

THORNHAUGH PARISH COUNCIL – FINANCIAL POLICY AND PROCEDURES

January 2020

THE COUNCIL

The Thornhaugh Parish Council comprises five elected members. The number of Councillors is dictated by the total number of residents of Thornhaugh on the electoral role at any given time. Formal elections are carried out every three years under the auspices of Peterborough City Council.

The five elected councillors in turn appoint individuals to carry out specific roles, as follow:

Chair
Vice Chair
Finance Officer

The Council has an appointed Clerk to the Parish Council who is paid from Parish Council Funds.

ROLES AND RESPONSIBILITIES

Chair

The appointed Chair manages meetings and ensures that the Parish Council is compliant with current regulations, records and manages its affairs appropriately and ensures that the Parish Council represent the community.

Vice Chair

The appointed Vice Chair steps in and undertakes the responsibilities of the Chair in his/her absence.

Finance Officer

The Finance Officer ensures appropriate process and procedures are in place and followed in relation to the management of the Parish Council Finances. The Finance Officer reports both verbally and in writing at each meeting.

The Finance Officer liaises with the Clerk to the Parish Council on all financial matters, to ensure appropriate and transparent management of Parish Council funds, including record keeping.

Clerk to the Parish Council

Has operational management of all payments once appropriately authorised, bank account management, annual internal audit, appropriate record keeping and liaison with any financial authorities (eg. HMRC).

FINANCIAL PROCEDURES

Bank

Three accounts will be held in the name of Thornhaugh Parish Council. One standard current account for all normal PC transactions, one account to hold donated monies for specific projects, and a high interest account to maximise return.

The Finance Officer and the Clerk to the Parish Council will ensure that the accounts are managed appropriately, including the internal transfer of funds to maximise return.

Signatories

All Parish Councillors and the Clerk to the Parish Council will be signatories on the bank account(s). The Clerk to the Parish Council will manage on-line banking on behalf of the Council and make any necessary payments once those payments have been electronically authorised. The bank accounts will be set up to enable any one Councillor or the Clerk to the Parish Council to make payments, subject to the authorisation procedures detailed below.

Record Keeping

The Clerk to the Parish Council will record each transaction on all bank accounts and, working with the Finance Officer, will prepare summary accounts for each PC meeting.

The Clerk to the Parish Council will immediately report any unusual activity to the Chair of the Finance Officer.

All financial records will be kept in a manner to ensure transparency and compliance with current regulation. All monthly accounts and audited annual accounts will be kept, password protected if electronic, and in a locked filing cabinet if in hard copy and retained for the appropriate length of time to meet current regulation.

Any financial information not required for retention will be confidentially destroyed by the Clerk to the Parish Council, who will keep a record of such destruction.

Authorisation Procedures

1. No monies will be paid from the bank accounts without authorisation, which may be written or via email.
2. No remuneration is paid to elected Councillors, although reasonable expenses will be reimbursed. These do not include travel to/from meetings or personal subsistence whilst on PC business.
3. The Clerk to the Parish Council is remunerated at a rate agreed by the Parish Council. Each monthly payment should be electronically authorised. Any changes to remuneration will be agreed at a PC meeting and confirmed in writing by the Chair.

4. An annual lump sum payment is made to the Clerk to the Parish Council to cover general office management costs, which needs to be authorised prior to payment.
5. The Clerk to the Parish Council will be reimbursed for consumables, which needs to be authorised prior to payment.

The following table denotes the payment authorisation criteria:

Amount	Authoriser(s)
Less than £50	One elected councillor
More than £50	One elected councillor + Finance Officer

All authorisations must be copied to the Finance Officer.

Audit

Under current regulation an external audit of the PC accounts is not required. However, an internal audit must be carried out annually. The Clerk to the Parish Council will liaise with the appointed internal auditor to ensure that audited accounts are available before the AGM and then published on the PC website, along with the AGM minutes after the meeting.

The internal auditor is appointed by the Parish Councillors and cannot be a current councillor or anyone related to a current councillor, to ensure objectivity and transparency.