



## FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the council at its meeting held on 23<sup>rd</sup> Jan 2025.

## **1. GENERAL**

- 1.1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents, providing procedural guidance for members and officers. The financial regulations must be observed in conjunction with the council's Standing Orders and any individual regulations relating to contracts.
- 1.2. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of the councillor into disrepute.
- 1.3. Wilful breach of these regulations by an employee is gross misconduct.
- 1.4. 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.
- 1.5. 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.
  - identifying the duties of officers.
- 1.6. These financial regulations demonstrate how the council meets these responsibilities and requirements.
- 1.7. 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.
- 1.8. In these Financial Regulations:
  - 'Accounts & Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit & Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
  - 'Approve' refers to an online action, allowing electronic transaction to take place.

- 'Authorise' refers to a decision by the council, or a committee or an officer, to allow something to happen.
- 'Proper practices' means those set out in *The Practitioners' Guide*.
- *Practitioners Guide* refers to the guide issued by the Joint Panel on Accountability & Governance (JPAG) and published by NALC.
- 'Must' and **bold text** refer to a statutory obligation the council cannot change.
- 'Shall' refers to a non-statutory instruction by the council to its members and staff.
- References to the RFO also applies to the Council's Proper Officer as appropriate.

1.9. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. 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 control systems.
- ensures the accounting control systems are observed.
- assists the council to secure economy, efficiency, and effectiveness in the use of council resources.
- produces financial management information as required by the council.

1.10. **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.**

- **declaring eligibility for the General Powers of Competence**
- **addressing recommendations from the internal or external auditors.**

1.11. In addition, the council shall:

- determine and regularly review the bank mandate for all council bank accounts.
- authorise any grant or single commitment not otherwise permitted under delegated authority of the clerk.
- 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.

## **2. RISK MANAGEMENT & 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, with the RFO, shall prepare, for approval by the council, a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.
- 2.3. When considering any new activity, the Clerk with the RFO shall prepare a draft risk assessment including risk management proposals for consideration 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 accounting control systems determined by the RFO must include measures to:**
  - **ensure that risk is appropriately managed.**
  - **ensure prompt, accurate recording of financial transactions.**
  - **prevent and detect inaccuracy or fraud.**
  - **allow the reconstitution of any lost records.**

- **identify the duties of officers dealing with transactions.**
  - **ensure division of responsibilities.**
- 2.6. At least once each quarter, and at the end of the financial year, a member other than the Chair shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar documents) as evidence of this. The activity, including any exceptions, shall be reported to, and noted by the council finance working group.
- 2.7. Regular back-up copies shall be made of the records on any council computer and stored online 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.

### **3. ACCOUNTS & AUDIT**

- 3.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts & Audit Regulations appropriate Guidance, and proper practices.
- 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.**
  - 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.
- 3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return (AGAR) and shall include:
- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately as possible.

- procedures to enable the prevention and detection of inaccuracies or 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 debt 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.
  - measures to ensure that risk is properly managed.
- 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 for that purpose.
- 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 Practitioner's Guide.
- 3.8. The council shall ensure that the internal auditor:
- is competent and independent of the financial operations of the council.
  - reports to the 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.
- has no involvement in the financial decision making, 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 any other advice including in relation to any future transactions.
- 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 but 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 and external auditors.

#### **4. BUDGET, PRECEPT & FORWARD PLANNING**

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 by January for the following financial year and the final decision will be recorded in the minutes of the meeting where the decision is agreed by the council. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.

- 4.3. The finance working group shall review its three-year forecast of revenue and capital receipts and payments, considering of the lifespan of assets and cost implications of repair or replacement. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the council no later than the end of November each year, including any proposals for revising the forecast.
- 4.4. No later than January each year, the RFO shall prepare a draft budget with detailed estimates of all receipts and payments for the following financial year, including the use of reserves and all sources of funding for the financial year, in the form of a budget to be considered by the finance working group and the parish council.
- 4.5. The council shall consider the annual budget proposal in relation to the council's three-year forecast of revenue and capital receipts and payments including recommendations for the use or accumulation of reserves and sources of funding and update the forecast accordingly.
- 4.6. 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.
- 4.7. The approved annual budget shall form the basis of financial control for the ensuing year.
- 4.8. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may be carried forward with the formal approval of the council.
- 4.9. **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.**
- 4.10. The RFO shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of, or electronic access to, a copy of the agreed annual budget.
- 4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the council.



