



Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR
Tel: 01768 899 773 Email: office@penrithtowncouncil.co.uk

FINANCIAL REGULATIONS

1. GENERAL

- 1.1 These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. Financial regulations are one of the Council's three governing policy documents providing procedural guidance for Councillors 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. Councillors 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 Council employs external accountants who are responsible for all the Council's payments, payroll and accounting systems and these Regulations will apply accordingly.
- 1.9 The RFO & external accountants;
- act under the policy direction of the Council;
 - administer the Council's financial affairs in accordance with all Acts, Regulations and proper practices;
 - determine on behalf of the Council its accounting records and accounting control systems;
 - ensure the accounting control systems are observed;
 - maintain the accounting records of the Council up to date in accordance with proper practices;
 - assist the Council to secure economy, efficiency and effectiveness in the use of its resources; and
 - produce financial management information as required by the Council.
- 1.10 The accounting records determined by the RFO and external accountants shall be sufficient to show and explain the Council's transactions and to enable them to prepare all required financial information in accordance with the Accounts and Audit Regulations and proper practice.
- 1.11 The accounting records determined by the RFO & external accountants shall, in particular, contain:
- entries from day to day of all sums of money received and expended by the Council and the details relating to those transactions;
 - 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 only submitted to the Council for approval to be written off with the opinion of the RFO and that the approvals are shown in the accounting records; and
- measures to ensure that risk is properly managed.

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

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

1.14 In addition, the Council must:

- determine and keep under regular review the bank mandate for all Council bank accounts;
- approve any grant or a single commitment in excess of £20,001 and
- in respect of the annual salary for any employee, have regard to recommendations about annual salaries of employees made by the relevant Committee in accordance with its terms of reference

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

In these Financial Regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability for Local Councils– a Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC) Accounting and Audit (Internal and External).

1.16 All accounting procedures and financial records of the Council shall be determined by the RFO & external accountants in accordance with the Accounts and Audit Regulations, appropriate Guidance and proper practices.

- 1.17 On a regular basis, at least once in each quarter, and at each financial year end, two Councillors other than the Chairman shall review and verify bank reconciliations (for all accounts) produced by the external accountants. The Councillors shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to the Finance Committee and noted by the Council.
- 1.18 The RFO and external accountants shall complete the annual income and expenditure account, 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.
- 1.19 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 Councillor 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, external accountants, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.
- 1.20 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.
- 1.21 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;
 - 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.
- 1.22 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 auditor

- 1.23 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.
- 1.24 The RFO shall arrange for the exercise of electors' rights in relation to the annual accounts, including the opportunity to inspect the accounts, books and vouchers, and display or publish any notices and statements of account required by the Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.
- 1.25 The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from the internal or external auditors.

2. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

- 2.1 Each Committee shall review its three-year forecast of revenue and capital income and expenditure. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the Council not later than the end of November each year, including any proposals for revising the forecast.
- 2.2 The RFO and external accountants must each year, by no later than January, prepare detailed estimates of all expenditure and income, 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 Council.
- 2.3 The Council shall consider annual budget proposals in relation to the Council's three year forecast of revenue and capital income and expenditure, including recommendations for the use of reserves and sources of funding, and update the forecast accordingly.
- 2.4 The Council shall set its annual budget and fix the precept (Council tax requirement) and the resulting 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 and shall supply each Councillor with a copy of the approved annual budget.
- 2.5 The approved annual budget shall form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL AND AUTHORITY TO INCUR EXPENDITURE

3.1 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 £20,001;
- a duly delegated committee of the Council for items over £1,000; or
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £1,000

Such authority is to be evidenced by the schedule of payments for approval duly signed by the Clerk, and by the appropriate Chairman at the next available meeting. Contracts may not be disaggregated to avoid controls imposed by these regulations.

- 3.2 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Council, or duly delegated committee. During the budget year and with the approval of Council, having considered fully the implications for public services, unspent and available amounts may be transferred to other budget headings or to an earmarked reserve as appropriate ('virement').
- 3.3 Unspent provisions in the revenue or capital budgets at the end of a financial year shall be retained in general reserves and shall not be carried forward to a subsequent year.
- 3.4 The salary budgets are to be reviewed at least annually in October for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Chairman of Council. The RFO will inform Committees of any changes impacting on their budget requirement for the coming year in good time.
- 3.5 In cases of extreme risk to the delivery of Council services, the Town Clerk may authorise revenue expenditure on behalf of the Council which, in the Clerk's judgement, it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £1,000. The Town Clerk shall record such expenditure within the payments schedule and, where there is no budgetary provision for the expenditure, report the expenditure and its purpose in writing to the Council as soon as practicable thereafter.

- 3.6 No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 3.7 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 3.8 The RFO, in conjunction with the external accountants, shall regularly provide the Council with a statement of expenditure and income for the financial year to date against each head of the budget, comparing actual expenditure to the appropriate date against the expected proportion of the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances from budget. For this purpose, "material" shall generally be in excess of 15% of the budget.
- 3.9 Transfers to and from earmarked reserves shall be approved by Council in accordance with any applicable reserves policy.

4. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 4.1 The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council. Banking arrangements may not be delegated to a Committee. They shall be regularly reviewed for security and efficiency.
- 4.2 All bank signatories must be Councillors. All members of the Finance Committee shall be bank signatories.

