Chenies Parish Council must adopt robust Financial Regulations to govern its financial transactions, safeguard public funds, and ensure full transparency.

The Chenies Parish Council Financial Regulations below align with the **National Association of Local Councils (NALC) Model Financial Regulations**. These regulations incorporate the legislative changes driven by the *Procurement Act 2023* and *Procurement Regulations 2024*.

Financial Regulations: Chenies Parish Council

1. General Financial Management

- **Statutory Framework:** These regulations govern the council's financial conduct and cannot be suspended or amended except by full Council resolution.
- **Responsible Financial Officer (RFO):** The Clerk shall act as the RFO under the statutory direction of the Council.
- **Regulatory Compliance:** The RFO must maintain accounting records in accordance with the Accounts and Audit Regulations and proper practices.
- **Advisory Role:** The RFO shall advise the Council on its statutory obligations, financial risks, and budget management.
- **Corporate Accountability:** The Council remains collectively responsible for avoiding unlawful expenditure and securing the proper use of public funds.

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2. Accounting and Audit Control

- **Bookkeeping Standards:** The RFO is responsible for accurately entering all receipts, payments, and assets into the council's ledger system.
- **Bank Reconciliation:** Bank statements must be reconciled against the ledger at least quarterly, verified by a non-signatory Councillor.
- **Internal Audit:** The Council shall appoint a competent, independent internal auditor to review accounting systems annually.
- **External Reporting:** The RFO must complete the Annual Governance and Accountability Return (AGAR) within statutory deadlines.
- **Public Inspection:** Accounts must be published on the Chenies Parish Council Website to satisfy the Transparency Code.

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3. Budgetary Control and Precept

- **Draft Budget Estimates:** The RFO shall formulate detailed revenue estimates for the ensuing financial year by no later than December.
- **Reserves Policy:** The Council must maintain a general reserve alongside earmarked reserves for specific community projects.
- **Precept Determination:** The full Council must approve the final budget and set the annual precept by January.

- **Monitoring:** The RFO shall provide quarterly budget-versus-actual expenditure reports during ordinary council meetings.
- **Overspend Restrictions:** No expenditure may be incurred that exceeds a budget heading allocation without prior Council approval.

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4. Banking Arrangements and Payments

- **Bank Mandate:** All banking arrangements, platforms, and mandates must be approved and reviewed annually by the Council.
- **Invoice Verification:** The RFO must verify that all invoices represent legitimate, authorised council expenditure before processing.
- **Electronic Payments:** Where internet banking is utilised, the RFO acts as Administrator, and payments require dual electronic authorisation.
- **Cheque Signatories:** If paper cheques are issued, they must be signed by two authorised elected members of the Council.
- **Cash Exclusion:** To protect public funds and maintain absolute audit trails, the Council will not hold physical petty cash.

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5. Procurement and Contracts

- **Value for Money:** The Council must seek maximum value for money across all procurement, ensuring local public funds are optimized.
- **Procurement Act Compliance:** Contracts over **£30,000 (including VAT)** must fully satisfy the *Procurement Act 2023* and be advertised on Contracts Finder.
- **Tendering Threshold:** Work or supply contracts exceeding **£20,000** must undergo a formal, competitive tendering process.
- **Quotations Matrix:** For everyday purchases below the tendering limit, the following multi-tiered quote structure applies:

Estimated Contract Value (Excl. VAT)	Minimum Procurement Requirement
£0 – £500	RFO to verify basic value for money before purchase.
£501 – £2,000	RFO to secure 3 informal estimates or online price checks.
£2,001 – £20,000	Clerk to formally request a minimum of 3 fixed-price written quotes.

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6. Assets, Insurance, and Risk Management

- **Asset Register:** The RFO must maintain an up-to-date schedule of all council properties, land, and equipment.
- **Annual Verification:** The asset register must be reviewed, revalued, and signed off alongside the year-end accounts.

- **Insurance Cover:** The Council shall maintain comprehensive insurance, covering public liability, employer's liability, and asset theft/damage.
- **Risk Assessments:** A formal financial and operational risk assessment must be conducted and adopted by the Council every March.

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7. Salaries and Allowances

- **Payroll Control:** The payment of all salaries, wages, and statutory contributions must be processed via an approved payroll system.
- **Contractual Approval:** Salary rates, pension contributions, and expenses must be approved by the Council based on employment contracts.
- **Expense Claims:** Any travel or administrative reimbursement claims made by the Clerk or Councillors must be backed by valid receipts.

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8. Revision and Suspension

- **Regular Review:** The Council shall examine and update these regulations annually to ensure ongoing legislative compliance.
- **Suspension Clause:** Specific sections may be temporarily suspended by resolution, provided the suspension does not breach statutory law.
