

CYNGOR CYMUNED CORRIS COMMUNITY COUNCIL

FINANCIAL REGULATIONS AND STANDING ORDERS GOVERNING FINANCE

1. GENERAL

- a. The Responsible Financial Officer (RFO) shall be the Clerk unless resolved otherwise by the Council.
- b. Once a year, in October, the Council shall conduct a review of these Regulations to ensure that its systems are in accordance with efficient and proper practice and the requirements of the various legislation in force from time to time.
- c. The Council will maintain a Financial Risk Assessment as part of its Risk Assessment.

2. BUDGET

- a. The RFO shall produce a draft Budget each November, showing estimated income, expenditure and reserves, and proposed Precept for the following financial year, for consideration by the Council.
- b. The Budget shall be adopted by the Council no later than the second week in January and a copy shall be provided to each Councillor and a copy shall be attached to the Minutes of the Meeting at which it was adopted.
- c. The Budget shall form the basis for financial control during that financial year.

3. FINANCIAL/BUDGETARY CONTROL

- a. A full Financial Report shall be made by the RFO Quarterly and balances produced at all other Council Meetings, under a specific Agenda item. The Council's Books and Bank Statements should be made available for inspection by Councillors either during or after the Meeting (with the exception of when they are with the internal or other auditor).
- b. No matter, which may involve the Council in expenditure or potential financial liability, may be considered by the Council unless it has been:
 - i. included in the Budget.
 - ii. specified on the Agenda, which must be submitted in writing to the Clerk 7 days before the Meeting.
 - iii. it is a matter which the RFO considers should be brought before the Council.
- c. Payments made by the Council should only be made by means of cheque, which should have two signatures and counterfoils initialed or dual authorised bank transfer. Minute number should be recorded in the cash book.
- d. No expenditure may be made or incurred unless it is specifically permitted by legislation or comes within the parameters and limits of S137.

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- e. Payments where the Council has already agreed that the expenditure should be incurred may be made between Meetings unless they exceed the estimated sum by more than ten percent. Such payments should be reported to the next Council Meeting and their confirmation recorded in the Minutes.
- f. All other expenditure should be specifically authorised at a Council Meeting and be recorded in the Minutes, unless a late payment penalty would be attracted when they may be paid in consultation with at least three Councillors, including where possible the Chairperson and Vice Chairperson, and reported to the next Council Meeting.
- g. Any unspent provisions in the revenue budget shall, unless previously earmarked for specific reserves, be set against the total expenditure for the next financial year in order to reduce the precept.
- h. Sums received by the Council shall be banked promptly, unless they relate to permissions or other matters upon which the Council must decide, in which case they shall be banked as soon as possible after acceptance by the Council.
- i. Donations/Grant Aid will only be made to organisations whose activities have a direct effect on the individual inhabitants of the area.
- j. No Councillor may claim expenses without the prior agreement of the Council and payment will only be made following receipt of evidence of expenditure.
- k. All correspondence regarding matters relating to finance shall be addressed to and written by the RFO.
- l. No Councillor may commit the Council to any expenditure which has not previously been resolved at a Council Meeting.
- m. VAT shall be reclaimed where appropriate.
- n. Paying in slips should record the origin of the payment.
- o. Bad debts shall be reported to the Council as soon as it is clear that they cannot be collected and a decision as to how to proceed shall be made under Confidential Business.
- p. Earmarked reserves shall be applied solely to the purpose for which they are being accumulated unless the purpose ceases to be valid, whereupon the next Council Meeting should decide how the monies are to be used.
- q. Any charities of which the Council is a Trustee should lodge a copy of its certified accounts with the RFO within four months of the end of its financial year, who should report on their contents to the next Meeting of the Council for acceptance.
- r. Where the Council is sole Trustee of a charitable body the RFO shall keep separate accounts, which should be reported to each Council Meeting and subjected to separate Audit to the Council's own accounts
- s. All accounts of Council expenditure and income should be kept by the RFO in an appropriate manner.

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4. CONTRACTS

- a. Whenever possible, bearing in mind the rural nature of the area, the Council will strive to obtain at least three estimates for all works likely to exceed £2,000. All estimates should be in writing.
- b. All contractors should be held responsible for their own Insurance, Risk Assessment and Health & Safety Policies and required to produce them at the request of the Council.
- c. For all works likely to exceed a cost of £2,000. tender documents in a form approved by the Council should be used. An envelope indicating the item for which the tender is being sought should be supplied to potential contractors and the sealed envelopes will be opened before at least one Councillor and ideally before a full Council Meeting.
- d. The Council will not be bound to accept any or the lowest estimate and may obtain additional estimates if it feels that it is in the public interest.
- e. No expenditure shall be incurred, or contract entered into unless the Council is satisfied that sufficient funds are available or borrowing approval has been obtained.
- f. No payment shall be made until works have been inspected by two Councillors.

5. ACCOUNTING AND AUDIT

- a. All accounting procedures and financial records shall be kept in accordance with current Accounts and Audit Regulations.
- b. The RFO shall complete the annual Accounts and Annual Return (or such documents as the Auditor may require) as soon as practicable after the end of the financial year and submit them to the Council for approval and authorisation.
- c. A copy of the approved accounts (and any notes thereof) shall be supplied to each Councillor and a copy appended to the Minutes of the Meeting which approved them.
- d. An internal auditor shall be appointed by the Council and carry out an internal audit in accordance with the requirements of the Council.
- e. The RFO shall publish any notices as required by the Auditor and make arrangements for the public inspection of books and other documents relating to the Council's finances as required by legislation.
- f. The RFO shall report to the Council as soon as possible any correspondence or reports from the internal or external auditor.

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6. ASSETS

- a. The Council shall maintain an up-to-date list of assets with approximate values which will be reviewed annually.
- b. The assets of the Council shall be insured for the correct values and cover shall be reviewed annually.
- c. Tangible assets should be inspected annually.
- d. Any potential claims under the Insurance policy or damage or loss of assets should be reported to the RFO immediately, so that the insurers may be informed promptly, and the matter reported to the next Council Meeting.



CHAIRMAN:

DATE: 07/10/2021