



CREWKERNE TOWN COUNCIL

Financial Regulations

1. General

- 1.1 These financial regulations shall govern the conduct of the financial transactions of Crewkerne Town Council and may only be amended or varied by resolution of the Council.
- 1.2 The Town Clerk is the Responsible Financial Officer (RFO) as defined by the Local Government Finance Act.
- 1.3 The RFO under the policy direction of the Policy and Resources Committee (P&R Committee) shall be responsible for the proper administration of the council's financial affairs.
- 1.4 The RFO shall be responsible for ensuring the proper production of financial management information.
- 1.5 The Finance Officer (FO) will be responsible for day-to-day operation of the Council's accounting procedures and work as directed by the RFO, to achieve all the Council's financial and accounting objectives.
- 1.6 An independent and competent Internal Auditor shall be appointed each year and shall carry out the work required by the Council in accordance with proper practices. In order to demonstrate objectivity and independence the Internal Auditor shall be free from any conflicts of interest and shall have no involvement in the financial decision making, management or control of the Council.
- 1.7 The Council shall be responsible for ensuring that the financial management is adequate and effective and that the Council has a system of internal controls which facilitates the effective exercise of its functions and which manages risk.
- 1.8 The Council shall review at least once a year the effectiveness of its systems of internal controls and shall produce a statement on internal control with its statements of accounts.

2. Annual Estimates

- 2.1 Proposals for expenditure shall be formulated and submitted to the P&R Committee in respect of revenue services and capital projects for inclusion in the rolling capital programme not later than the end of October 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 FO as directed by the RFO.

- 2.3 The P&R Committee shall review the estimates and submit them to the full Town Council for ratification before the required date as advised by Somerset Council each year and shall recommend the precept to be levied for the ensuing financial year.
- 2.4 The estimates may be amended at the beginning of each financial year to reflect the preceding year end position and the RFO shall supply each member with a copy of the approved estimates.
- 2.5 The amended capital and revenue budgets shall form the basis of financial control for the ensuing year.

3. Budgetary Control

- 3.1 Expenditure on the revenue account may be incurred up to the amounts included in each approved committee budget.
- 3.2 No expenditure may be incurred which cannot be met from the amount provided in the appropriate committee revenue budget unless a virement or overspend has been approved by the full Town Council.
- 3.3 The RFO shall provide a quarterly statement of income and expenditure to date under each head of the approved annual revenue and capital budgets to the Town Council, comparing actual expenditure against that planned.
- 3.4 The RFO 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 £1,500 in consultation with the Committee Chair (or Vice Chair or Mayor in the absence of the Committee Chair). The RFO shall report the action to the appropriate committee as soon as practicable thereafter.
- 3.5 Where expenditure is incurred in accordance with regulation 3.4 above and the sum required cannot be met from savings made elsewhere within that committee's approved budget, it shall be subject to the provision of a supplementary estimate approved by the P&R Committee or the Town Council.
- 3.6 Unspent provisions in the revenue budget shall be reviewed in February each year and only carried forward as part of the amended budget when reviewed by the P&R Committee and approved by the Full Town Council.
- 3.7 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital account unless the Committee concerned is satisfied that it is contained in the rolling capital programme and that the necessary capital funds are available, or the requisite borrowing approval can be obtained.
- 3.8 All capital works shall be administered in accordance with the Council's 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 RFO as required by the Accounts and Audit (England) Regulations 2011.

- 4.2 The RFO shall be responsible for ensuring that the completed annual accounts of the Council are presented as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
- 4.3 The RFO shall be responsible for completing the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission or other legally authorised body) and for submitting the Annual Return for approval and authorisation by the Council within the timescale set by the Accounts and Audit (England) Regulations 2011, or set by the Auditor.
- 4.4 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 should be separated as far 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.
- 4.5 The RFO shall be responsible for ensuring that there is an adequate and effective system of internal audit of the Council's accounting, control systems, financial and other operations in accordance with Accounts and Audit (England) Regulations 2011 as amended. Any officer or member of the Council shall, if the RFO requires or Internal Auditor requires, make available such documents of the Council which relate to their accounting and other records as appear to the RFO or Internal Auditor to be necessary for the purpose of the 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.
- 4.6 The Internal Auditor shall carry out the work required by the RFO, or by the Council, with a view to satisfactory completion of the Internal Auditor's Report section of the Annual Return as compiled annually by the Audit Commission or other legally authorised body. The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council in writing on a regular basis with a minimum of one annual report in respect of each financial year.
- 4.7 The Council shall conduct an annual review of the effectiveness of the system of internal audit.
- 4.8 The RFO shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers as required by the latest audit guidance.
- 4.9 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.