## 5. PROCUREMENT

(to be followed in conjunction with the Councils separate Procurement Policy)

- 5.1. **Members and officers are responsible for obtaining value for money at all times.** Any officers 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 Clerk or 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. An official order or letter shall be issued for all work, goods, and services unless a formal contract is to be prepared or an official order would be inappropriate. All copies of orders and invoices shall be retained electronically on sharepoint in the relevant meeting folder.
- 5.4. A member may not issue an official order or make a contract on behalf of the council.
- 5.5. Every contract shall comply with the councils Standing Orders and these Financial Regulations, and no exceptions shall be made, except in an emergency apart from contracts relating to items (i) to (vi) below:
  - i. for the supply of gas, electricity, water, sewerage, and telephone services.
  - ii. for specialist services such as are provided by solicitors, accountants, surveyors, and planning consultants.
  - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant.
  - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council.
  - v. for additional audit work of the external Auditor up to an estimated value of £500, in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of council.
  - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- 5.6. **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 tendering, award, and notification of that contract.**

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

- For contracts estimated to exceed £25,000 including VAT, the clerk shall seek formal tenders from at least three suppliers agreed by the council OR advertise an open invitation to tender in compliance with any relevant provisions of the Legislation<sup>1</sup>. Tenders shall be invited in accordance with Appendix 1.
- **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.**
- For contracts greater than £5,000, but under £25,000, excluding VAT, the Clerk or RFO shall seek at least three fixed price quotes.
- Where the value is between £1,000 and £5,000 excluding VAT, the clerk or RFO shall try to obtain three estimates, which might include evidence of online prices or recent prices from regular suppliers.
- For smaller purchases, the clerk or RFO shall seek to achieve value for money.

<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.

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

5.8. When the applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the council. Avoidance of competition is not a valid reason.

5.9. 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 or RFO, in consultation with the Chair of the Council for any items below £500.
- the council for all items over £500.

Such authorisation must be supported by a minute reference or other auditable evidence trail.

- 5.10. No individual member, or informal group members, may issue an official order or make any contract on behalf of the council, unless instructed to do so in advance by a resolution of the council.
- 5.11. In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement, or other work whether there is any budgetary provision for the expenditure, subject to a limit of £500. The clerk shall report such action to the chair as soon as possible and to the council as soon as is practicable thereafter.
- 5.12. No expenditure may be authorised that will exceed the budget for that type of expenditure, other than by resolution of the council, except in an emergency. 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').
- 5.13. No expenditure shall be authorised in relation to any capital project and no contract entered into, or tender accepted involving capital project unless the council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.
- 5.14. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.
- 5.15. The RFO shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of variances.
- 5.16. Changes to the earmarked reserves shall be approved by the council as part of the budgetary process.

## **6. BANKING & PAYMENTS**

- 6.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO, and authorised by the council. The council has resolved to bank with The Co-Operative Bank for their current account with additional savings accounts in other institutions as required. The arrangements shall be reviewed periodically for security and efficiency.

- 6.2. The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing and one of those must be a councillor. Even where a purchase has been authorised, the payment must also be authorised, and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.
- 6.3. All invoices for payment should be examined, verified and certified by the RFO to confirm the work, goods or services to which the invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.
- 6.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available council meeting.
- 6.5. 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 the 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 signed off by the councillors present at the meeting. A detailed list of all payments shall be disclosed within, or as an attachment to, the minutes of the meeting at which the payments were authorised.
- 6.6. Payments shall not normally be presented for signature other than at a council meeting. Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting. Signed authority for a payment must include at least one elected council member.
- 6.7. 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.
- 6.8. Any expenses claims will be handled in accordance with the council's published expenses policy.
- 6.9. For each financial year the Clerk and RFO may draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like) for which council may authorise payment for the year provided that the

requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council.

- 6.10. A record of regular payments made under 6.9 above shall be drawn up and signed by two members on each and every occasion when payment is authorised – this controlling the risk of duplicated payments being authorised and/or made.
- 6.11. The Clerk shall have delegated authority to authorise payments under certain circumstances, as stated in the Council's Standing Orders.
- 6.12. In respect of grants a duly authorised committee 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.
- 6.13. 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 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.
- 6.14. 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.
- 6.15. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a Member.

