

WHITEHAVEN TOWN COUNCIL

Clerk to the Council:

Marlene Jewell

Telephone: 01946 67366

Chairman:

Councillor Graham Roberts

To: Members of the Whitehaven Town Council

You are duly **SUMMONED** to attend **POLICY AND RESOURCES AND FINANCE COMMITTEE** of the **WHITEHAVEN TOWN COUNCIL** which will be held at

Venue: THE ENNERDALE ROOM, WHITEHAVEN CIVIC HALL, LOWTHER STREET, WHITEHAVEN

Date: Tuesday 25th September 2018

Time: 6.00pm

Signed.....*Marlene Jewell*.....Dated *19th September 2018*
Marlene Jewell, Clerk

AGENDA

1. Apologies for Absence

To receive apologies for Absence

2. Appointment of Chairman

3. Appointment of Deputy Chairman

4. Declarations of Interest

To receive declarations of interests by elected members in respect of Agenda items

If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact the Clerk at least 24 hours in advance of the meeting.

3. **Public Participation**
4. **Finance Report** – To consider a financial report for budget monitoring purposes
5. **Asset Register** – to consider the existing Asset Register and recommend any revisions to Council
6. **Risk Assessment** – to consider the Risk Assessment and recommend any revisions to Council
7. **Financial Regulations** – to consider the Council’s Financial Regulations and recommend any amendments to Council



Policy, Resources & Finance Committee

Terms of Reference

Composition: Elected Members – 4 plus Mayor, Deputy Mayor

Delegations are:

- a) Developing and reviewing the Council's strategic plan taking into consideration other relevant documents such as the Whitehaven Neighbourhood Plan and Local Plan (Core Strategy).
- b) Ensuring the Council's strategies, policies and procedures are undertaken in accordance with up to date statutory and legislative requirements.
- c) Keeping under review the policies and resources of the Council in relation to services and to advise the Council on the future developments of existing or the introduction of new services and resources including IT.
- d) Making recommendations to the Council on matters which do not fall within the powers and duties of one or more other Committees.
- e) Making recommendations to the Council on the annual financial estimates and the Council's precept as to how these should be determined consistently with the Council's general priorities and policies.
- f) Making recommendations to the Council on the capital programme – content, phasing and monitoring.
- g) Considering and making recommendations to the Council on any policy documents received from other organisations that are outside the scope of other Committees and affect the area.
- h) Advising the Council as required on all matters affecting its scheme of administration (e.g. Standing Orders, Financial Regulations, Delegations, Risk Management) and the procedures applying to the Council and its Committees.
- i) Developing strong links with other organisations and overseeing any partnering agreements including Market Regeneration.
- j) Directing and controlling insurance in respect of the Council's property, members and employees.

- k) Determining the making to individuals and organisations of all grants, allowances and loans.
- l) Reviewing the Council's financial and treasury management activities and supervising the investment of funds within the Council's control.
- m) Determining the overall strategic asset management priorities on a medium-term basis by maintaining an asset management plan and considering acquisition or disposal of assets.
- n) Making lettings or grant leases for the use of Council's facilities, including in future the Town Hall when appropriate, by any suitable applicants for appropriate purposes, subject to any covenants applicable and to any by-laws, rules or regulations which the Council make or may adopt.
- o) Deciding on initiatives to promote market and publicise the Town Council.
- p) Initiating and participating in economic development initiatives.

FINANCE REPORT

Purpose of the Report

To inform Members of the current position regarding Council expenditure to date, and to identify if any funds need vired to meet any Budget overspend.

1.0 INTRODUCTION

- 1.1 The 2018/2019 Budget shown at Appendix 1 was discussed at the Extraordinary Meeting held on 18.01.2018 and it was resolved that the Revenue Budget and Precept of £406,974.07 be approved for 2018/2019, minute ref 867/18 (i) refers.

2.0 FINANCIAL POSITION

- 2.1 Attached at Appendix 2 is a spreadsheet which shows the Budget categories, the amount allocated in the budget to each of those categories, the net expenditure to date, the estimated expenditure to 31.03.2019 (based on current spending) and whether there will be any overspend (highlighted in red) or underspend.