5. Banking Arrangements and Cheques

- 5.1 The Council's banking arrangements shall be made by the RFO and approved by the P&R Committee. They shall be reviewed periodically for efficiency.
- 5.2 A schedule of payments required forming part of the agenda for the meeting shall be prepared under the review of the RFO and together with relevant invoices etc. presented to Council. A nominated councillor shall verify the schedule of payments to the invoices prior to the commencement of the meeting. If the schedule is in order it shall be authorised by a resolution of the Council and signed by the chair or vice chair of the meeting. The detail shall be shown in the minutes of the meeting.

- 5.3 Internet banking payments (including salary payments by BACS) and cheques drawn on the bank account in accordance with the schedule referred to in the previous paragraph shall be authorised by two councillors from a pool to be determined by the full council after elections or as required.
- 5.4 Payments may be made by internet banking transfer, provided that:
- The internet banking arrangements identifies the Finance Officer, the Deputy Clerk and the RFO as system administrators only, with no authority to approve payments.
 - The bank mandate identifies a number of Councillors who are authorised to approve transactions. These nominated Councillors shall be identical to those determined by the Council as cheque signatories.
 - The internet banking payment authorisation process requires authorisation separately by two of the above nominated Councillors.
 - The Finance Officer will ensure that copies of the invoices for payment are available to the Councillors assigned to authorise the payment.
 - The Finance Officer retains evidence showing which two Councillors approved the payment.
 - The Finance Officer retains a record of the details of all suppliers with which transactions are made, and these are checked regularly for validity and confirmed by the RFO.
 - Passwords associated with accessing the internet banking system are under no circumstances to be stored on the Council computers.

6. Payment of Accounts

- 6.1 Apart from petty cash payments all payment shall be effected either by cheque or through use of the Town Council's Corporate Purchase card or by internet banking transfer.
- 6.2 The Town Council Corporate Purchase card is to be restricted to use by the RFO and Finance Officer. The card shall be subject to automatic payment in full each month and shall be restricted to a maximum spend each month of £3,000. Before any order is placed using the Corporate Purchase card, a Purchase Authority shall be signed by two Councillors who are cheque signatories. For purchases above the value of £50, the Purchase Authority shall in addition be signed by two Councillors who are cheque signatories.
- 6.3 Additionally, with regard to pre-authorised minor purchases made on behalf of the Council by officers, or on occasion, by councillors, re-imbusement may be made on debit card purchases only together with the receipt in the normal manner referred to in 5.2.
- 6.4 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/herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved. The Amenities Operations Manager will check and verify all work and purchases of a technical nature and corresponding invoices prior to authorisation by the RFO.
- 6.5 Invoices shall be duly certified as to whether all payments made are legal and within the powers of the council. They shall be examined in relation to arithmetical accuracy and authorisation, and coded to the appropriate expenditure head. All possible steps shall be taken to settle all invoices submitted, and which are in order, within 30 days of their receipt.
- 6.6 If thought appropriate by the council, payment of certain accounts may be made by variable direct debit or Standing Order, provided that the initial instructions are signed by two councillors from the pool of authorised cheque signatories and any payments are entered on the schedule referred to in 5.2 above.

- 6.7 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 council, where the Finance Officer and RFO certify that there is no dispute or other reason to delay payment, the RFO may (notwithstanding para 6.3) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of council.
- 6.8 All duly certified invoices will then be entered on the schedule referred to in 5.2 above.
- 6.9 The RFO may provide petty cash to officers for the purposes of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement:
- a) The RFO shall maintain a petty cash float to a limit of £125 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment. Periodic reconciliation shall be carried out by the Finance Officer and checked by the RFO.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - c) Periodic payments to reimburse the petty cash float shall be shown separately on the schedule of the payment of money presented to the council (under 5.2 above).

7. Payment of Salaries and Wages

- 7.1 The Mayor and the RFO shall sign an internal document to the Finance Officer stating the staff salary amendments at the start of each financial year. All subsequent staff cost of living increases shall be checked for accuracy by the RFO or another officer. The payment of all salaries shall be calculated by the Finance Officer in accordance with the payroll records and the rules of PAYE and National Insurance currently operating and salaries shall be as agreed by council.
- 7.2 The payments list of salaries by bank transfer shall be signed by two councillors and the RFO (or in their absence the Deputy Clerk) shall countersign and check the list, and provide the special password as authority for the payments to be made. The passwords shall be locked securely by the RFO. In the absence of the Finance Officer the BACS payment form shall be produced by the Deputy Clerk, countersigned and checked by the RFO, who will provide the password. The bank transfer instructions will be retained.
- 7.3 All time sheets shall be certified as to accuracy by or on behalf of the RFO.

