

Adopted by Council 3 October 2022



MELTHAM TOWN COUNCIL FINANCIAL REGULATIONS

CONTENTS

1. General	3
2. Accounting and audit (internal and external)	5
3. Annual estimates (budget) and forward planning	7
4. Authority for expenditure and budgetary control	7
5. Authorisation of payments and banking arrangements	10
6. Making of payments – accuracy checks and anti-fraud measures	11
7. Payment of salaries	12
8. Loans and investments	13
9. Income	14
10. Orders for work, goods and services	15
11. Contracts	15
12. [REDACTED]	17
13. [REDACTED]	17
14. Assets, properties and estates	17
15. Insurance	18
16. Charities	18
17. Risk management	18
18. Suspension and revision of Financial Regulations	18

1. General

- 1.1. These financial regulations are based on the model financial regulations produced by NALC in July 2019.

They were adopted by Council on the 3 October 2022. Any subsequent changes to these financial regulations must be detailed at Appendix A:

Financial regulations that are in bold type contain legal and statutory requirements. They should not be altered unless the legal position changes.

For convenience, the word 'councillor' is used in the financial regulations and, unless the context suggests otherwise, includes a non-councillor with or without voting rights. The term 'Chair' and 'Vice Chair' have been used throughout but shall have the same meaning as 'Chairman' and 'Vice Chairman' of the Council. The terms 'their' and 'they' have been used throughout but shall have the same meaning as 'his' and 'he'. Where a paragraph in the standing orders has been blocked out (i.e. [REDACTED]) this is intentional to maintain the numbering system and facilitate updating in the future.

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 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 management information prepared for the Council from time to time comply with the Accounts and Audit Regulations¹.
- 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 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 the annual accounting statement;
- approving the 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 £1250.00
- 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).

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. Each month the Chair and Chair of the Properties Administration and Finance Committee (Chair of finance) shall verify the bank reconciliation for the Council's current account produced by the RFO. The RFO shall email the Chair and Chair of Finance the bank statement, the reconciliation and a schedule of payments and receipts for the appropriate period. The Chair and Chair of Finance will reply to that email as evidence of verification

This activity shall be reported, including any issues or concerns, to the Council or the Properties, Administration, Finance Committee and General Purposes Committee and shall be minuted.

At each financial year end the Council will approve the bank reconciliations (for all accounts) produced by the RFO as part of the year end accounts.

- 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 budget and forward planning

- 3.1. 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 Properties, Finance Administration and General Purposes Committee and the Council. The salary budgets are to be reviewed annually as part of the budget setting process.
- 3.2. The Council shall fix the precept and relevant basic amount of Council tax to be levied for the ensuing financial year not later than by the end of February each year. The RFO shall issue the precept to the billing authority.
- 3.3. The approved annual budget shall form the basis of financial control for the ensuing year.

4. Authority for expenditure and budgetary control

Authorisation for revenue expenditure

- 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 £1,250
 - the RFO, in consultation with the Chair and Chair of Finance for any items between £500 and £1,250
 - the RFO for any items up to £500

Such authority for expenditure is to be evidenced by:

- for items over £1,250, a Council minute authorising the expenditure such minute to be referenced in the Scribe accounting system against that item

- for items between £500 and £1,250 a note in the Scribe accounting system against that item that the expenditure is authorised by the RFO under delegated powers following consultation with the Chair and Chair of Finance, together with details of that consultation e.g., date of email exchange etc.
- for any items up to £500, a note in the Scribe accounting system against that item that the expenditure is authorised by the RFO under delegated powers

4.2. The RFO may authorise emergency revenue expenditure up to £2000.00 which in the RFOs judgement it is necessary, including any repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, in consultation with the Chair and Chair of Finance.

Such authority for expenditure is to be evidenced by:

- a note in the Scribe accounting system against that item that the expenditure is authorised by the RFO under emergency delegated powers following consultation with the Chair and Chair of Finance, together with details of that consultation e.g., date of email exchange etc.

4.3. For each financial year the RFO shall draw up a list of expenditure which arises 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 expenditure for the year

Such authority for expenditure is to be evidenced by:

- a Council minute authorising the expenditure

4.4. For the avoidance of doubt no expenditure, except emergency expenditure as described in 4.2, 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.