3.0 RECOMMENDATION

- 3.1 Members are asked to note the information provided and to decide if any monies should be vired from a project where there is a significant underspend to cover any overspends elsewhere.

WHITEHAVEN TOWN COUNCIL 2018/2019 BUDGET PROPOSALS

Appendix 1

BUDGET PROPOSALS 2018-19		2018-19 Budget	
EXPENDITURE (Net of VAT)			
CORE ACTIVITIES			
Employees & Allowances	Salaries	83830.00	
	Mayor's Allowance	3063.00	
	Staff Development & Training	3000.00	
	Member Development & Training	3000.00	
	Office Rent	1500.00	
	Energy Charges	800.00	
	Insurance to Copeland Borough Council	115.00	
	Cleaning to Rosehill Youth Theatre	1500.00	
	Service Charge to Copeland Borough Council	810.00	
	Refuse Collection	65.00	
Premises	Meeting Room Hire	2000.00	
	Storage Facilities	6000.00	
	Telephone & Broadband (BT)	1000.00	
	IT (Westcom)	1000.00	
	Website maintenance (Cumbria Media)	1500.00	
	Samsung Telephone Finance	1488.00	
	Samsung Telephone Maintenance	242.00	
	Zurich Insurance	2466.07	
	Photocopier/Printing	1000.00	
	Stationery	500.00	
Supplies & Services	Subs - CALC	1500.00	
	Subs - Other	2000.00	
	Miscellaneous	3000.00	
	Internal Auditor	1000.00	
	External Auditor	1500.00	
	Allotments	15000.00	
	Elections	5000.00	
	3rd Party		

	SUB TOTAL	143879.07
3rd Party	OPTIONAL ACTIVITIES - to be decided PREPARATION OF COMMUNITY PLAN Public Realm Contribution Ward Grants Community Grants Grounds Maintenance (grass cuttings) Christmas Lights infrastructure Christmas Lights Christmas Festivities Markets (50% cost of) Markets - Salary Market Officer 2.5 days Other Environmental Improvements Bus Shelters, Bins and Seats Ranger (Lengthsman Scheme) Civic Hospitality Whitehaven in Boom Events	8000.00 1,000 22000.00 15000.00 12500.00 24000.00 24000.00 5000.00 15625.00 6170.00 15000.00 40000.00 26800.00 5000.00 18000.00 25000.00
Events	TOTAL EXPENDITURE	406974.07

INCOME		2018-19 Budget
Precept		
Precept Grant Allotments		3,000
Bank Interest		100.00
Total income		3,100
Net Surplus for re-investment		- 403,874

COUNCIL RESERVES ESTIMATED

Reserve	Estimate at 1/4/18
General reserve	301,502.00
Total reserves	51,502.00

£250,000 to be set aside for New Office Accommodation

APPENDIX 2.

Whitehaven Town Council	Annual Budget	Expenditure to Date (10.09.2018)	Estimated Expenditure to 31.03.2019	+/-
Employees & Allowances	£ 92,893.00	£ 32,990.57	£ 80,300.00	-12593.00
Premises	£ 12,790.00	£ 2,339.18	£ 5,273.06	-7516.94
Supplies and Services	£ 15,697.07	£ 5,855.84	£ 10,523.24	-5173.83
Third Party Payments	£ 200,595.00	£ 23,464.68	£ 137,535.24	-63059.76
Events	£ 48,000.00	£ 13,996.70	£ 18,000.00	-30000.00
Grants	£ 37,000.00	£ 13,299.63	£ 37,000.00	0.00

