

## NEW FRANKLEY IN BIRMINGHAM PARISH COUNCIL

### FINANCIAL REGULATIONS

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**3.0 Responsible Officer:** Responsible Financial Officer (RFO)

#### Version Control

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| 1.0     | 13 August 2026 | Initial adoption of full Financial Regulations incorporating Financial Policy, Purchasing Card Procedure, Vehicle Use Policy, Volunteer Policy, and Internal Control Policy | Full Council |

### FINANCIAL REGULATIONS

#### New Frankley in Birmingham Parish Council

##### 1. General

1.1 These Financial Regulations govern the conduct of financial management by New Frankley in Birmingham Parish Council ("the Council") and set out the framework within which the Responsible Financial Officer (RFO), Clerk, councillors, employees, and volunteers must operate.

1.2 The Council shall comply with:

- The Local Government Act 1972
- The Local Audit and Accountability Act 2014
- The Accounts and Audit Regulations
- JPAG *Governance and Accountability for Smaller Authorities*
- The Transparency Code
- Unity Trust Bank account conditions

1.3 These Regulations must be read in conjunction with:

- The **Financial Policy**

- The **Internal Control Policy**
- The **Purchasing Card Procedure**
- The **Vehicle Use Policy**
- The **Community Engagement & Volunteer Policy**
- The **Street Champions Volunteer Agreement**

## **2. Roles and Responsibilities**

### **2.1 The Council**

The Council has ultimate responsibility for:

- Safeguarding public funds
- Approving the budget and precept
- Approving Financial Regulations and financial policies
- Reviewing internal and external audit reports
- Ensuring corrective actions are implemented

### **2.2 Responsible Financial Officer (RFO)**

The RFO is responsible for:

- Day-to-day financial administration
- Maintaining financial records
- Preparing the AGAR
- Monthly bank reconciliation
- Managing purchasing cards
- Ensuring compliance with internal controls

### **2.3 Clerk**

The Clerk supports:

- Governance and compliance
- Proper recording of decisions
- Oversight of operational expenditure

### **2.4 Councillors**

Councillors must:

- Act lawfully and ethically
- Approve payments and financial decisions
- Declare interests and avoid conflicts

### **3. Budgeting and Precept**

3.1 The RFO shall prepare a draft budget annually for Council consideration. 3.2 The Council shall approve the final budget and precept. 3.3 The RFO shall submit the precept request to the billing authority. 3.4 Budget monitoring reports shall be provided regularly. 3.5 Significant variances must be reported to Council.

### **4. Accounting and Audit**

4.1 The RFO shall maintain proper financial records. 4.2 The Council shall comply with the Accounts and Audit Regulations. 4.3 The AGAR must be approved and submitted within statutory deadlines. 4.4 Internal audit shall be conducted annually by an independent auditor. 4.5 External audit requirements must be met. 4.6 All audit recommendations must be implemented promptly.

### **5. Banking Arrangements**

5.1 The Council shall maintain accounts with Unity Trust Bank. 5.2 Online banking access is restricted to the RFO and authorised signatories. 5.3 All payments require **two councillor signatures**. 5.4 Payment schedules must be approved at Council meetings. 5.5 Direct Debits and Standing Orders must be approved by Council and reviewed annually.

### **6. Authorisation of Expenditure**

6.1 No expenditure shall be incurred unless:

- It is within the approved budget, or
- It has been authorised by Council resolution

6.2 All payments must be supported by invoices, receipts, or minute references. 6.3 Emergency expenditure may be authorised by the Clerk and RFO up to a limit set by Council.

### **7. Corporate Purchasing Cards**

#### **7.1 Issuing and Approval**

- Unity Trust Bank Corporate Purchasing Cards may only be issued following Council approval.
- Cardholders must sign a **Purchasing Card Agreement**.

## **7.2 Restrictions**

- No personal use.
- No cash withdrawals.
- Volunteers must **not** use purchasing cards.

## **7.3 Spending Limits**

- Monthly and single-transaction limits must be set by Council.
- Expenditure must remain within approved budgets.

## **7.4 Documentation**

- Receipts required for every transaction.
- Submitted within 5 working days.

## **7.5 Monitoring**

- Monthly reconciliation by RFO.
- Reviewed by a non-signatory councillor.

## **7.6 Misuse**

Misuse may result in:

- Withdrawal of the card
- Repayment of unauthorised expenditure
- Disciplinary action
- Referral to police or auditors

## **7.7 Risk Assessment**

The Council shall maintain a risk assessment covering:

- Fraud
- Loss or theft
- Cybersecurity
- Documentation failures
- Budget deviation

## **8. Procurement and Contracts**

8.1 All procurement must demonstrate value for money. 8.2 Quotations and tenders must follow thresholds set by Council. 8.3 Conflicts of interest must be declared. 8.4 Contracts must be awarded based on quality, cost, and compliance. 8.5 Contract performance must be monitored.

## **9. Asset Management**

9.1 The RFO shall maintain the asset register. 9.2 The register shall be updated annually before AGAR submission. 9.3 Inventory checks shall be conducted annually. 9.4 Losses, damage, or disposals must be reported to Council. 9.5 The Council truck shall be managed in accordance with the **Vehicle Use Policy**.

## **10. Council Truck and Vehicle Use**

10.1 Only authorised employees or contractors may operate the Council truck. 10.2 Drivers must:

- Hold a valid licence
- Be insured
- Receive a safety briefing

10.3 Volunteers drive the truck. 10.4 Non trained Volunteers may:

- Ride only in designated passenger seats
- Assist with loading/unloading under supervision

10.5 Fuel purchases must follow the Purchasing Card Procedure. 10.6 Vehicle defects must be reported immediately. 10.7 The Truck Administrator shall ensure MOT, servicing, and insurance compliance.

## **11. Volunteers and Community Engagement**

11.1 Volunteers must register with the Council. 11.2 Volunteers must sign the **Street Champions Volunteer Agreement**. 11.3 PPE must be worn during activities. 11.4 Volunteers must follow safety briefings and risk assessments. 11.5 Volunteers handle purchasing cards for fuel and minor truck repairs. 11.6 Volunteer activities must comply with the **Community Engagement & Volunteer Policy**.

## **12. Insurance**

12.1 The Council shall maintain:

- Public liability insurance
- Employer liability insurance
- Motor insurance covering volunteer involvement

- Fidelity guarantee insurance

12.2 Insurance shall be reviewed annually.

### **13. Fraud and Financial Irregularity**

13.1 Segregation of duties must be maintained. 13.2 Suspected fraud must be reported immediately to the Chair and RFO. 13.3 The Council shall investigate and take appropriate action. 13.4 Serious incidents may be referred to police or auditors.

### **14. Transparency and Publication**

14.1 The Council shall publish:

- AGAR Sections 1–3
- Notice of Public Rights
- Annual Governance Statement
- Accounting Statements
- Internal Audit Report
- Financial information required by the Transparency Code

14.2 Documents must be published within statutory deadlines.

### **15. Review of Financial Regulations**

15.1 These Financial Regulations shall be reviewed:

- Annually
- After audit recommendations
- When legislation changes
- When new financial procedures are introduced

15.2 Amendments must be approved by Full Council.