

# Costessey Town Council



## DRAFT FINANCIAL REGULATIONS – 2021-22

### 1 GENERAL

1.1 These Financial Regulations govern the conduct of the financial management of 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, if in force, 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;
- include measures to provide for the safe and efficient safeguarding of public money;
- include measures to prevent and detect inaccuracy and fraud; (see also the Financial Risk Assessment) and
- identify the duties of officers.

1.4 These Financial Regulations demonstrate how the council meets these responsibilities and requirements.

1.5 The Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices **ANNUALLY**.

1.6 The Responsible Financial Officer (RFO), under the policy direction of the Council, shall be responsible for the proper administration of the Council's affairs.

1.7 Members of Council are expected to follow the instructions within these Regulations and not to **entice encourage** employees to breach them. Failure to follow instructions within these Regulations **will** brings the office of Councillor into disrepute.

1.8 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, or management information prepared for the Council from time to time comply with the Accounts and Audit Regulations<sup>1</sup>.

**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 write off uncollectable amounts, including any bad debts, and that these are shown in the accounting records;
- measures to ensure that risk is properly managed.

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<sup>1</sup> In England - Accounts and Audit (England) Regulations 2011/817  
In Wales - Accounts and Audit (Wales) Regulations 2005/368

**1.13** The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding the following shall be a matter for the full Council only:

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

**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 ~~£2,000~~ £3,000
- 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** A member shall be appointed to verify on a regular basis 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.

**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. Having certified the accounts the RFO 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 appointed shall carry out the work in relation to internal controls required by the Council in accordance with proper practices.

2.6 The independent Internal Auditor shall:

- be competent and independent of the financial operations of the Council
- report to Council in writing, on a regular basis with a minimum of one annual written report during each financial year
- demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships
- 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
- 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 the Internal or External Auditors.

### 3 ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

3.1 ? Council and Committees should review its forecast of projects under the 4-Year Plan with estimated revenue and capital costs for the following financial year, not later than the end of October each year [ IS this timeframe necessary, given the budgeting for capital projects document, whereby ONLY approved expenditure is included in the budget for the following year? – See accountant's paper]

**3.2** Detailed estimates of all receipts and payments for the year shall be prepared no later than November each year by the RFO in the form of a budget to be considered by the Finance ~~Budgets & Staffing~~ Committee and the full Council.

**3.3** The Council shall review the annual budget proposals in relation to the Council's 4-Year Plan not later than the end of January each year and shall fix the Precept to be levied for the ensuing financial year. The RFO shall supply each member with a copy of the approved estimates.

**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 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 in the approved budget by:

- Full Council for net invoices (excl. VAT) above £3,000
- The Clerk / RFO, or the Deputy Clerk in her absence, for net invoices (excl. VAT) below £3,000

Such authority is to be evidenced by an authorisation slip duly signed by the Clerk / RFO or Deputy and where necessary also by the appropriate cheque signatories

**4.2** No expenditure may be incurred which will exceed the amount provided in the revenue budget. The Clerk may vire up to £3,000 within any cost centre and between cost centres. Any other virement must have the approval of Council.

**4.3.** Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year except by resolution of the Council

**4.4** The salaries shall be reviewed annually in the Autumn as part of the budget setting process for the following financial year, evidenced by a minute.

**4.5** In cases of extreme urgency the Clerk may authorise revenue expenditure on behalf of the Council which, in the Clerk's judgement, is necessary to carry out. Such expenditure includes any repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £3,000. In cases where urgent repairs of over £3,000 are required, the Clerk shall inform at least two Members of the Council immediately, the Clerk shall report the action to the Council as soon as practicable thereafter and Council shall ratify the expenditure at the following meeting.

**4.6** No expenditure shall be incurred 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, or the requisite borrowing approval has been obtained.

**4.7** All capital works shall be administered in accordance with the Council's Standing Orders (if in force), and Financial Regulations relating to contracts.