Whitehaven Town Council	Budget	Expenditure to Date (10.09.2018)	Estimated expenditure to 31.03.2019	+/-
Employees & Allowances				
Clerk, Trainee Assistant Clerk, Members Expenses and 50% of Markets Officer	£ 83,830.00	£ 32,846.31	£ 79,000.00	-4830.00
Mayor's Allowance	£ 3,063.00	£ 99.26	£ 300.00	-2763.00
Member Development and Training	£ 3,000.00	£ -	£ 500.00	-2500.00
Staff Development and Training	£ 3,000.00	£ 45.00	£ 500.00	-2500.00
Premises				
Office Rent	£ 1,500.00	£ 750.00	£ 1,500.00	0.00
Energy Charges	£ 800.00	£ 327.00	£ 784.80	-15.20
Insurance to Copeland Borough Council	£ 115.00	£ -	£ 115.00	0.00
Cleaning to Rosehill Theatre	£ 1,500.00	£ -	£ -	-1500.00
Service Charge to Copeland Borough Council	£ 810.00	£ 394.28	£ 784.96	-25.04
Refuse Collection	£ 65.00	£ 57.90	£ 88.30	+18.30
Meeting Room Hire	£ 2,000.00	£ 810.00	£ 2,000.00	0.00
Storage Facilities	£ 6,000.00	£ -	£ -	-6000.00
Supplies and Services				
Telephone & Broadband (BT)	£ 1,000.00	£ 307.28	£ 900.00	-100.00
IT (Westcom)	£ 1,000.00	£ 170.00	£ 1,800.00	+800.00
Website Maintenance (Cumbria Media)	£ 1,500.00	£ 334.00	£ 900.00	-600.00
Samsung Telephone Finance	£ 1,488.00	£ 640.00	£ 1,240.00	-248.00
Samsung Telephone Maintenance	£ 242.00	£ -	£ 252.00	+10.00
Zurich Insurance	£ 2,466.07	£ 2,359.54	£ 2,359.24	-106.83
Photocopier/Printing	£ 1,000.00	£ 691.95	£ 1,000.00	0.00
Stationery	£ 500.00	£ 239.93	£ 500.00	0.00
Subs - CALC	£ 1,500.00	£ 1,072.00	£ 1,072.00	-428.00
Subs - Other	£ 2,000.00	£ 41.14	£ -	-1958.86
Miscellaneous	£ 3,000.00	£ -	£ 500.00	-2500.00
Third Party Payments				
Internal Auditor	£ 1,000.00	£ 500.00	£ 500.00	-500.00
External Auditor	£ 1,500.00	£ -	£ 1,500.00	0.00
Allotments	£ 15,000.00	£ 3,181.74	£ 11,000.00	-4000.00
Elections	£ 5,000.00	£ -	£ 5,680.00	+680.00
Preparation of a Community Plan	£ 8,000.00	£ -	£ 8,000.00	0.00
Public Realm Contribution	£ 1,000.00	£ -	£ 1,000.00	0.00
Grounds Maintenance (grass cutting)	£ 12,500.00	£ 4,272.85	£ 10,254.84	-2245.16

Christmas Lights - infrastructure	£ 24,000.00	£	-	£	-	-24000.00
Christmas Lights	£ 24,000.00	£	-	£	24,000.00	0.00
Christmas Festivities	£ 5,000.00	£	-	£	5,000.00	0.00
Markets (50% of cost)	£ 15,625.00	£	-	£	16,590.00	+965.00
Markets - Salary Market Officer 2.5 days	£ 6,170.00	£	-	£	-	-6170.00
Other Environmental Improvements	£ 15,000.00	£	-	£	-	-15000.00
Bus Shelters, Bins and Seats	£ 40,000.00	£	4,343.40	£	27,210.40	-12879.60
Ranger (Lengthsman Scheme)	£ 26,800.00	£	11,166.69	£	26,800.00	0.00
Events						
Events - use to be agreed by Council	£ 25,000.00	£	10,500.00	£	12,000.00	-13000.00
Civic Hospitality	£ 5,000.00	£	-	£	-	-5000.00
Whitehaven In Bloom	£ 18,000.00	£	3,496.70	£	6,000.00	-12000.00
Grants						
Councillor Ward Grants - against approved criteria	£ 22,000.00	£	6,762.13	£	22,000.00	0.00
Grants to Local Organisations	£ 15,000.00	£	6,537.50	£	15,000.00	0.00
Contingencies and Contributions to and From Reserves						
Contingency Sum for Unforseen Events	£ 15,000.00	£	-	£	15,000.00	
Contribution to Capital Investment Reserve - use to be determined by Council	£ 25,000.00	£	-	£	25,000.00	
Total Expenditure	£ 446,974.07	£	91,946.60			
Income						
Allotments	£ 3,910.00	£	3,774.50	£	3,910.00	
Other, including bank interest	£ 300.00	£	-	£	300.00	
Precept	£ 406,974.07					

