFO will be responsible for completing the Accounts of the Council contained in the Annual Return (as supplied by the appointed Auditor). The RFO will submit the Annual Return to the Council for approval and authorisation within the timescale set by the Auditor or the appropriate Regulations.

4.6 The RFO will be responsible for ensuring that an adequate system of internal audit exists for the Council's financial affairs and in accordance with appropriate regulations. Any member or officer of the Council will, if required by the RFO or Internal Auditor, make available any documents of the Council, which in the opinion of the RFO or Internal Auditor are necessary for the purpose of the internal audit. They will also provide the RFO or Internal Auditor with such information as is considered necessary for the internal audit.

4.7 The Internal Auditor will carry out the work required by the RFO or the Council, to satisfactorily complete the Internal Auditors report section of the Annual Return as **compiled annually by the Audit Commission. The Internal Auditor, who will be competent and independent** of the Council, will report in writing to the Council at least once per year in respect of each financial year.

4.8 The RFO will make appropriate arrangements for the inspection of the accounts, books and other relevant documents as required by the Audit Commission and the accounts and audit regulations in force.

4.9 The RFO will bring to the attention of the Council as soon as practicable, any relevant correspondence or report from the Internal or External Auditor.

5. Banking Arrangements

5.1 The RFO under the policy direction of the Council will determine the banking arrangements. These arrangements will be reviewed periodically to ensure proper and effective operation. The Council will designate three Councillors to be signatories to the accounts.

5.2 The Council will maintain two accounts, a current account (Community) for day-to-day transactions and a holding account (Business Tracker) for deposit of larger sums e.g. Precept, to earn interest prior to use.

6. Payment of Accounts

6.1 All payments in excess of £25 will be made either by cheque or by electronic transfer. The RFO will take appropriate action to settle all invoices properly submitted.

6.2 Cheques will be authorised by two out of three members of the Council designated as signatories. All Members will have access to relevant accounts, books and receipts etc at any reasonable time.

6.3 Payments made through online banking will be submitted by the RFO and authorised by one other of the signatories of the Council. A notice of this transaction is to be printed out for the records.

6.4 The RFO will examine, verify, and certify all invoices for payment, being satisfied that the work, goods or service have been provided. The RFO may request examination and approval by the Council.

6.5 All invoices will be allocated to the appropriate budget head by the RFO.

6.6 The RFO will maintain a Cash Float not exceeding £20 for payment of minor items, e.g. postage, stationery. Any other expenses properly incurred by the RFO will be refunded on a regular basis.

6.7 The Council will delegate a member to carry out periodic checks on the petty cash and Payment and Receipts accounts.

6.8 All payments made to the Council must be banked as soon as practicable to minimise any potential loss of interest and to maintain security of assets.

7. Payment of Salaries

7.1 Salaries will be as agreed by the Council and be reviewed annually. Payment of salaries will be made monthly by cheque or electronic transaction and will accord with appropriate regulations of PAYE and National Insurance.

7.2 As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by 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 salary rates shall be as agreed by council, or duly delegated committee.

7.3 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 available council meeting, as set out in these regulations above.

7.4 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the council.

7.5 Each and every 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 (confidential cash book). 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
- d) by any person authorised under the Audit Commission Act 1998 or any superseding legislation

7.6 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.

7.7 An effective system of personal performance management should be maintained for the senior officers.

7.8 Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.

7.9 Before employing interim staff, the council must consider a full business case.

8. Loans and Investments

8.1 All loans and investments will be negotiated in the name of the Council and will be for a set period in accordance with Council policy. All investments under the control of the Council will be in the name of the Council.

8.2 The Councils Investment Policy will be in accordance with the (Trustees Act 2000) and will be reviewed at least annually.

8.3 All investment certificates and other relevant documents will be retained in the manner approved by the Council.

9. Income

9.1 The RFO will be responsible for making appropriate arrangements for the collection of all sums due to the Council.

9.2 Particulars of all charges to be made by the Council for work or services etc will be agreed annually by the Council. The RFO will be responsible for the collection of all monies due to the Council.

9.3 The council will review all fees and charges at least annually, following a report of the CLERK/RFO.

9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year'

9.5. All sums received on behalf of the council shall be banked intact as directed by the CLERK/RFO . In all cases, all receipts shall be deposited with the council's bankers with such frequency as the CLERK/RFO considers necessary.