**4.8** The RFO shall regularly provide the Council with a statement of the accounts to date under each heading of the budgets, comparing actual expenditure against that planned as shown in the budget with explanations of material variances. Each month's accounts shall be presented for approval at the next full Council meeting.

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

## **5 BANKING ARRANGEMENTS & AUTHORISATION OF PAYMENTS**

**5.1** The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by full Council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.

**5.2** A schedule of net invoice payments over £3,000, to form part of the Agenda for the meeting shall be prepared by the RFO, supported by the relevant invoices. Payments will be authorised by a resolution of the Council and the details recorded in the Minutes 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) will be summarised to remove public access to any personal information.

**5.3** Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4, shall be signed by two members of Council and countersigned by the Clerk / RFO or Deputy Clerk, with cheque stubs initialled by the cheque signatories.

**5.4** The Clerk / RFO or Deputy Clerk in her absence shall check invoices for accuracy and code them to the appropriate expenditure heading. The Clerk / RFO shall satisfy him/herself that the work, goods or services to which the invoice relates have been received / carried out, examined and approved.

**5.4** The Clerk and RFO shall have delegated authority to authorise the payment of items over £3,000 net only in the following circumstances:

a) If a payment is necessary to avoid a charge to interest, and the due date for payment is before the next scheduled Meeting of council,

b) An expenditure item is authorised under 5.6 below (continuing contracts and obligations)

c) To fund transfers within the Council's banking arrangements

**5.6** In every financial year a list of regular payments (eg Direct Debits) plus all salary related payments (eg HMRC, Norfolk Pension Fund, employees) shall be provided which the Council or duly authorised members may authorise. Also Direct Debit mandates shall be authorised and signed by two cheque mandate signatories and the Clerk / RFO or the Deputy Clerk.

**5.7.** A record of regular payments made under 5.6 above shall be drawn up and provided that the regs under 4.1 are adhered to, paid provided that they are signed by two authorised members.

**5.8.** In respect of grants ~~Council~~ the Finance Committee shall approve expenditure within any limits set by Council and in accordance with any policy statement approved by council.

**5.9** Members are subject to the Code of Conduct that has been adopted by the Council and shall comply with that Code and Standing Orders (if in force) 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 cross checked where appropriate by the RFO.

## **6. INSTRUCTIONS FOR PAYMENT OF ACCOUNTS**

**6.1.** The Council will make safe and efficient arrangements for the making of its payments

**6.2.** Following authorisation under Financial Regulations 5 above, the Council, the Clerk / RFO, or in her absence her Deputy, shall give instruction that a payment shall be made.

**6.3** All payments shall be effected by cheque or other order, including approved electronic means and IMPREST accounts drawn on the Council's bankers.

**6.4** Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of Council and countersigned by the Clerk / RFO or her Deputy in accordance with a resolution instructing that payment.

**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 and accompanying invoice or authorisation document

**6.6**

**6.7** Payment for utility supplies (eg. energy, telephone / IT 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 the Clerk / RFO or her Deputy. A list of Direct Debits shall be presented to Council for scrutiny at the first meeting following the Ordinary Elections

## **6.8**

**6.9** Payment for certain items may be made by BACS or CHAPS methods (eg salaries) provided that the instructions for each payment are signed by two authorised bank signatories are retained, and any payments are reported to council

**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 Council computer requires use of a personal identification number (PIN) or other password(s), for internet banking payments on that computer, a note shall be made of the PIN / Passwords and shall be kept separately in an envelope in the office safe and / or by the Clerk / RFO. The passwords shall be changed as necessary.

**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 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, preferably off site.

**6.14** The Council 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 / 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.

**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 notification by the supplier. Checks of standing data with suppliers may be made as deemed appropriate by the RFO.

**6.18** Debit Cards linked to IMPREST accounts will be issued for use and restricted to the Clerk / RFO, her Deputy, and the Head Groundsman. The Card limits will be £3,000 each, but no single transaction should be greater than £3,000 net value, with a review to be taken. Items over these amounts must be authorised by full Council before any order is placed.