Asset Register

Purpose of Report

To inform Members of the position regarding the transferred Christmas Lights, the Mayoral Robes and the Allotment sites and to make any recommendations.

1.0 INTRODUCTION

- 1.1 The Asset Register shown at Appendix 1 was discussed at the full Council meeting on 26th October 2017 where it was resolved that the Asset Register be approved subject to three areas being namely the Christmas Lights transferred from Copeland Borough Council to Whitehaven Town Council, the Mayoral Robe and the Allotments.
- 1.2 These areas were discussed and it was resolved that that amendments be made to the Asset Register the current version of which is shown at Appendix 1.

2.0 RECOMMENDATION

- 2.1 That Members review the Asset Register shown at Appendix 1 and recommend to Council that it be approved with/without amendment.

WHITEHAVEN TOWN COUNCIL ASSET REGISTER 2018/19

OFFICE FURNITURE AND EQUIPMENT

INSURANCE

3 x Cream Swivel Chairs
 4 x Blue Chairs
 4 x Oak Desks
 2 x Curved Desks
 1 x Oak Dresser
 2 x 2 Drawer Units
 3 x 3 Drawer Units
 1 x Low Level Table
 2 x 4 Drawer Filing Cabinet
 1 x Ativa Shredder
 1 x Lexmark Printer
 1 x Sharp Printer
 1 x Brother Printer
 3 x Samsung Desk Phones
 4 x PC Monitors
 3 x Hard Drives
 4 x Keyboards
 3 x Laptops
 1 x BT Server
 1 x Safe
 1 x Laminator
 1 x Binding Machine
 2 x Whiteboards
 1 x Bosch Hot Water Machine
 1 x Water Fountain
 1 x Drinks Fridge
 1 x Dehumidifier
 1 x Halogen Heater
 1 x Portable PA System and 2 microphones
 2 x Thermos Flasks
 3 x Large Whitehaven Banners
 1 x Framed Whitehaven Rugby League Shirt

INSURED FOR: £20,200.00

1 x Cast Iron Road Sign

INSURED FOR: £510.00

CHRISTMAS LIGHTS

Christmas Lights 1
 Christmas Lights 2

INSURED FOR: £12,445.22

INSURED FOR: £3,060.30

REGALIA

1 x Ceremonial Pendant	INSURED FOR: £36,723.00
Civic Regalia	INSURED FOR: £94,789.71
1 x Mayoral Robe	INSURED FOR: £2,000.00

ALLOTMENT AND PIGEON LOFT SITES

Cartgate Allotment Site	
Crow Park Allotment Site	
Midgey Allotment Site	
Sneckyeat Allotment Site	
Calder Club Pigeon Loft Site	
Langdale Close Pigeon Loft Site	
Overend Pigeon Loft Site	INSURED FOR: £1.00 FOR EACH SITE
36 x Waste Litter Bins	INSURED FOR: £13,104.00
2 x Royal British Legion Silent Soldier Silhouettes	INSURED FOR: £250.00 EACH

Mayor O'Kane : *Brian O'Kane*

Date: *15th May 2018*

RISK ASSESSMENT (FINANCIAL)

Purpose of the Report

- (i) To ask Members to review the Risk Assessment and make a recommendation to Council for approval subject to any amendments to be made

1.0 INTRODUCTION

- 1.1 The Council's Risk Assessment (Financial) was last reviewed and approved at the Council meeting on 28th September 2017
- 1.2 The Risk Assessment now needs to be reviewed, any amendments made and then approved by Council for the ensuing year.
- 1.3 The Risk Assessment (Financial) is shown attached at Appendix 1

2.0 RECOMMENDATION

- 2.1 That the Committee review the Risk Assessment and recommend approval to full Council subject to any amendments they may wish to make.



