



*"Not for self"*

## Oswestry Rural Parish Council

### FINANCIAL REGULATIONS 2024

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## **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 Orders 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;

- 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. The Council must not delegate any decision regarding:

- setting the final budget or the precept (council tax requirement);
- the outcome of a review of the effectiveness of its internal controls
- 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 all grants awarded and;
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the Personnel 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 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, 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. Risk Management and Internal Control**

2.1. The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.

2.2. The Clerk/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.

2.3. When considering any new activity, the Clerk/RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

2.4. At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.

2.5. The accounts control systems determined by the RFO must include measures to :

- ensure that risk is appropriately managed;
- ensure the prompt, accurate recording of financial transactions;
- prevent and detect inaccuracy or fraud; and
- allow the reconstitution of any lost records;
- identify the duties of officers dealing with transactions and
- ensure division of responsibilities.

2.6. 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 and Finance Committee .

2.7. Regular back-up copies shall be made of the records on any council computer and stored either online (Cloud) or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

2.8. The appointed Finance Committee shall meet on a quarterly basis to have an overview of the accounts and to provide scrutiny and challenge. The Committee's responsibilities are set out in its

Terms of Reference. It does not have any delegated authority but as appropriate makes recommendations to Full Council.

### 3. Accounts and Audit

3.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.

3.2. The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonable accuracy at any time. In particular, they must contain:

- day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;
- a record of the assets and liabilities of the council;

3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.

3.4. The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them (with any related documents) to the council, within the timescales required by the Accounts and Audit Regulations.

3.5. The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.

3.6. Any officer or member of the council must make available such documents and records as the internal or external auditor consider 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.

3.7. The internal auditor shall be appointed by the council and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

3.8. The council shall ensure that the internal auditor:

- is competent and independent of the financial operations of the council;
- reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
- can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the management or control of the council

3.9. Internal or external auditors may not under any circumstances:

- perform any operational duties for the council;

- initiate or approve accounting transactions;
- provide financial, legal or other advice including in relation to any future 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.

3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.

3.11. 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 documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

3.12. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

#### **4.0. Budget and precept**

4.1. Before setting a precept, the council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.

4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the council at least annually in (TBA) for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the Council.

4.3. The RFO must each year, by no later than January , prepare a draft budget with detailed estimates of all receipts and payments including the use of reserves, all sources of funding and taking account for the lifespan of assets and cost implications of repair or replacement for the following financial year.

4.4. The council shall consider annual budget proposals in relation to the council's income and expenditure forecast including recommendations for the use of reserves and sources of funding and update the forecast accordingly.

4.5. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the full council.}

4.6. The draft budget and forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the finance committee and a recommendation made to the council.

4.7. Having considered the proposed budget and forecast, the council shall determine its council tax requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.

4.8. Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.

4.9. The RFO shall issue the precept to the billing authority no later than the end of January and supply each member with a copy of the agreed annual budget.

4.10. The approved annual budget shall form the basis of financial control for the ensuing year and allow the monitor of progress during the year by comparing actual expenditure and income against what was planned.

4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the council following recommendations from the Finance Committee

## 5. Procurement

5.1. Members and officers are responsible for obtaining value for money at all times. Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.

5.2. The RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.

5.3. Every contract shall comply with these the council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.

5.4. For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation , must be followed in respect of the tendering, award and notification of that contract.

5.5. Where the estimated value is below the Government threshold, the council shall , with the exception of items listed in paragraph 5.12 obtain prices as follows:

5.6 For contracts estimated to exceed £30,000 including VAT, the Clerk shall seek formal tenders from at least three suppliers agreed by the council and / OR advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with 5.14 – 5.19.

5.7 For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation<sup>1</sup> regarding the advertising of contract opportunities and the publication of notices about the award of contracts.

5.8 For contracts greater than £3,000 excluding VAT the Clerk / RFO shall seek at least three fixed-price quotes;

5.9. Where the value is between £500 and £3,000 excluding VAT, the Clerk/ RFO shall try to obtain 3 estimates {which might include evidence of online prices, or recent prices from regular suppliers.}

5.10. For smaller purchases, the clerk/ RFO shall seek to achieve value for money.

5.11. Contracts must not be split into smaller lots to avoid compliance with these rules.

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<sup>1</sup> The Regulations require councils to use the Contracts Finder website if they advertise contract opportunities and also to publicise the award of contracts over £30,000 including VAT, regardless of whether they were advertised.

5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (vi) below:

- i. for the supply of gas, electricity, water, sewerage and telephone services
- ii. specialist services, such as legal professionals acting in disputes;
- iii. repairs to, or parts for, existing machinery or equipment;
- iv. works, goods or services that constitute an extension of an existing contract;
- v. goods or services that are only available from one supplier or are sold at a fixed price;
- vi. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk/RFO shall act after consultation with the Chairman and Vice Chairman of council)

5.13. 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.

5.14. 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.

5.15. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least two members of council.

5.16. Where an electronic tendering process is used, the council shall use a specific email address that will be monitored to ensure that nobody accesses any tender before the expiry of the deadline for submission.

5.16. Any invitation to tender issued under this regulation shall be subject to Standing Orders 17<sup>4</sup> and shall refer to the terms of the Bribery Act 2010.

5.17. When it is to enter into a contract of less than £30,000 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 £200 the Clerk/RFO shall strive to obtain 3 estimates.

5.18. The council shall not be obliged to accept the lowest or any tender, quote or estimate.

5.19. Should it occur that the council, 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

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change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

5.20. All capital works shall be administered in accordance with the council's Standing Orders and Financial Regulations relating to contracts.