## **6.19.**

**6.20.** Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk / RFO, Deputy Clerk, or Head Groundsman 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 except under exceptional and authorised circumstances.



**6.21** The Clerk / RFO may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be presented to the Clerk / RFO with a claim for reimbursement:

- The RFO shall maintain a petty cash float of £300 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
- Income received must not be paid into the petty cash float but must be separately banked.
- Payments to maintain the petty cash float shall be shown on the schedule of payments presented to Council.

## **7. PAYMENT OF SALARIES**

**7.1** As an employer, the Council shall make arrangements to fully meet 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. Salaries shall be approved by the **Finance Budgets & Staffing Committee** under delegated powers and a **summary / overview** notified to full Council.

**7.2** Payment of salaries and payment of deductions from salary such as may be required for tax, national insurance and pension contributions, will be made in accordance with the payroll records and on the appropriate dates as per HMRC regulations. Total payments will be listed with the Bank Reconciliations provided and shall be ratified at the next Council Meeting.

**7.3.** No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior approval of the **Finance, Budgets & Staffing Committee** under delegated powers

**7.4** Every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions (eg HMRC) shall be recorded in a separate confidential record (Cash book 2). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

- by any councillor who can demonstrate a need to know
- by the Internal Auditor;
- by the External Auditor
- by any person authorised under Audit Commission Act 1998, or any superseding legislation.

**7.5.** The total of such payments in each pay period 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** A system of personal performance management / appraisal should be maintained for staff as agreed by the **Finance Budgets & Staffing Committee**.

**7.7.** Any termination payments shall be supported by a clear business case and reported to Council. Termination payments shall only be authorised by full Council.

**7.8.** Before employing interim staff, the Council or appropriate Committee must consider a 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 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 (eg Hire Purchase or Leasing of tangible assets) shall be subject to approval / ratification by the full Council.

**8.3** A copy of each statement of account may be made available by the Clerk or RFO as deemed necessary.

**8.4** All loans and investments shall be effected in the name of the Council and shall be for a period in accordance with Council policy.

**8.5** The Council's Investment Policy, shall be in accordance with the relevant regulations, proper practices and guidance. The policy shall be reviewed on a regular basis.

**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 Clerk / 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 Clerk / RFO, following the agreed Debt Chasing procedure.

**9.2** Particulars of all charges to be made for work done, services rendered or goods supplied eg Hall hire & Cemetery fees shall be agreed 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 annually, following a report of the Clerk / RFO or Deputy Clerk.

**9.4** Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off.

**9.5** All sums received on behalf of the Council shall be banked. In all cases, receipts shall be deposited with the Council's bankers with such frequency as the Clerk / RFO considers necessary.

**9.6** The origin of each receipt shall be entered on the appropriate spreadsheet.

**9.7** Personal cheques shall not be cashed out of money held on behalf of the Council.

**9.8** Required VAT Returns shall be completed promptly. 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** Where any significant sums of cash are regularly received by the Council, the Clerk / 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 receipts as a means of control, and that appropriate care is taken in the security and safety of individuals banking such cash.

## **10. ORDERS FOR WORK, GOODS AND SERVICES**

**10.1** An official order / or clearly worded letter / e-mail shall be issued for all work, goods and services over £3,000, unless a formal contract is to be prepared or an official order would be inappropriate.

**10.2** All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction.

**10.3** Where possible three or more quotations or estimates should be sought from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11 (I) below.

**10.4** A member (Councillor) may not issue an official order or make any contract on behalf of the council, except for the fete and only in accordance with the fete budget.

**10.5** The Clerk / RFO shall verify the lawful nature of any proposed purchase before the issue of any order.

## **11. CONTRACTS**

**11.1** Procedures as to contracts are laid down as follows:

**(a)** Every contract shall comply with these financial regulations, except in an emergency or by resolution of the full Council. However, these regulations shall not apply to contracts which relate to items (i) to (vi) below:

(i) for the supply of gas, electricity, water, sewerage and telephone / IT 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 £3,000 (in excess of this sum the Clerk / RFO shall act after consultation with the Chairman and Vice Chairman of Council / two members of the Finance, Budgets and Staffing Committee)

(vi) for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.