Whitehaven Town Council

Risk Assessment and Management (Financial) for the period 28th September to 31st March 2018

Topic	Risk Identified	H/M/L	Management of Risk	Staff Action
Reserves - General & Earmarked	Inadequate or Excessive	M	Review at out-turn and budget setting	RFO & P&R and Finance Committee
Reserves - Earmarked	A future liability that has not been funded	L	Review all risks and reserves at out-turn	RFO/member view
Assets	Loss, damage etc	M	Bi annual inspection, update insurance and asset registers	Diary
Assets	Risk or damage to third party property or individuals	M	Annual review of adequacy of public liability insurance	Diary
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure - risk monitored and managed as appropriate	RFO/Staffing Committee
Staff	Fraud or theft of money by staff	L	Financial Regulations set out clear system of internal controls	Financial Regs are reviewed annually
Financial loss	Consequential loss due to critical damage or third party performance	L	Annual review adequacy of insurance cover	Diary
Maintenance	Reduced value of assets or amenities - loss of performance	M	Regular maintenance inspections bi annually by qualified person	Diary
Legal Powers	Illegal activity or payment	M	Regular training for Councillors and Clerk	Diary
Financial Records	Inadequate records	L	RFO checks regularly and internal audit review	Diary
Minutes	Accurate and legal	L	Review at following meeting, Training	Diary
Members Interests	Conflict of interest	L	Declarations of interest to be documented/minutes and any conflict addressed as appropriate	Diary
Salaries	Wrong salary/hours/rate paid	L	Check salary to minute, check hours and rate to contract	Member to verify
Salaries	Wrong deductions - NI and income tax	L	Check to PAYE calculations. Use of HMRC RTI system	Member to verify
Direct Costs and Overhead Expenses	Goods not supplied to council	L	Follow up on all orders	Approval check
Direct Costs and Overhead Expenses	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis	RFO to perform monthly and auditor to check annually
Direct Costs and Overhead Expenses	Cheque payable is excessive or to wrong party	L	Two Signatories on all cheques	Approval check
Grants and Support	No power to pay or no evidence of agreement of Council to pay	L	Minute council agreement with the power used to authorise payment. Set clear grant awards procedures.	Member to verify
Grants and Support	Conditions agreed	L	Agree and document any reasonable conditions	RFO to check
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO to verify
VAT	Failure to reclaim VAT and loss of income to Council	L	VAT control totals in cash book used to compile return.	RFO to verify
Precept	Failure to submit on time to CBC to include in Council Tax bills	L	RFO to plan meetings to ensure deadline is met.	Diary
Precept	Not paid by District Council	L	Clear income budgets are set and monitored quarterly	RFO to check on 01/04 each year
Precept	Precept is inadequate	M	Comprehensive budget planning.	Diary regular meetings P&R and Finance Committee
Other Income	Cash handling	L	System of internal control ensures that any cash received is properly receipted, audit trail exists and regular bank rec.	Annual review of doc controls
Grants	Claims procedure	L	Clerk RFO check as required	Diary
Expenditure	Council overspending is not detected	M	Clear budgets and actual exp are monitored quarterly	P&R and Finance Committee dates
Income	Council underspending is not managed - resource underdeployment	M	Clear budgets and actual exp are monitored quarterly	P&R and Finance Committee dates
Income	Loss of income by forgetting to issue charges/invoices	L	Clear list of billing expected linked to income budgets	RFO to keep list of bills up to date.
Investment Income	Inadequate budgeting or loss of investment opportunities	L	which are monitored on a quarterly basis.	P&R and Finance Committee dates
Procurement/contracts	Risk of corrupt practices by Members and staff - allegations of favouritism to suppliers or contractors	M	RFO regularly reviews investment and amounts received.	Diary
Internal Audit	Inadequate Internal Audit leads to errors/fraud not being detected	L	Financial Regulations have clear procurement procedures in respect of quotations, estimates and tendering. RFO ensures they are followed. Internal Audit perform annual checks. The adequacy of Internal Audit is reviewed annually along with the system of internal control.	Annual internal audit. Annual review of financial regulations & Annual internal audit.

