

LANDFORD PARISH COUNCIL STANDARD OPERATING PROCEDURE

TITLE	Payments Procedure
NUMBER	FIN 1
DATE EFFECTIVE	February 2020
DATE LAST REVISED	June 2024
DATE OF MEETING	10 th July 2024

1. INTRODUCTION

Landford Parish Council (“the Council”) is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council’s functions, including arrangements for the management of risk.

2. CORE PRINCIPLES

- The Financial Regulations adopted by Landford Parish Council govern all aspects of financial management by the Council;
- The Responsible Financial Officer (RFO) is responsible for managing the payments process but the Council retains overall accountability for it;
- Payments will be approved during a Council meeting;
- Direct Debits and Standing Orders will be authorised at a Council meeting prior to being set up;
- Approval of all payments and receipts will be minuted at a Council meeting.

3. DOCUMENTATION REQUIRED TO SUPPORT PAYMENTS

3.1 Payments to Suppliers

Payments to suppliers will only be made by BACs following the submission of an original invoice, or by DD where a contract is in place. A cheque payment will only be used where online bank payment is not feasible.

All payments by BACs, Direct Debit, Standing Order or Corporate Card will be reported to the Council, via the Receipts and Payments Report and recorded in the minutes with the date of payment.

3.2 Expense Claims

Claims for expenses must be submitted using the Expenses Claim Form (Appendix 1) along with relevant receipts (including VAT receipts, if applicable) and must be issued by the claimant, and approved by the Chair (if submitted by the Clerk) or by Full Council (if submitted by a Councillor).

Payments for mileage undertaken by individuals using their own vehicles on Council business will be reimbursed in accordance with the HMRC Mileage Allowance Payments (MAPs). The RFO will advise on the current approved MAPs to be used when making an expenses claim. A VAT receipt for fuel covering at least the amount being claimed is required.

4. PAYMENTS TO EMPLOYEES

The Clerk / RFO submits a timesheet (Appendix 2) to the HR Group at the end of each week. This is approved by the Chair of the HR Group/Council. Any excess hours or leave adjustments that will affect the payroll must be approved by the Chair; otherwise the Clerk / RFO is paid their monthly salary.

Payroll information is notified to the Clerk / RFO by the payroll supplier. The Clerk/RFO checks the documentation for accuracy:

- Monthly Summary – Detailing the NI and Tax liability – payable to HMRC
- Payroll Analysis – Detailing the payments and deductions
- Payslip – Detailing the employee gross and net pay, the net payable to the Clerk
- Pension Summary – Detailing the employer and employee contributions

The pension contributions are collected by DD by NEST Pensions. The salary and HMRC payments are loaded by the Clerk / RFO into the bank account, and all documentation emailed to the HR Group and the Finance Group, confirming the payroll data and advising the Finance Group of the sums loaded and the dates due.

At the end of the tax year the payroll provider will submit all relevant forms to HMRC and issue P60s to employees.

When an employee leaves the employment of the Council, the payroll provider will issue a P45.

5. EMERGENCY EXPENDITURE


Councillors and the Clerk / RFO may only incur expenditure on behalf of the Council in accordance with Core Principles set out in Section 2 above. However, under the specific circumstances detailed in Section 4.4 of the Council's Financial Regulations:

“The Clerk may authorise revenue expenditure on behalf of the council which in the Clerk’s judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether there is any budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report the nature of the extreme risk and the action taken to the Chair as soon as possible and to the council as soon as practicable thereafter.”

6. CREATING A DIRECT DEBIT OR STANDING ORDER

Direct Debits and Standing Orders will be authorised at a Council meeting prior to being set up. All payments by Direct Debit and Standing Order will be reported to the Council, via the Receipts and Payments Report and recorded in the minutes with the date of payment.

APPENDIX 1 – EXPENSES CLAIM FORM

		LANDFORD PARISH COUNCIL	
		EXPENSES CLAIM FORM	
Name:		Date:	
Address:			
GENERAL EXPENSES (e.g. stationery) <i>Receipts must be attached for all items claimed</i>			
DATE	REASON FOR CLAIM	COST (£)	
TOTAL		£0.00	
MILEAGE <i>VAT receipts for fuel must be attached to cover the claim</i>			
DATE	REASON FOR CLAIM	DISTANCE (miles)	CLAIM (£0.45/mile)
TOTAL		0	£0.00
		***	£0.00 Vat at 2.5p a mile
		TOTAL CLAIM (£)	
GENERAL EXPENSES		£0.00	
MILEAGE		£0.00	
TOTAL		£0.00	
CLAIMANT			
SIGNATURE:		DATE:	
BANK ACCOUNT DETAILS FOR BACS PAYMENT			
ACCOUNT NAME			
ACCOUNT NO			
SORT CODE			
APPROVED BY:			
NAME:		DATE:	

APPENDIX 2 – TIMESHEET

(Week Beginning)	Start a.m.	Finish for Lunch	Start p.m.	Finish p.m.	Start eve	Finish eve	Total Hours Worked Hours Mins	Use the space below for daily notes as to adjustments and reasons for incomplete entries.	Name:	Month:
Date: 01.04.24							0:00	BH		Apr-24
Monday							0:00			
Tuesday							0:00		B/F debit or credit from previous month	05:15
Wednesday							0:00			
Thursday							0:00			
Friday							0:00			
Saturday							0:00			
Sunday							0:00			
Adjustments:										
							Balance Statement:		Hrs Mins	
							Total of hours recorded above:		0:00	
Add any hours for leave sickness or other authorised absences* +							6:15		6:15	
Deduct any hours when absent for personal reasons during flexitime. -										
*A full day counts as 7hrs 24mins *A half day counts as 3 hrs 42mins							Total		6:15	
							b/f credit or debit from previous month (+ or -)		5:15	
							Total		11:30	
Deduct contracted hours							4 06:15		25:00	
Signed:							Debit/Credit		-13:30	
Ready Reckoner										
Days										
Hours/Mins										
1/2 3:42										
1 7:24										
1 1/2 11:06										
2 14:48										
2 1/2 18:30										
3 22:12										
3 1/2 25:54										
4 29:36										
4 1/2 33:18										
5 37:00										
Adjustments:										
							Balance Statement:		Hrs:Mins	
							Total of hours recorded above:		0:00	
Add any hours for leave sickness or other authorised absences* +							0:00		0:00	
Deduct any hours when absent for personal reasons during flexitime. -							0:00			
*A full day counts as 7hrs 24mins *A half day counts as 3 hrs 42mins							Total		0:00	
							b/f credit or debit from previous week (+ or -)		-13:30	
							Total		-13:30	
Deduct contracted hours							4 06:15		25:00	
Signed:							Debit/Credit		-38:30	
Adjustments:										
							Balance Statement:		Hrs:Mins	
							Total of hours recorded above:		0:00	
Add any hours for leave sickness or other authorised absences* +							0:00		0:00	
Deduct any hours when absent for personal reasons during flexitime. -										
*A full day counts as 7hrs 24mins *A half day counts as 3 hrs 42mins							Total		0:00	
							b/f credit or debit from previous week (+ or -)		-38:30	
							Total		-38:30	
Deduct contracted hours							4 06:15		25:00	
Signed:							Debit/Credit		-63:30	