**(b)** Where it is intended to enter into a **contract exceeding £60,000** 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 the Council's appointed agents shall invite tenders from at least three firms, where possible.

**(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)?<sup>2</sup>**

**(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 and / or the Council's appointed agent shall obtain the necessary technical assistance for the preparation of a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk or the Council's appointed agents in the ordinary course of post. The tender is to be sealed, marked "Confidential" 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 and / or the Council's appointed agent in the presence of at least one member of Council or other officer.

**(g)** Any invitation to tender issued under this regulation shall be subject to Standing Orders (if in force)

**(h)** When it is to enter into a **contract less than £60,000** 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 **seek 3 quotations** (priced descriptions of the proposed supply); or, where the value is **below £5,000 and above £2,000 £3000** the Clerk or RFO shall, where it is considered necessary, **seek 2 estimates**. Otherwise, Regulation 10 (3) above shall apply.

<sup>2</sup> Thresholds currently applicable are:

a) For public supply and public service contracts £189,330 (209,000 Euros)

b) For public works contracts £4,733,252 (5,225,000 Euros)

For expenditure up to **£2,000, £3000** and within the approved revenue budget of the Council, the Clerk / RFO or Deputy shall have executive power.

(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. ie: previous applicants need not re-tender. However, if the original tender has been amended all previous applicants may re-tender.

k) If fewer than three tenders are received **for contracts above £60,000** or if all the tenders are identical the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.

**11.2** All one-off **contracts over £5,000** plus VAT to be issued with a **comprehensive** brief including a list of requirements, **if necessary after consultation with appropriate external sources.**

(See c) ABOVE

## **12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

**12.1** Payments on account of the contract sum shall be made within the time specified in the contract by the Clerk / RFO on receipt of invoices subject to authorised certificates being received from the architect or other consultants engaged to supervise the contract (and subject to any percentage withholding as may be agreed in the particular contract).

**12.2** Where contracts provide for payment by instalments the Clerk / 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 by 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 and confirmed to the Contractor in writing before any work has begun, and the Council 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, (eg the Head Groundsman), 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 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 Clerk /RFO / Deputy shall ensure that periodic checks of essential stocks are made at least once a year

## 14. ASSETS, PROPERTIES AND ESTATES

14.1 The Clerk / RFO shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The Clerk / RFO shall ensure a record is maintained of all properties owned 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 the Accounts and Audit Regulations as amended.

14.2 No property shall be 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 ~~£2,000.~~ £3,000

14.3. No interests in land property 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 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 business case

14.4. No interests in land property shall be purchased or acquired without the authority of the full Council. In each case a Report 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 business case.

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

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 periodically.

## 15. INSURANCE

15.1 Following the review of Risk Assessments, (See regulation 17) the Clerk / RFO shall effect all insurances and negotiate all claims on the Council's insurers

15.2 The Clerk / RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and review it regularly.

15.3 The Clerk / 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 the relevant committee and to full Council

15.4 All appropriate members, volunteers and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance.

## **16. CHARITIES**

**16.1** Where the Council is sole trustee of a charitable body (ie. Recreation Ground Charity at the Old Cricket Ground), the Clerk / RFO shall ensure that 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.

## **17. RISK MANAGEMENT**

**17.1** The Council is responsible for putting in place arrangements for the management of risk. The Clerk / RFO shall arrange and promote risk management policy statements in respect of all activities of the Council.

**17.2** When considering any new activity the Clerk / RFO shall prepare / commission a draft Risk Management policy / assessment for the activity including Risk Management proposals.

## **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 annually. The Clerk shall advise the Council of any requirement for amendments to these Financial Regulations.

**18.2** The Council may, by resolution of the Council (duly notified prior to the relevant meeting), 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.