Adopted on: 5th October 2017

Signed by the Clerk:

Signed by the Mayor:

AWGye

FINANCIAL REGULATIONS

Purpose of the Report

- (i) To ask Members to review the Council's Financial Regulations and recommend approval them subject to any amendments to be made

1.0 INTRODUCTION

- 1.1 The Council's Financial Regulations were last reviewed amended and adopted on 5th October 2017.
- 1.2 The Financial Regulations need to be reviewed annually, any amendments made and then approved for the ensuing year.
- 1.3 The Council's current Financial Regulations shown at Appendix 1 are model Standing Orders produced by NALC.
- 1.4 The model Financial Regulations produced by NALC have been checked against our Financial Regulations and both documents are the same.
- 1.5 Should any amendments be made by NALC to the model Financial Regulations these amendments will be referred to the Committee and then full Council at that time for consideration of incorporation.

2.0 RECOMMENDATION

- 2.1 That the Committee review the Financial Regulations and recommend approval to full Council subject to any amendments they may wish to make.



Financial Regulations

WHITEHAVEN TOWN COUNCIL

FINANCIAL REGULATIONS

Reviewed & Adopted – 5th October 2017

FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Full Council at its Meeting held on 5th October 2017.

1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial regulations are one of the council's three governing policy documents providing procedural guidance for members and officers. Financial regulations must be observed in conjunction with the council's standing orders¹ and any individual financial regulations relating to contracts.
- 1.2. 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.
- 1.3. The council's accounting control systems must include measures:
 - for the timely production of accounts;
 - that provide for the safe and efficient safeguarding of public money;
 - to prevent and detect inaccuracy and fraud; and
 - identifying the duties of officers.
- 1.4. These financial regulations demonstrate how the council meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7. Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. The Clerk has been appointed as RFO for this council and these regulations will apply accordingly.
- 1.9. The RFO;

¹ Model standing orders for councils are available in Local Councils Explained © 2013 National Association of Local Councils

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and accounting control systems;
- ensures the accounting control systems are observed;
- maintains the accounting records of the council up to date in accordance with proper practices;
- assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
- produces financial management information as required by the council.

1.10. The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

1.11. The accounting records determined by the RFO shall in particular contain:

- entries from day to day of all sums of money received and expended by the council and the matters to which the income and expenditure or receipts and payments account relate;
- a record of the assets and liabilities of the council; and
- wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.

1.12. The accounting control systems determined by the RFO shall include:

- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
- procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records; and

- measures to ensure that risk is properly managed.

1.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:

- setting the final budget or the precept (Council Tax Requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the General Power of Competence; and
- addressing recommendations in any report from the internal or external auditors,

shall be a matter for the full council only.

1.14. In addition, the council must:

- determine and keep under regular review the bank mandate for all council bank accounts;
- approve any grant or a single commitment in excess of £5,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference.

1.15. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Local Councils - a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

- 2.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman or a cheque signatory shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.
- 2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.
- 2.4. The council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be necessary for the purpose of the audit and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary for that purpose.
- 2.5. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.
- 2.6. The internal auditor shall:
 - be competent and independent of the financial operations of the council;
 - report to council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
 - to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
 - have no involvement in the financial decision making, management or control of the council.
- 2.7. Internal or external auditors may not under any circumstances:
 - perform any operational duties for the council;

- initiate or approve accounting transactions; or
 - direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.
- 2.8. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 2.9. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.
- 2.10. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

- 3.1. Each committee (if any) shall review its three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the council not later than the end of November each year including any proposals for revising the forecast.
- 3.2. The RFO must each year, by no later than December, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the relevant committee and the council.
- 3.3. The council shall consider annual budget proposals in relation to the council's three-year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.4. The council shall fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 3.5. The approved annual budget shall form the basis of financial control for the ensuing year.