Authorisation for capital expenditure

4.5. Capital Expenditure is authorised by:

- the Council for all items over £1250.00
- the RFO for any items up to £1250.00 following consultation with the Chair and Chair of Finance
- the RFO for any items up to £500 for day-to-day administration or replacement of existing items

Such authority for expenditure is to be evidenced by:

- for items over £1250.00, a Council minute authorising the expenditure to be referenced in the Scribe accounting system against that item

- for items up to £1250.00 a note in the Scribe accounting system against that item that the expenditure is authorised by the RFO under delegated powers following consultation with the Chair and Chair of Finance, together with details of that consultation e.g., date of email exchange etc.
 - for any items up to £500, a note in the Scribe accounting system against that item that the expenditure is authorised by the RFO under delegated powers
- 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 RFO /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.

Special delegations to the RFO

- 4.8. The RFO shall have delegated authority to authorise expenditure in the following circumstances:
- If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, where the RFO certifies that there is no dispute or other reason to delay payment,
 - fund transfers within the Councils banking arrangements up to the sum of £10,000,
- Such authority for expenditure is to be evidenced by:
- a note in the Scribe accounting system against that item that the expenditure is authorised by the RFO under delegated powers.
- 4.9. Ordinarily the Council shall approve all grant expenditure and expenditure approved shall be within any limits set by Council and in accordance with any policy statement approved by Council.
- 4.10. Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 4.11. 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').
- 4.12. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.
- 4.13. 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

expenditure is made in respect of a matter in which they have a disclosable pecuniary or other interest unless a dispensation has been granted.

- 4.14. At the end of each financial quarter under each head of the budget the RFO shall prepare a comparison of actual expenditure against that planned as shown in the budget and shall provide an explanation of any material variances between the projected year-end spend and the budget.
- 4.15. Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.
- 4.16. At the end of every month the RFO shall produce a schedule of receipts received and payments made during that period and present the schedules to the next available Council or Properties Administration, Finance and General Purposes Committee.

The Council / committee shall review the schedule of receipts and note the schedule by resolution of the Council or Committee. The schedule of payments shall be dealt with in accordance with regulation 5.4

5. Authorisation of payments and banking arrangements

- 5.1. 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, in accordance with these regulations.
- 5.2. 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 authorised in accordance with regulation 4 above.
- 5.3. The RFO shall have delegated authority to authorise any payment where the expenditure has previously been authorised in accordance with regulation 4 above, except for the payment of a capital grant where that delegation shall be exercised following consultation with the Chair and the Chair of Finance to ensure the works have been carried out appropriately.

In the case of a payment relating to a capital grant a note in the Scribe accounting system against that item that the payment is authorised by the RFO under delegated powers following consultation with the Chair and Chair of Finance, together with details of that consultation e.g., date of email exchange etc. shall be made.

- 5.4. At the end of each month the RFO shall prepare a schedule of payments that have been authorised under 5.3 forming part of the agenda for the meeting, present the schedule to the next available Council or Properties Administration Finance and General Purposes Committee. The Council / committee shall review the schedule and where satisfied shall ratify the payments authorised by the RFO under their delegated power by resolution of the Council or Committee.

- 5.5. 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 reviewed for safety and efficiency annually.
- 5.6. 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 ratify payments is made in respect of a matter in which they have a disclosable pecuniary or other interest unless a dispensation has been granted.

6. Making of payments – accuracy checks and anti-fraud measures

- 6.1. The Council will make safe and efficient arrangements for the making of its payments.
- 6.2. Following authorisation of a payment under Financial Regulation 5.3 above the RFO shall take steps to make that payment.
- 6.3. Where possible all payments shall be made by Bankers Automated Clearing Services (BACS) transfer. Such a transfer shall be in consistent with the authorisation for expenditure in Regulation 4 and the authorisation to pay in regulation 5.
- 6.4. The Council have decided that the Chair and Chair of Finance shall be required to approve payments on the Council's current account (the 'Approvers') before the RFO completes the BACS payment. No BACS payment shall be made by the RFO until it is 'approved' by one of the two Approvers. The Clerk will email the two Approvers prior to making a transfer with details of the proposed BACS payment.
- 6.5. Approvers must be satisfied as to both the accuracy and propriety of the payment before it is approved. Approvers are provided with online access to the Scribe accounting system on a read only basis and against each item of expenditure will be able to access evidence that the expenditure has been authorised in accordance with Regulation 4 and that the payment has been authorised in accordance with Regulation 5. The Approvers will also be able to view the corresponding invoice or other documentation via the Scribe accounting system. If an approver is satisfied that a payment is accurate and proper, they will email the RFO to say the BACS transfer can go ahead.
- 6.6. An Approver who is not satisfied with both the accuracy and propriety of the proposed BACS payment following the above checks should not approve the payment and should request further information from the RFO before approving any BACS payment.
- 6.7. A member who is an Approver, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be an Approver to the payment in question.

