

# Newnham on Severn Parish Council

## Best Practise review 2014

### Financial Regulations

<b>Best Practise</b>	<b>Recommendation</b>	<b>Status</b>
<p><b>ACCOUNTING &amp; AUDIT</b></p> <p>On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman [or a cheque signatory] shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council [Finance Committee].</p>	<p>Ensure a minimum of two Councillors are not signatories to the accounts and at least one of them is a member of the Finance Committee where quarterly checks are conducted. To be included in the Annual Parish Council meeting agenda</p>	
<p><b>ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING</b></p> <p>[Each committee (if any) shall review its three year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the council not later than the end of [November] each year including any proposals for revising the forecast].</p>	<p>On completion of 2015/16 budget Fin Committee to develop a continuation budget for 2016/17 &amp; 2017/18</p>	

<p><b>BUDGET CONTROL</b></p> <p>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 council, or duly delegated committee. During the budget year and with the approval of 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 ('virement').</p>	<p>Ensure all budget spends in excess of budget outlooks are formally vired at meetings and minuted as such.</p>	
<p><b>PAYMENT AUTHORITES</b></p> <p>If thought appropriate by the council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the council at least every two years.</p> <p>If thought appropriate by the 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 are retained and any payments are reported to council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the</p>	<p>Add annual re approval of Utilities to Annual Parish Council Meeting Agenda.</p> <p>Continue with cheque approvals process but monitor Phase out of cheques by banks. Implement when appropriate.</p>	

<p>council at least every two years.</p> <p>Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the 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 of Council 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, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.</p>	<p>Supply sealed envelope to Chair in line with recommendations.</p> <p>Note: This supports the current practise of holding all electronic files on memory sticks and 2<sup>nd</sup> held by chair exchanged on a monthly basis.</p>	
<p><b>ORDER FOR WORK, GOODS, SERVICES</b></p> <p>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. is generally understood to include all fixed assets</p>	<p>Retain copies of the order placement detail (e-mail or letter) With quotations and Invoices</p>	

<p><b>CONTRACTS</b></p> <p>Such invitation to tender shall state the general nature of the intended contract and the Clerk 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 Clerk 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.</p> <p><b>RISK MANAGEMENT</b></p> <p>The council is responsible for putting in place arrangements for the management of risk. The Clerk [with the RFO] shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually. When considering any new activity, the Clerk [with the RFO] shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.</p>	<p>Tender process generally in line but recommendation to supply SAE clearly stating Tender ensure no accidental opening in advance.</p> <p>Risk management of accounts and financial institution included in Annual Parish Council meeting. Consider if addition action is required</p>	
<p><b>D.J.Tingle Clerk &amp; R.F.O.</b></p>	<p><b>NALC Fin regs 2014 used for reference and best practise.</b></p>	