5.21. Individual purchases / 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 Clerk, under delegated authority, for any items below £500 excluding VAT
- The Clerk, in consultation with the Chair of the Council or Chair of Finance Committee, for any items below £3,000 excluding VAT
- The council for items over £500

Such authority is to be evidenced by a minute or by an authorisation signed by the Clerk and two councillors of the Finance Committee.

5.22. 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. 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').

5.23. In cases of serious risk to the delivery of council services, the Clerk may authorise revenue 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.

5.24. 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.

5.25. An official order or letter shall be issued for all work, goods and services Above £500 excluding VAT unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.

5.26. Any ordering system can be misused and access to them shall be controlled by the RFO.

### **Banking and Payments**

6.1. 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 security and efficiency.

6.2. 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.

6.3. 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.

6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

6.5. All payments shall be made by online banking, in accordance with a resolution of the council, unless the council resolves to use a different payment method

6.6 The RFO shall provide the council each month 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 each month and shall show explanations of material variances. For this purpose "material" shall be in excess of £1,000.

6.7 The Clerk/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/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 6.8 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council or

c) fund transfers within the councils banking arrangements up to the sum of £5,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council.

6.8. For each financial year the Clerk/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 5.21 (Procurement) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council.

6.9. A record of regular payments made under 6.8 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.

6.10. 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 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.

6.11. In respect of grants the 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.

6.12. 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.

6.13. 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.

## **7. Instructions / Process for the making of payments**

7.1. The council will make safe and efficient arrangements for the making of its payments.

7.2. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify councillors who will be authorised to approve. The Clerk will action any payments which will be approved at the Parish Council meeting (retrospectively or prior to payment as appropriate).

7.3. All payments shall be affected by cheque, BACS or Direct Debit to the council's bankers, or otherwise, in accordance with a resolution of council.

7.4. 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.

7.5. 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.

7.6. Cheques or orders for payment shall not normally be presented for signature other than at a council 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.

7.8. 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.

7.9. If thought appropriate by the council, payment for certain items (principally salaries) may be made by banker's Direct Debit provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to council as made.

7.10. Where possible, all payments will be made by BACS, a list of which will be presented to the council each month for approval. The RFO has delegated authority to administer BACS payments and transfer of funds between each bank account. Bank statements showing all transactions will be

presented to the council each month for approval. Approval for the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.

7.11. 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.

7.12. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on a council owned 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.

7.13. 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.

7.14. 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.

7.15. The council, and any members using computers for the council's financial business, shall ensure that adequate anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.

7.16. 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.

7.17. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier.

7.18. The council will not maintain any form of cash float. All cash received must be banked intact.

7.19. The council does not have any credit /debit cards and does not operate a petty cash system.

## **8. Payment of salaries and Allowances**

8.1. As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.

8.2. Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.

8.3. Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the council.

8.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

8.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above and as stipulated in employment contracts.

8.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record. . 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.

8.7. The total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by council / finance committee, to ensure that the correct payments have been made.

8.8. Any termination payments shall be supported by a report to the council, setting out a clear business case. Termination payments shall only be authorised by the full council.

8.9. Before employing interim staff, the council must consider a full business case.

8.10. An effective system of personal performance management should be maintained for the clerk.

## **9. Loans and investments**

9.1. All borrowings shall be affected in the name of the council, after obtaining any necessary Government 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.

9.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (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.

9.3. A copy of each statement of account from the council's banks and investment providers will be presented to council on a regular basis, at least quarterly.

9.4. 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.

9.5. The council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.

9.6. All investments of money under the control of the council shall be in the name of the council.

9.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

9.8. 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 these regulations.

## **10. Income**

10.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.

10.2. The council will review all fees and charges for work done, services rendered, or goods supplied shall be agreed annually by the council, following a report by the Clerk. The RFO shall be responsible for the collection of all accounts due to the council.

10.3. Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year. The council's approval shall be shown in the account records.

10.4 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. The origin of each receipt shall be entered on the paying-in slip.

10.5. Personal cheques shall not be cashed out of money held on behalf of the council.

10.6. The RFO will ensure that VAT is correctly recorded in the council's accounts. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

10.7. 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.

10.8. 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).

## **11. Payments under contracts for building or other construction works**

11.1. . Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. 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).

11.2. 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 contract sum by 5% or more , or likely to exceed the budget available

## **12. Stores and equipment**

12.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

12.2. 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.

12.3. Stocks shall be kept at the minimum levels consistent with operational requirements.

12.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually.

## **13. Assets, properties and estates**

13.1. The Clerk shall make arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council.

13.2. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all proprieties held by the council, their exact 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.

13.3. 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.

13.4. 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.

13.5. 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 if thought appropriate).

## **14. Insurance**

14.1. . The RFO shall keep a record of all insurances effected by the council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the council's review of risk management (per Regulation 2)

14.2. The Clerk/RFO shall effect all insurances and negotiate all claims on the council's insurers.

14.3. 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.

14.4. 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.

### **15. Charities**

15.1. Where the council is sole managing trustee of a charitable body the Clerk/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/RFO shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

### **16. Suspension and revision of Financial Regulations**

16.1. The council shall review these Financial Regulations annually and following any change of Clerk /RFO. The Clerk shall monitor changes in legislation or proper practices and advise the council of any need to amend these Financial Regulations.

16.2. 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. Suspension does not disapply any legislation or permit the council to act unlawfully.

16.3 The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, Local Government reorganisation, national restrictions or other exceptional circumstances.

<i>Last reviewed:</i>	<i>31/10/2024</i>
<i>Minute no:</i>	<i>2074</i>
<i>Next review due:</i>	<i>May 2025</i>

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