8. Loans and Investments

- 8.1 All loans and investments shall be negotiated by the RFO in the name of the council, and shall be for a set period in accordance with council policy. Changes to loans and investments should be reported to the P&R 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 borrowing shall be effected in the name of the council, after obtaining the necessary borrowing approval. Any application for borrowing shall be approved by council as to terms and purpose.

- 8.4 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO in metal cabinet in their office with other bank statements.

9. Income

- 9.1 The collection of all sums due to the council shall be the responsibility of and under the custody of the RFO.
- 9.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be notified to the Administration Officer who will raise the invoices and the Finance Officer shall ensure prompt receipt. Aged debtors will be periodically reviewed with the RFO who shall be ultimately responsible for the collection of all accounts due to the council.
- 9.3 The council will review all fees and charges regularly, following a report of the RFO.
- 9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the P&R Committee and by approval may be written off in the year.
- 9.5 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.
- 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 Every transfer of official money from one member of staff to another shall be signed for by the receiving officer.
- 9.8 Personal cheques shall not be cashed out of money held on behalf of the council.
- 9.9 The RFO shall ensure prompt completion any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made usually on a monthly basis.

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 e.g. petty cash purchases. Copies of orders issued shall be maintained.
- 10.2 Order books shall be controlled by the RFO.
- 10.3 All officers are responsible for obtaining 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, usually by obtaining at least two quotations or estimates from appropriate suppliers, subject to the de minimus provisions in Regulation 11.1 below.
- 10.4 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 whether made by the council or by a committee to which the power of making contracts has been delegated shall comply with these financial regulations, and no exception from any of the following provisions of these financial regulations shall be made otherwise than by direction of the council or in an emergency by such a committee as aforesaid provided that these financial regulations shall not apply to contracts which relate to items (i) to (v) below:
 - i) for the supply of gas, electricity, water, sewerage and telephone services
 - ii) for specialist services such as are provide by solicitors, accountants, surveyors and planning consultants
 - iii) for work to be executed 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 £500 (in excess of this sum the RFO shall act after consultation with the Chairman and Vice Chairman of Council)
 - vi) for goods or materials proposed to be purchased which are proprietary articles and/or which are sold only at a fixed price.
- b) Where the 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 council shall comply with the relevant requirements of the Regulations¹.
- c) The full requirement 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).
- 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 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 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 member of council.
- g) Any invitation to tender issued under this regulation shall be subject to Standing Orders part 18, ‘Financial Controls & Procurement’ and shall refer to the terms of the Bribery Act 2010.
- h) When it is to enter into a contract of 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,

¹ 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.

materials, works or specialist services as are excepted as set out in paragraph (a) the total contract value shall be calculated and where this is:

- i) expenditures over £3,000 quotations shall be obtained from at least two contractors.
 - ii) for expenditures of £3,000 or less in value the Chairman of the spending committee or his/her appointed Vice Chairman together with the RFO or the duly authorised deputy shall have executive power.
- i) Every exception made by a committee to which the power of making contracts has been delegated shall be reported to the council and the report shall specify the emergency by which the exception shall have been justified.
 - j) If less than three quotes are received for contracts valued above £3,000 or if all the quotes are identical the council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works. The number of quotations received shall be recorded in the minutes.
 - k) The council shall not be obliged to accept the lowest or any tender, quote or estimate.

12. Payments Under Contracts for Building or Other Construction Works

- 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 or suitably qualified persons 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 when it is estimated that the total cost of the work carried out under a contract, excluding agreed variations, will exceed the contract sum by 5% or more a report shall be submitted to the appropriate committee.
- 12.3 Any variation to a contract or addition to or omission from a contract must be approved by the council and RFO in writing to the contractor before any work has begun, the appropriate committee being informed where the final cost is likely to exceed the financial provision.

13. Stores and Equipment

- 13.1 The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 13.2 Delivery notes must be obtained in respect of all goods received into store and goods must be checked as to order and quality at the time delivery is made.
- 13.3 Stocks shall generally be maintained at the minimum levels consistent with operational requirements.
- 13.4 The RFO supported by the Amenities Operations Manager and FO shall be responsible for an annual check of all stocks and stores.