- 6.8. Payment for utility supplies (e.g., energy, waste) and any National Non-Domestic Rates may be made by variable direct debit provided that the variable direct debits are approved by Council annually.
- 6.9. [REDACTED]
- 6.10. 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.
- 6.11. Back-up arrangements for the records on any computer shall be made.
- 6.12. 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.
- 6.13. 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.
- 6.14. Changes to account details for suppliers, which are used for internet banking may only be changed on written notification by the supplier and appropriate checks being carried out by the RFO.
- 6.15. All payments shall be made by BACS where possible. When payment by Debit Card is made its use will be specifically restricted to the RFO. No debit card payment over £500 can be made by the RFO until it is 'approved' by one of the two appointed Approvers by email confirmation to the RFO before payment is made. Evidence of the approval shall be referenced in the Scribe accounting system. Approvers must be satisfied as to both the accuracy and propriety of the debit card payment before the payment is approved. A member who is an Approver, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be an Approver to the payment in question.
- 6.16. The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

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

- 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 / Finance Committee meeting, as set out in 5.4.
- 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. 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.
- 7.6. 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 affected 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 (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. 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.

- 8.4. 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.
- 8.5. All investments of money under the control of the Council shall be in the name of the Council.
- 8.6. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.7. 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 and Regulation 6

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. All sums due to the Council must ideally be made by BACS or if necessary, cheque. Cash will not ordinarily be accepted
- 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 from time to time, following a report of the RFO.
- 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 claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.9. If any significant sums of cash are received by the Council, the RFO shall take steps 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 tickets issued, 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, letter or email 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 All members and officers are responsible for obtaining value for money at all times.

The RFO shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction usually by following the process set out below (but subject to the exceptions set out in 11.1:

- For transactions of below £3000.00 but above £750.00 usually by obtaining two or more estimates from appropriate suppliers.
- For transactions up to £750.00 by obtaining more than one estimate or by providing other evidence that the expenditure represents value for money e.g., online price comparisons or comparisons against previous recent quotations
- For transactions up to £100.00 (usually routine regular small administrative purchases such as stationary or cleaning products) occasional research to ensure the expenditure represents value for money

- 10.4. A member may not obtain quotes, 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 expenditure is approved if applicable 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 legal professionals acting in disputes;
 - 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 RFO shall act after consultation with the Chair and Chair of finance; 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 £30,000 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.

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 applicable at 1 January 2022 are:

a) For public supply and public service contracts £213,477

b) For public works contracts £5,336,937

- g) Any invitation to tender issued under this regulation shall be subject to Standing Order 18 and shall refer to the terms of the Bribery Act 2010.
- h) 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 or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £10,000 and above £3000 the Clerk or 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 be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

12. [REDACTED]

13. [REDACTED]

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 £1250.00
- 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.
- 15.2. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 15.3. Where the RFO is notified of any loss liability or damage or of any event likely to lead to a claim The RFO shall report these to Council at the next available meeting.
- 15.4. 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

16. Charities

- 16.1. Where the Council is sole managing trustee of a charitable body the 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 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 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 RFO 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.

Changes to Financial Regulations must be detailed below

Appendix A

Description of change	Number of Financial Regulation amended	Minute of Council resolution authorising the Change	Date of Council meeting
Changes to Approvers made in 6.4, 6.5, 6.6 and 6.9	6.4, 6.5, 6.6 and 6.9	23/15	Council meeting 9 January 2023
Changes to increase in figure for contracting from 25 to 30k.	11.1 b, g, and h.	23/42 – 13.2	Council meeting March 2023