4. BUDGETARY CONTROL AND AUTHORITY TO SPEND

4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- the council for all items over £5,000;
- a duly delegated committee of the council for items over £500; or
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £500.

Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chairman.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').

4.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.

4.4. The salary budgets are to be reviewed at least annually in October for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Chairman of Council or relevant committee. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.

4.5. In cases of extreme risk to the delivery of council services, 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 or not there is any budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

4.6. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.

4.7. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4.8. The RFO shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the

appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose, "material" shall be in excess of £100 or 15% of the budget.

- 4.9. Changes in earmarked reserves shall be approved by council as part of the budgetary control process.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 5.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency. The council shall seek credit references in respect of members or employees who act as signatories.
- 5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.
- 5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.

When checking that expenditure has been authorised by Council the Minute reference number should be recorded on the relevant file or invoice and when financial statements are produced to Council each month it would be helpful to have each item with the Minute reference to show that expenditure has been authorised together with the relevant power.
- 5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available council meeting.
- 5.5. The Clerk and RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
 - a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of council, where the Clerk and RFO certify that there

is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council

- b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council.
 - c) fund transfers within the councils banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council.
- 5.6. For each financial year the Clerk and RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council.
- 5.7. A record of regular payments made under 5.6 above shall be drawn up and be signed by two members on each and every occasion when payment is authorised - thus controlling the risk of duplicated payments being authorised and / or made.
- 5.8. In respect of grants, Council shall approve expenditure within any limits set by council and in accordance with any policy statement approved by council. Any Revenue or Capital Grant in excess of £5,000 shall before payment, be subject to ratification by resolution of the council.
- 5.9. Members are subject to the Code of Conduct that has been adopted by the council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.
- 5.10. The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.
- 5.11. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a Member.

6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 6.1. The council will make safe and efficient arrangements for the making of its payments.
- 6.2. Following authorisation under Financial Regulation 5 above, the council, a duly delegated committee or, if so delegated, the Clerk or RFO shall give instruction that a payment shall be made.

- 6.3. All payments shall be effected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of council.
- 6.4. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council shall be signed by two members of council in accordance with a resolution instructing that payment. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.
- 6.5. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 6.6. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.
- 6.7. If thought appropriate by the council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the council at least every two years.
- 6.8. If thought appropriate by the council, payment for certain items (principally salaries) may be made by banker's standing order provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the council at least every two years.
- 6.9. If thought appropriate by the council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments are reported to council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.
- 6.10. If thought appropriate by the council payment for certain items may be made by internet banking transfer provided evidence is retained showing which members approved the payment.
- 6.11. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of

the council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.

- 6.12. No employee or councillor shall disclose any PIN or password, relevant to the working of the council or its bank accounts, to any person not authorised in writing by the council or a duly delegated committee.
- 6.13. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.
- 6.14. The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.
- 6.15. Where internet banking arrangements are made with any bank, the Clerk and RFO shall be appointed as the Service Administrator. The bank mandate approved by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.
- 6.16. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.17. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by two members and the Clerk/RFO. A programme of regular checks of standing data with suppliers will be followed.
- 6.18. Any Debit Card issued for use will be specifically restricted to the Clerk and RFO and will also be restricted to a single transaction maximum value of £500 unless authorised by council or finance committee in writing before any order is placed.
- 6.19. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council.
- 6.20. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk/RFO and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances.
- 6.21. The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk or RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

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OR

- 6.22. [The RFO may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement.
- a) The RFO shall maintain a petty cash float of £250 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to council under 5.2 above.

