

NEWARK TOWN COUNCIL POLICY & PROCEDURE DOCUMENT

FINANCE STANDING ORDERS

INTRODUCTION

The Authority's Finance Standing Orders and Financial Regulations are designed to safeguard the interests of both the Council and its employees.

They provide the framework of controls and standards necessary to achieve the proper administration of the Council's financial affairs.

Finance Standing Orders may only be amended or varied by resolution of the Town Council.

The Responsible Finance Officer, after consultation with the Chairman of the Finance and General Purposes Committee, may vary, waive or suspend any part of the Financial Regulations.

The supporting Code of Procedures may be updated at any time in response to changes in working practices and to meet changed circumstances.

1. GENERAL

- 1.1. The Finance and General Purposes Committee is responsible for regulating and controlling the finances of the Council.
- 1.2. Under the Accounts and Audit Regulations 2003, this Authority is required to appoint one of its officers as Responsible Finance Officer to administer its financial affairs. At this Council, that Officer is also the Town Clerk, who shall for the purpose of Section 151 of the Local Government Act 1972 be responsible for the proper administration of the Council's financial affairs and may, subject to the Standing Orders and any resolutions of the Finance and General Purposes Committee or the Town Council, do all things necessary for the administration of the Council's financial affairs.
- 1.3. As the Council's financial and economic adviser the Responsible Finance Officer shall report to the Finance and General Purposes Committee regarding the level of financial resources proposed to be utilised in each financial year.
- 1.4. The Responsible Finance Officer shall keep the Finance and General Purposes Committee informed with such information and at such frequency as the Finance and General Purposes Committee may determine, that will enable them to monitor the Council's overall financial performance, as compared with the approved budget.
- 1.5. The Responsible Finance Officer shall be responsible for making and amending from time to time such financial regulations and codes of procedure as he/she considers necessary for the proper administration of the Council's affairs, in conformity with these Standing Orders.

- 1.6. A copy of the current Financial Regulations shall be available for inspection to Members, Officers and the public at all reasonable times in the office of the Town Clerk.
- 1.7. Notwithstanding the provision of any scheme of delegation, each Committee and its relevant Officer shall be responsible for the observance of the Council's Finance Standing Orders and any Financial Regulations or Code of Procedures made under them throughout all sections under their control.
- 1.8. Managers are responsible for the accountability and control of staff and the security, custody and control of all other resources including plant, building materials, equipment, and cash and stores appertaining to their section. In discharging this responsibility, each Manager shall comply with any requirement of the Responsible Finance Officer under Finance Standing Order 1.2.

2. FINANCIAL PLANNING

- 2.1. At the November meeting annually the Finance and General Purposes Committee shall make recommendations regarding the overall budget strategy for the ensuing financial year.
- 2.2. Each Committee shall, within the terms of these guidelines, submit to the Finance and General Purposes Committee estimates of income and expenditure in respect of revenue account and a programme of capital expenditure, where appropriate for the following financial year.
- 2.3. The Finance and General Purposes Committee shall consider the aggregate effect of these programmes and estimates upon the Council's financial resources at its meeting in January of each year and shall agree recommendations for the precept to be levied for the ensuing financial year and thereafter report thereon to the Town Council.
- 2.4. Each Member of the Council shall be provided with a copy of the budget proposals together with a statement by the Responsible Finance Officer of the effect of the Council's finances and the precept to be levied at least seven days before the meeting of the Town Council at which such matters will be considered.

3. BUDGETARY CONTROL

- 3.1. It shall be the duty of every Committee to monitor and regulate its financial performance during the currency of each estimate period.
- 3.2. Amounts provided under the several heads of the approved annual revenue estimates shall not be diverted to other purposes by the Committee concerned except as allowed by Financial Regulations.
- 3.3. The inclusion of items in the approved revenue estimates shall constitute authority to incur such expenditure save to the extent to which the Finance and General Purposes Committee or Financial Regulations of the Council shall have placed a reservation on any such items. Expenditure on any such reserved items may be incurred only when and to the extent that such reservation has been removed.

- 3.4. Subject to limits defined by the Responsible Finance Officer the approval of the Finance and General Purposes Committee is required to provide additional expenditure by service committees (even though additional income may be available to finance the additional expenditure). This Standing Order shall apply both to a reduction in income and an increase in expenditure.
- 3.5. Inclusion of a project in a capital programme does not constitute authority to incur expenditure, until the service committee has received and approved a report setting out specific proposals and detailed costs.
- 3.6. Where a Committee makes a proposal which in the opinion of the Responsible Finance Officer constitutes a new policy, or which affects or may affect the Council's finances, the Responsible Finance Officer may require that it shall first submit a report thereon to the Finance and General Purposes Committee of financial implications of the determination.
- 3.7. The Responsible Finance Officer shall submit a report to the Finance and General Purposes Committee on each year's final accounts as soon as practicable and in line with the provisions of the Accounts and Audit Regulations 2003.

Town Clerk
April 2019