9.6 The origin of each receipt shall be entered on the paying-in slip

9.7 The RFO will be responsible for the completion of VAT returns. Claims will be made in a manner that minimises any potential loss of interest to the Council whilst ensuring effective administration of financial affairs.

10. Orders for Work, Goods or Services

10.1 All requests for Work, Goods or Services will be accompanied by an official order or letter in the name of the Council unless a formal contract is to be prepared. Copies of all orders and contracts will be retained.

10.2 All members or officers of the Council are responsible for obtaining value for money for the Council. A member or officer issuing an official order will ensure as far as practicable that the best value for money is being obtained. Where appropriate at least three quotations or estimates should be obtained subject to the provisions of section 10 below.

10.3 The RFO will verify the lawful nature of any proposed purchase before the issue of any order. In the case of new or infrequent purchases or payments the RFO will ensure that the statutory authority is reported to the Council meeting at which the purchase is approved so that the appropriate minute can be made.

11. Contracts

11.1 Every contract will comply with these financial regulations and no exceptions will be made except in an emergency. These regulations will **not** apply to the items a) to f) below.

- a). The supply of gas, water, sewerage, electricity and telephone services.
- b). Specialist services such as Accountants, Surveyors, Planning Consultants etc.
- c). Work to be undertaken or goods and/or materials required for the repair of existing plant and machinery.
- d). Work to be undertaken or goods and materials required which is an extension of an existing contract up to the value of £50.
- e). Additional work by the External Auditor up to the value of £50. In excess of this sum the RFO will act following consultation with the Chairman of the Council.
- f). Goods and materials which are proprietary articles and/or are only sold at a fixed price.

11.2 Where it is intended to enter into a contract exceeding £1000 other than as described in 10.2 above, the RFO will invite quotations from at least three providers acceptable to the Council.

11.3 When an application is made to waive financial regulations relating to contracts to enable a price to be negotiated without competition, the reason for such proposed action will be reported to the Council for approval.

11.4 Invitations to quote will state the general nature of the intended contract and the RFO will make the appropriate arrangements to obtain the necessary technical assistance to prepare a specification in appropriate cases. Invitations to quote will also state that quotations must be addressed to the RFO by ordinary post or via email.

11.5 All sealed quotes will be opened at the same time by the RFO preferably in the presence of at least one member of the Council. If no members are available then the RFO shall open the quotes and prepare a report for the next meeting so that a decision can be made at that time and recorded in the minutes.

11.6 Should less than three quotes be received for contracts above £1000 or if all quotes are identical, the Council may make whatever arrangements it thinks appropriate for determining the contract.

11.7 Where the value of the contract is less than £1000, the RFO will endeavour to obtain three estimates otherwise section 10.3 above will apply.

11.8 The Council is not obliged to accept the lowest, quote or estimate but should show in the minutes the reason for accepting the successful quote.

12. Property and Land

12.1 The RFO will make appropriate arrangements for the custody of title deeds of property and land owned by the Council and will make arrangements to maintain proper records in accordance with Accounting and Audit Regulations.

12.2 No property or land will be sold, leased or otherwise disposed of without the consent of the Council together with any other consents required by law, except where the

estimated value is less than £50 in which case the RFO, in consultation with the Chairman, will take the appropriate action.

13. Insurance

13.1 A Risk Assessment will be carried out periodically following which the RFO, in consultation with the Chairman, will make arrangements to obtain any necessary insurance. The RFO will make whatever arrangements necessary to negotiate insurance claims through the Council's insurers

13.2 The RFO will maintain appropriate records of all insurances and arrange for annual review.

13.3 The RFO will be notified of any loss liability or damage or of any event likely to lead to a claim. Such events will be reported to the Council at its next meeting.

13.4 All employees of the Council will be included in a suitable fidelity guarantee insurance which will cover the maximum risk exposure as determined by the Council.

14. Assets

14.1 Items of equipment should be recorded on an inventory list, which should be checked periodically by the RFO.

14.2 Capital assets should be recorded in the Council's Asset Register at original cost. Where appropriate assets should be properly maintained and sufficient funds should be included in the budget to enable this to happen.

15 Risk Management

15.1 The RFO will prepare and promote Risk Management Policy Statements in respect of the activities of the Council.

15.2 For any new activity a Risk Assessment will be prepared and reported to the Council for adoption.

16. Revision of Financial Regulations

16.1 The Council will review these Regulations from time to time and usually not less than every three years.

Adopted; 1st September 2025

Signed: Diane Kirkham (Parish Clerk)