14. Properties and Estates

- 14.1 The RFO shall make appropriate arrangements for the custody of all title deeds of properties owned by the council. 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 the interest, tenancies granted, rents payable and purpose for which held in accordance with the Accounts and Audit Regulations 2011.
- 14.2 No 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 movable property does not exceed £50.

15. Insurance

- 15.1 Following an annual risk assessment review, the RFO shall effect all insurances and negotiate all claims on the council's insurers.
- 15.2 The RFO shall give prompt notification to the Finance Officer of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.3 The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 15.4 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.
- 15.5 All appropriate employees of the council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the council.

16. Charities

- 16.1 The council is sole trustee of the War Commemoration Trust Recreation Ground and the RFO shall ensure that separate accounts are kept of the funds held and 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.

17. Risk management

- 17.1 The council is responsible for putting in place arrangements for the management of risk. The RFO shall ensure that the appropriate officer undertakes a regular review and prepares and promotes risk assessment statements in respect of all activities of the council.
- 17.2 When considering any new activity the Operations Manager with the RFO shall prepare a draft Risk Assessment for the activity and shall bring a draft addressing the legal and financial liabilities and risk management issues that arise to council for consideration and, if thought appropriate, adoption.

18. Revision of Financial Regulations

- 18.1 It shall be the duty of the P&R Committee to review the financial regulations of the council from time to time and to make such amendments as the committee considers are required.

FINANCIAL PROCEDURES

The Council Accounts are computerised using AdvantEdge software.
All council financial procedures will comply with the statement of financial regulations.

Income

Money received by the Town Council is banked on the day of receipt unless it arrives after the bank has closed. Such un-banked money is kept in a locked money box in a locked cupboard in the office over-night. Receipts are issued for all monies received. Receipts will also record the relevant invoice numbers where appropriate. A further record of receipts is the bank paying-in book which will also show a record of the receipt number to which the money refers.

Some income is transferred to the council by means of the BACS system. A record of such transfers is received from the payees and placed in a file. Further evidence of BACS payments is provided by the monthly Bank Statements.

Computer records are kept of all income transactions and are comprehensively backed up.

Expenditure Payment of Invoices

Agreement for payment will be made by the RFO after having checked the invoice against an order or tender and where the sum has been agreed by the council. When the payment of an invoice has been authorised (normally at a Town Council Meeting), the FO will arrange for payment using either a cheque or through the online banking system.

Cheques

A cheque is made out and then signed by any two authorised Councillors, who also initial the counterfoil.

Online banking

The invoice value is entered through the online banking system and is authorised for payment online by any two authorised Councillors. A print out of the Councillor's authorisation is attached to the associated invoices.

A monthly statement of accounts to be paid will be presented to the Council for approval. The cheques will be signed, having previously been prepared and the online payments will have been authorised. Salary payments by BACS shall be made in accordance with Financial Regulations. The Inland Revenue returns and Superannuation payments may be paid promptly but must be recorded by payment method and description only on the monthly statement of accounts in order to preserve staff confidentiality. Some other bills may also be settled prior to the Council Meeting so as not to incur penalties (See financial regulations).

Computer records are kept of all expenditure transactions, including petty cash payments. Computer records are held on an IT workgroup server and access to the secure shared data is via individual staff passwords. All computer records are backed up on an ongoing daily basis.

Actual expenditure and income against the budget is reported on a quarterly basis.

Bank Transfers

The RFO will transfer funds to and from the 32 Day Notice and Business Call accounts as necessary to ensure that there are adequate funds in the Business Call account to cover all outstanding payments and taking advantage of higher interest on reserves in the 32 Day Notice Account.

There is “drip feed” arrangement between the Current Account and Business Call Account to maintain a daily Current Account balance of £50,000.

Salaries Records

Each employee has a separate excel spreadsheet showing the employee’s name, rate of pay, the hours worked, the total gross wages earned and the deductions for national insurance, taxation and superannuation etc., together with the employer’s contributions, and finally the net amounts payable by the Council to the employee, and to HM Revenue & Customs (HMRC). Iris Payroll software is used to calculate the national insurance and taxation deductions, and employer contributions. The RFO will provide the Finance Officer with an internal document of the latest amended, approved salaries countersigned by the Mayor. National pay increase rises and incremental pay rise calculations will be double checked by the RFO and a copy of each spreadsheet shall be initialled accordingly and kept in the Audit File.