7. PAYMENT OF SALARIES

- 7.1. As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by council, or duly delegated committee.
- 7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available council meeting, as set out in these regulations above.
- 7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the council.
- 7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by any councillor who can demonstrate a need to know;
 - b) by the internal auditor;
 - c) by the external auditor; or

- d) by any person authorised under Audit Commission Act 1998, or any superseding legislation.
- 7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 7.6. An effective system of personal performance management should be maintained for the senior officers.
- 7.7. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.
- 7.8. Before employing interim staff, the council must consider a full business case.

8. LOANS AND INVESTMENTS

- 8.1. All borrowings shall be effected in the name of the council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full council.
- 8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State/Welsh Assembly Government (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.
- 8.3. The council will arrange with the council's banks and investment providers for the sending of a copy of each statement of account to the Chairman of the council at the same time as one is issued to the Clerk or RFO.
- 8.4. All loans and investments shall be negotiated in the name of the council and shall be for a set period in accordance with council policy.
- 8.5. The council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 8.6. All investments of money under the control of the council shall be in the name of the council.
- 8.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.8. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

9. INCOME

- 9.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the council.
- 9.3. The council will review all fees and charges at least annually, following a report of the Clerk.
- 9.4. Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year.
- 9.5. All sums received on behalf of the council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.
- 9.6. The origin of each receipt shall be entered on the paying-in slip.
- 9.7. Personal cheques shall not be cashed out of money held on behalf of the council.
- 9.8. The RFO shall promptly complete any VAT Return that is required. Any repayment claims due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.9. Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.
- 9.10. Any income arising which is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any council meeting (see also Regulation 16 below).

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2. Order books shall be controlled by the RFO.
- 10.3. All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11.1 below.
- 10.4. A member may not issue an official order or make any contract on behalf of the council.
- 10.5. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

11. CONTRACTS

- 11.1. Procedures as to contracts are laid down as follows:
 - a. Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
 - i. for the supply of gas, electricity, water, sewerage and telephone services;
 - ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
 - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
 - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;
 - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of council); and
 - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
 - b. Where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts

Regulations 2015 (“the Regulations”) which is valued at £25,000 or more, the council shall comply with the relevant requirements of the Regulations².

- c. The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)³.
- d. When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the council.
- e. Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- f. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.
- g. Any invitation to tender issued under this regulation shall be subject to the relevant Standing Orders, ⁴ and shall refer to the terms of the Bribery Act 2010.
- h. When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk/RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £100 the Clerk/RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.
- i. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- j. Should it occur that the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, provided that the specification does not change, no person shall

² The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts

³ Thresholds currently applicable are:

a. For public supply and public service contracts 209,000 Euros (£164,176)

b. For public works contracts 5,225,000 Euros (£4,104,394)

⁴ Based on NALC's model standing order 18d in Local Councils Explained © 2013 National Association of Local Councils

be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS (PUBLIC WORKS CONTRACTS).

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the council.
- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by the council and Clerk to the contractor in writing, the council being informed where the final cost is likely to exceed the financial provision.

13. STORES AND EQUIPMENT

- 13.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 13.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.
- 13.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 13.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually.

14. ASSETS, PROPERTIES AND ESTATES

- 14.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents

payable and purpose for which held in accordance with Accounts and Audit Regulations.

- 14.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.
- 14.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.4. No real property (interests in land) shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.5. Subject only to the limit set in Regulation 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council with a full business case.
- 14.6. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

15. INSURANCE

- 15.1. Following the annual risk assessment (per Regulation 17), the RFO shall effect all insurances and negotiate all claims on the council's insurers in consultation with the Clerk.
- 15.2. The Clerk shall give prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.3. The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 15.4. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to council at the next available meeting.
- 15.5. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the council.

16. CHARITIES

- 16.1. Where the council is sole managing trustee of a charitable body the Clerk and RFO shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk and RFO shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

17. RISK MANAGEMENT

- 17.1. The council is responsible for putting in place arrangements for the management of risk. The Clerk and the RFO shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually.
- 17.2. When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

18. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 18.1. It shall be the duty of the council to review the Financial Regulations of the council from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these Financial Regulations.
- 18.2. The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.

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