

THE BOURTONS PARISH COUNCIL

Payments Policy

Introduction

This policy specifies the process to be followed for all payments by The Bourtons Parish Council to any supplier whether a limited company, VAT registered or not, or any individual supplying a service, facility or material to the Council.

Scope

This policy applies to any payment made by The Bourtons Parish Council.

Permission required

All payments must be authorised in advance as specified in our Standing Orders and Financial Regulations, copies of which can be found on our website. All requests for payment should be sent to the Clerk : clerk@bourtons-cherwell-pc.gov.uk supported by relevant documentation as specified in this policy.

Note that no individual Councillor can authorise spend. For minor sums [up to a total maximum of £500 for a specified activity] authority can be sought from the Clerk or the Chairman and if agreed confirmation will be provided by email.

This provides an evidence trail to prevent fraud. All such minor payments requests will be confirmed at the next full Council meeting.

Any payment exceeding £500 must be authorised in advance at a full Council meeting. Dates of Council meetings are displayed on our website.

High value items or services and contract renewals

Any supply of materials or a service with a value of over £500 must be supported by 2 written quotes to comply with our Financial Regulations and Government guidance. If the supply of a value higher than £3000 then 3 written quotes are required. This is to ensure that the correct supplier has been selected; this may not always be the lowest cost as other factors such as reliability, previous supplier relationship or recommendation by a valued contact can be taken into account.

Generally in the weeks prior to the renewal of a contract the Clerk will be in contact to confirm the price for the next period, and if considered necessary, will proceed to obtain further quotes.

Payment principles

1. All payments made by this Council are by cheque.
2. Payments can only be made to the supplier named on the invoice.
3. Payments cannot be made to third parties under any circumstances.
4. All payments must be evidenced by the necessary paperwork :
 - a. Written approval from the Council authorising the purchase.
 - b. Invoices should be made out to The Bourtons Parish Council. If the supplier is VAT registered then the invoice must clearly show VAT charged and suppliers VAT number as Councils can reclaim all VAT charged.
5. If the payment is for materials or a service funded by a grant or donation then additional principles may apply and these should be checked with the Clerk.

Timing of payments

All invoices requiring payment are authorised at a full Council meeting, dates of which can be found on our website, generally the 2nd Tuesday of the month, except August and December when no meeting takes place.

Payments will be made later in the week of the meeting. Only in exceptional circumstances, and always subject to prior written agreement, can payments be made outside this cycle.

Suppliers and individuals can ensure prompt payment by getting their invoice to the Clerk by email : clerk@bourtons-cherwell-pc.gov.uk in the first week of the payment month so that it can be included on the Financial Report which will be authorised at the Council meeting.

Support for local groups, organisations and special events

From time-to-time opportunities arise for special events or activities. Recent examples would be the Wildlife Friendly Community; Jubilee celebrations. These can sometimes be supported by this Council and special arrangements may be possible; these should always be arranged in advance.

Issues to be considered are :

1. Any support payment in the form of a contribution or donation will be provided by the Council under its s137 powers.
2. Payment of such a contribution should normally be made to an account in the name of the group or organisation rather than an individual.
3. If the activity is a village celebration such as the Jubilee then it is preferable that significant suppliers are paid directly by the Council rather than through third parties, and an appropriate working practice should be agreed in advance through the Clerk.
4. If the contribution provided by this Council is funded by an external organisation such as CDC or OCC or similar then additional auditing rules may be imposed by the external funder and records may have to be kept to provide evidence that the funds provided have been spent in line with the agreed purpose. In such cases payments to individual residents are discouraged.

Other important points

With the increasing focus on compliance and external auditing it is important that all financial transactions are carried out correctly and in accordance with guidance and relevant laws. Specific points to consider are :

1. Payment to residents for services provided to the Council must be pre authorised in all cases; if such payments are regular then these must be to the specific organisation or group and not an individual.
2. Where services are provided by sole traders invoices should be provided in the trading name rather than that of the individual wherever possible. In all such instances written quotes should be provided in advance of the work being commissioned.
3. In the case of donations or contributions by this Council to local groups or activities payment should be made to the named group rather than an individual to avoid any possibility of fraud.

Duration

This policy will be reviewed by Council annually.

Policy drafted by The Clerk to the Council; May 2022

Adopted by The Bourtons Parish Council on : 07/06/22 and minuted : 2206-50.074.