

NEW WALTHAM PARISH COUNCIL

JOB DESCRIPTION FOR RESPONSIBLE FINANCIAL OFFICER (RFO)

- 1 A Responsible Financial Officer (RFO) must be appointed by each local council under section 151 of the Local Government Act 1972. Where a RFO has not already been appointed, this should be done as soon as possible, because regulation 4 which, inter alia, governs the accounting records and systems for which the RFO is responsible, came into force on 1st April 1996.
- 2 In order to strengthen the financial control and segregation of duties, councils with a budgeted income of more than £500,000 may wish to appoint someone, other than the clerk, as RFO who is professionally qualified.
- 3 At the medium sized local councils (budgeted income £5000 to £500,000) and the smallest one, the RFO will probably be the Clerk, but not necessarily.
- 4 To comply with regulation 4 the following is a comprehensive list of suggested duties which the RFO is responsible for ensuring are undertaken. It is for individual councils to decide which ones are appropriate to their particular circumstances. They should then be agreed by the council and reviewed and updated from time to time. In many cases the preparation of the list will simple entail putting in writing what already takes place:
 - A To prepare financial reports for the appropriate committee, and/or the council. These reports will cover budget monitoring, fund balances, receipts to date, payroll summary, payment of accounts and other relevant current matters.
 - B To prepare draft estimates. When approved by council these will form the annual budget monitoring during year. To report thereon to the appropriate committee and relevant managers, e.g. the cemetery superintendent.
 - C To submit the precept to the district council and supply any breakdown requested.
 - D To bank weekly all money received and expended by the council.
 - E To ensure that all money due to the council is billed by the fifth working day after each month end and collected promptly.

- F To identify the duties of all officers, including the RFO dealing with financial transactions, and ensure, as far as possible, the division of responsibility of those officers in relation to larger transactions. In other words ensure that there is as much internal checking as possible.
- G To manage cash flow and control investments and bank transfers.
- H To control payments by cheque.
- I To handle the overall management of payroll, including the Pension Scheme. To ensure prompt payment of tax and national insurance to the collector of taxes monthly. Also to ensure, where appropriate, prompt payment of sums due to the pension authority.
- J To take overall responsibility of submission of quarterly VAT returns and to deal with VAT inspections.
- K To verify and code (i.e. allocate to expenditure heads) suppliers' invoices prior to certification for payment.
- L To prepare and balance final accounts in accordance with the regulations and report thereon to finance committee and the council.
- M To produce accounts and records for external audit in accordance with regulations.
- N To arrange for internal audit material of all aspects of the council's financial affairs in accordance with regulation 5.
- O To monitor compliance with the council's financial regulations and to ensure correct financial systems are in place. The purpose of financial regulations is to set out the arrangements for governing the conduct of financial transactions of the council and to ensure compliance with the accounting requirements of the regulations.
- P To manage insurance risk. To process claims as necessary. To report annually to the finance committee or council on insurance risk. (Fidelity guarantee insurance must be provided at councils at all levels.)
- Q To maintain the councils register of property and assets (regulation 4(3)(b)).
- R If the council's accounts are computerised, to be familiar with the system in place.