## **7. ELECTRONIC PAYMENTS**

- 7.1. 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 a number of councillors who will be authorised to approve transactions on those accounts and a minimum of two people, one of whom must be a councillor, will be involved in any online approval process. The clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves and a councillor must be involved in the approval process.
- 7.2. Payment shall not normally be presented for signature other than at a council or committee meeting. Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting. Signed authority for a payment must include at least one elected member.

- 7.3. All payments shall be made by online banking/bank transfer in accordance with a resolution of the council unless the council resolves a different payment method.
- 7.4. All authorised signatories shall have access to view the council's bank accounts online.
- 7.5. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council.
- 7.6. Following authorisation under Financial Regulation 6.5, above, the RFO or Clerk shall give instruction that a payment shall be made. The RFO shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be either sent by email or be available to view on the councils sharepoint system, to the authorised signatories for approval.
- 7.7. In the absence of the RFO, the Clerk shall set up any payments due before the return of the RFO.
- 7.8. A councillor, who is an authorised signatory, shall check the payment details against the invoices before approving each payment using the online payment system.
- 7.9. If a member who is also a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being made, that Councillor shall be required to consider Standing Orders, and thereby determine whether it is appropriate and/or permissible to be a signatory to the transaction in question.
- 7.10. A full list of payments made in a month, or a copy of the latest bank statement, shall be provided to the next council meeting.
- 7.11. If thought appropriate by the council, regular payments, such as utilities, broadband, telephone etc may be made by variable direct debits provided that the instructions are signed by two members of the council and payments are reported to the council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the council at least every two years.
- 7.12. If thought appropriate by the council, regular payments for certain items (principally salaries) may be made by banker's standing order, provided that the instructions are signed by two members, evidence of this is retained and any payments are reported to council when made. The approval of the use of a banker's standing order shall be reviewed by the council at least every two years.

- 7.13. Account details for suppliers should be compared with the invoice prior to setting up the payment and any changes confirmed with the supplier by the RFO or Clerk. This is a potential area for fraud and any changes should be confirmed as genuine before a payment is made.
- 7.14. Regular back-up copies of the records on any computer shall be made and stored securely away from the computer in question, preferably off site or in the cloud.
- 7.15. Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.
- 7.16. Remembered password facilities, other than secure password stores requiring separate identity verification, should not be used on any computer used for council banking. Access to internet banking accounts should not be made through an e-mail link, only through the banks direct website to avoid the risk of phishing scams. Breach of this regulation will be treated as a very serious matter under these regulations.

## **8. PAYMENT CARDS**

- 8.1. Any debit card issued for use will be specifically restricted to the Clerk and the RFO and will also be restricted to a single transaction maximum value of £500 unless authorised by the council at a meeting and recorded in the minutes.
- 8.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council.
- 8.3. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk and RFO and any balance shall be paid in full each month. Personal credit or debit cards of members or staff shall not be used under any circumstances.

## **9. PETTY CASH**

- 9.1. The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk or RFO (for example: for postage or minor stationery items) shall be refunded on a regular basis in accordance with the council expenses policy.



## **10. PAYMENT OF SALARIES & ALLOWANCES**

- 10.1. As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 10.2. Councillor's allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 10.3. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating.
- 10.4. Salary rates shall be agreed by the council, or duly delegated committee.
- 10.5. No changes shall be made to an employee's gross pay, emoluments, or terms of employment without the prior consent of the council.
- 10.6. Payment of salaries and payment of deductions from salaries 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 dates stipulated in employment contracts, provided that each payment is reported at the next available council meeting, as set out in these regulations above.
- 10.7. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded by the payroll company, with reports being made available for review as required. These reports are confidential and are not open to inspection or review under the Freedom of Information Act 2000, or otherised other than:
  - by a councillor who can demonstrate a need to know.
  - by the internal auditor.
  - by the external auditor.
  - by any person authorised under the Local Audit and Accountability Act 2014, or any superseding legislation.
- 10.8. The total of such payments in each calendar month shall be reported with all the other payments as made, as may be required under these Financial Regulations, to ensure only payments due for the period have actually been paid.
- 10.9. An effective system of personal performance management should be maintained for the senior officers.



10.10. 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.

