

SHEDFIELD PARISH COUNCIL

(Incorporating the villages of Shedfield, Shirrell Heath and Waltham Chase)

Advanced Payments and Deposits Policy

Purpose

Generally, goods and services provided to the Council are paid for after receipt. On occasion, it may be necessary to provide a supplier with an advance payment or deposit before delivery. This policy describes the general provisions regarding advance payments and deposits.

Procedure

Advance payments or deposits shall be avoided whenever possible. It is a prudent business practice not to pay for goods or services until they have been received in good order or rendered satisfactory. The Council may suffer loss through non-supply of goods, the supplier ceasing trading and loss of interest on funds used to make the advanced payment.

This policy applies to all suppliers of goods or services to the Council and include suppliers who offer substantial prepayment discounts & high cost equipment made to specification.

The Council will not accept any request for an advanced payment or deposit greater than 5% of the complete order or service supplied. This is to protect the Council from losing a deposit or pre-payment.

Should a supplier request a pre-payment or deposit higher than the 5% cap, then the Council in the first instance will contact the supplier and renegotiate the deposit requirements.

Any exceptions that require a deviation from this Policy shall be reviewed and approved, in the first instance by the Finance and Administration Committee, for then further ratification at Full Council.

Suppliers to which a deposit, partial or pre-payment is required must provide a complete invoice (or proforma invoice) for the amount equal to the pre-payment or deposit required, including the Sales VAT and freight charges, prior to the advanced payment being made.

Final payment of the balance will not be issued until the Council has verified the actual receipt of goods/services and that the goods/services provided meet expectations.

As with any other payment issued by the Council, standard operating procedures apply as detailed in the Financial Regulations.

Freedom of Information

In accordance with the Freedom of Information Act 2000, this Document will be posted on the Parish website and a hard copy will be available from the Parish Clerk.

Approved by Shedfield Parish Council on 9 April 2018

Next review: March 2019 F&A Committee Meeting

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