Bank Reconciliation

Bank statements are received after the end of each month and all accounts are balanced with the computer records. After checking by the RFO, printed records are then placed in an Audit File and bank statements are kept in a separate file. A copy of the monthly Bank Reconciliation is presented to the Town Council Meeting.

Audit

As soon as possible after 31st March the accounts are finalised and an income and expenditure account, balance sheet and Annual Return produced. At this stage the accounts have been audited by the Internal Auditor. They should then be approved and signed by resolution as soon as practicable after the end of the financial year and at least within the advised time limit. These accounts are then subject to audit by the External Auditors appointed by the Audit Commission or other authorised body. Prior to audit the approved accounts must be displayed on the public notice board for a given period of time and the public are given notice that the full accounts are available for inspection.

The RFO will ensure that the Council considers the annual internal and external written reports and demonstrates that by inclusion in the agendas and minutes. Following a satisfactory audit the accounts are signed off and a written statement from the auditor is added to the accounts statement. A public notice placed is on the board for the required time and subsequently retained, for audit evidence purposes.

ROLE OF THE INDEPENDENT INTERNAL AUDITOR

The internal auditor shall:

- be allowed to have direct access to the Council
- have no other role or be related to any member within the Council
- prepare a report in writing in his/her own name and addressed to the Council
- be competent to carry out the work i.e.(i) shall have an understanding of basic accounting processes (ii) shall have an understanding of the role of internal auditor in reviewing systems rather than undertaking detailed checks that are more appropriately the responsibility of management (iii) shall have an awareness of risk management issues (iv) shall have an understanding of accounting requirements of the legal framework and powers of local councils.
- undertake the work in an ethical manner with integrity and objectivity.

Responsibility

To report on the adequacy of the systems of financial control in operation. This will include:

1. Review of internal controls in place and their documentation as listed in Section 5 of the 'Governance and Accountability in Local Councils in England and Wales – A Practitioners' Guide'.
2. Review of minutes to ensure legal powers in place, recorded and correctly applied.
3. Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements etc. including petty cash transactions.
4. Review and testing of systems and arrangements to prevent and detect fraud and corruption, including risk management processes.
5. Testing of disclosures.
6. Testing of specific internal controls and reporting findings to management.
7. The War Commemoration Trust Recreation Ground separate accounts and financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission.
8. Reports of fraudulent or corruption findings depending on the type shall be reported to the Mayor in the first instance, the RFO (as appropriate), Chairman of Policy and Resources and the Council.

DUTIES OF THE RESPONSIBLE FINANCIAL OFFICER

1. To prepare financial reports for the Policy and Resources committee, and/or the Council. These reports will cover budget monitoring, fund balances, receipts to date, payroll summary, payment of accounts, and other relevant current matters.
2. To prepare draft estimates. When approved by Council these will form the annual budget monitoring during the year. To report thereon to the Policy and Resources committee.
3. To submit the precept to the Unitary Council and supply any breakdown requested.
4. To ensure regular banking (daily if necessary) of all money received and expended by the Council.

5. To ensure that all money due to the Council is billed and collected promptly.
6. To identify the duties of all officers, including the RFO dealing with financial transactions, and ensure, as far as possible, the division of responsibilities of those officers in relation to larger transactions. In other words ensure that there is as much internal checking as possible.
7. To manage cash flow and control investments and bank transfers.
8. To control payments by cheque, corporate card and online banking.
9. To handle the overall management of payroll, including Local Government Pension Scheme. To ensure prompt payment of tax and national insurance to the collector of taxes monthly. Also to ensure, where appropriate prompt payment of sums due to the pension authority.
10. To take overall responsibility for submission of monthly VAT returns and to deal with VAT inspections.
11. To verify the budget code of suppliers' invoices prior to certification for payment.
12. To ensure the preparation and balance of the final accounts are in accordance with the regulations and report thereon to Policy and Resources Committee and the Full Town Council.
13. To produce accounts and records for external audit in accordance with the regulations.
14. To arrange for internal audit material of all aspects of the Council's financial affairs.
15. To monitor compliance with the Council's financial regulations and ensure correct financial systems are in place.
16. To manage insurance risk. To process claims as necessary. To report annually to Policy and Resources Committee or council on insurance risk covered.
17. To ensure that the Council's register of property and assets is maintained.
18. To be familiar with the computerised accounting system in place.

Version Control:

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Next Review due:

May 2025.