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

## **11. LOANS & INVESTMENTS**

11.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full council and recorded in the minutes. All borrowing shall be in the name of the council, after obtaining any necessary approval.

11.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase, Leasing of tangible assets or loans to be repaid within the financial year) **must** be authorised by the full council, following a written report on the value for money of the proposed transaction.

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

11.4. All investment of money under control of the council shall be in the name of the council.

11.5. 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.

11.6. All investment certificates, bank statements and other documents relating to the council's finances shall be retained in the custody of the RFO with copies being uploaded onto sharepoint, for the whole council to have access to.

11.7. 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 these regulations.

## **12. INCOME**

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

12.2. 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.

- 12.3. The council will review all fees and charges at least annually, following a report from the Clerk.
- 12.4. Any sums found to be irrecoverable, and any bad debts shall be report to the council by the RFO and shall be written off in the year. The council's approval shall be shown in the accounting records.
- 12.5. All sums received on behalf of the council shall be deposited intact with the council's bankers, with such frequency as the RFO considers appropriate. The origin of each receipt shall be clearly recorded on the paying-in slip or other record.
- 12.6. Personal cheques shall not be cashed out of money held on behalf of the council.
- 12.7. 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.
- 12.8. 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.
- 12.9. 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).

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

- 13.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 13.2. Where contracts provide for payment by instalments, the RFO shall maintain record of all such payments.

- 13.3. In any case where it is estimated that the total cost of the work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more, a report shall be submitted to the council.
- 13.4. Any variation of, addition to or omission from a contract must be approved by the council and authorised by the Clerk to the contractor in writing, with the council being informed where the final cost is likely to exceed the financial provision.

#### **14. ASSETS, PROPERTIES & ESTATES**

- 14.1. The Clerk shall arrange for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.
- 14.2. The RFO shall ensure that a record is maintained of all properties held by the council, their 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.
- 14.3. 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.
- 14.4. No interest in land 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. In each case a written report shall be provided to the 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 where required by law)
- 14.5. 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, except where the estimated value of any one item does not exceed £500. In each case, a written report shall be provided to the council with a full business case.

#### **15. INSURANCE**

- 15.1. Following the annual risk assessment, the Clerk or RFO shall affect 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, reviewing these annually before the renewal date in conjunction with the councils view of risk assessment.
- 15.3. The Clerk or RFO shall receive prompt notification of all new risks, properties, or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.4. The Clerk or RFO shall be notified of any loss, liability damage or event likely to lead to a claim and shall report these to the council at the next available meeting. The Clerk or RFO shall negotiate all claims on the council's insurers, in consultation with the council.
- 15.5. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the council.

#### **16. SUSPENSION & REVISION OF FINANCIAL REGULATIONS**

- 16.1. The council shall review these Financial Regulations annually and following any change of Clerk or 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 duly notified prior to the relevant meeting of the 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 presented to all members. 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.



23<sup>rd</sup> January 2025

**Signed and dated on behalf of Sandymoor Parish Council (Chair)**



23<sup>rd</sup> January 2025

**Signed and dated by Sandymoor Parish Council RFO**

## **APPENDIX 1 – TENDER PROCESS**

- 1) Any 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.
- 2) The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post unless an electronic tendering process has been agreed by the council.
- 3) Where a postal process is used, 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.
- 4) 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.
- 5) 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.
- 6) If less than three tenders are received for contracts about £25,000, or if all the tenders are identical, the council may make such arrangements as it thinks fit for procuring the goods, materials or executing the works.
- 7) Any invitation to tender issued under this regulation shall be subject to the conditions set out in the council's Standing Orders and shall refer to the terms of the Bribery Act 2010.
- 8) The council shall not be obliged to accept the lowest, or any, tender, quote, or estimate.
- 9) 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.
- 10) The European Union Procurement Directive shall apply and the terms of the Public Contracts Regulations 2006 and the Utilities Contracts Regulations 2006 including thresholds shall be followed.

## APPENDIX 2 – CHANGE LOG

Date Issued	Reason for Update
16/02/2023	Wording change of 1.8 for RFO role to remove reference to Clerk. Updated to incorporate the NALC model regulations. New logo added. Minor grammatical & formatting errors corrected.
22/06/2023	Clarification added for signing authority away from meetings
28/03/2024	Reference to the expenses policy included
23/01/2025	Updated to incorporate the new NALC model regulations and layout