5. AUTHORISATION AND MAKING OF PAYMENTS

Method of Payment

- 5.1 Payments by direct debit will be used where the council is committed to regular payments principally for utilities and payments under lease arrangements.
- 5.2 All other payments shall be made through the electronic banking system (EBS) provided by the council's current account provider, except that payment can be made by cheque when;
 - The electronic banking system is not functioning
 - The RFO determines that there are valid reasons to make such a payment

5.3 Only the Council's appointed external accountants shall have the ability to make electronic payments on the Council's behalf. In setting up access to the current account provider's EBS, the Council's bank signatories will direct that the Council's external accountants shall:

- be the system administrator for the council's use of the EBS.
- be the only holder of the current account provider's device, which is required to make an electronic payment.
- be the only user capable of setting up a new payee.
- set the RFO, and whoever the RFO directs, with access to the EBS except that no member of staff shall have the ability to make a payment or create a new payee.

Authorisation of Payments

5.4 All invoices for payment shall be examined, verified and certified by the Town Clerk/Services & Contracts Manager/ Deputy Town Clerk/RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the Council. This includes any amounts paid by direct debit.

5.5 The Services & Contracts Manager/Town Clerk/RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading.

5.6 The Services & Contracts Manager /Town Clerk/RFO shall ensure that there is budget provision for payment. Where there is no budget provision, the Finance Committee shall determine how funds should be made available to pay the amount due.

5.7 The Services & Contracts Manager /Town Clerk/RFO shall then arrange for payment (see sections 5.9 to 5.11 below) and report payments made to the next available Finance Committee (see sections 5.12 to 5.13 below).

Setting up new Payees

5.8 The RFO will instruct the external accountants to set up any new payees in the EBS. The RFO will keep a record of any such instructions and report them to the next Finance Committee.

Making Payments

Direct Debits

5.9 The RFO will instruct the external accountants provider to set up, or cancel, any required direct debits. The RFO will keep a record of any such instructions and report any newly created direct debits to the next Finance Committee.

Electronic payments

- 5.10 When the Services & Contracts Manager/Town Clerk/Deputy Town Clerk/ has properly authorised a payment, the external accountants will be instructed to make a payment to the payee. This will be by means of a weekly payments schedule. Ad hoc payments can be requested where the RFO determines that a payment is urgent. The Services & Contracts Manager RFO will keep a record of all weekly payment schedules and any ad hoc payments.

Cheque payments

- 5.11 Any cheque payments must be requested by the RFO and signed by two signatories. The requirement for two signatories must be part of the bank mandate. The RFO will keep a record of all cheque payments.

Reporting Payments

- 5.12 As evidence of the integrity of the payments made and recorded in the accounting system, the RFO shall ensure that the external accountants produce a satisfactory bank reconciliation at the end of each month.
- 5.13 The RFO shall prepare a report of payments made each month, as part of the agenda for each Finance Committee meeting. The report will be produced from the Council's accounting system. All payments on the report shall be supported by appropriate documentation, i.e. invoices etc., which will be provided separately to all Councillors in advance of the Committee meeting.
- 5.14 The minutes of the Committee shall note the number and amount of payments made and have the report of payments appended.
- 5.15 Details of all payments will be placed on the Council's website, once confirmed by the Finance Committee.

Personal Payments

- 5.16 Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

Corporate Credit/ Debit Cards

- 5.17 Any corporate credit or debit card account opened by the Council will be specifically restricted and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards belonging to members or staff shall not be used under any circumstances.

- 5.18 The RFO shall determine procedures for the recording, reconciliation and reporting to Councillors, of all payments made by means of the corporate debit/credit card.

Cash

- 5.19 The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by staff (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

6. PAYMENT OF SALARIES

- 6.1 As an employer, the Council shall arrange to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. All salaries shall be calculated in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council, or duly delegated committee.
- 6.2 Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates, stipulated in employment contracts, provided that each payment is reported to the next available Council meeting, as set out in these regulations above.
- 6.3 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Council.
- 6.4 Each 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
- 6.5 The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 6.6 An effective system of personal performance management should be maintained for the senior officers.

- 6.7 Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 6.8 Before employing interim staff, the Council must consider a full business case.

7. LOANS AND INVESTMENTS

- 7.1 All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for Borrowing Approval, and subsequent arrangements for the Loan shall only be approved by full Council.
- 7.2 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.
- 7.3 The Council will arrange with the Council's Banks and Investment providers for the sending of a copy of each statement of account to the Chairman of the Council at the same time as one is issued to the RFO.
- 7.4 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.
- 7.5 The Council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually.
- 7.6 All investments of money under the control of the Council shall be in the name of the Council.
- 7.7 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 7.8 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).

8. INCOME

- 8.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.
- 8.2 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, who shall be responsible for the collection of all accounts due to the Council.
- 8.3 The Council will review all fees and charges at least annually, following a report of the RFO.
- 8.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council, accompanied by an opinion from the RFO, and shall be written off in the year.
- 8.5 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.
- 8.6 The origin of each receipt shall be entered on the paying-in slip.
- 8.7 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 8.8 The external accountants shall promptly complete any VAT Return that is required. Any repayment claims due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 8.9 The Council shall not accept the receipt of sums of cash in excess of £5,000, nor smaller amounts which have been disaggregated to avoid this limit.
- 8.10 Where any significant sums of cash are regularly received by the Council, the RFO shall take such steps as are agreed by the Council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

9. ORDERS FOR WORK, GOODS AND SERVICES

- 9.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 9.2 Order books shall be controlled by the RFO.
- 9.3 All Councillors and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 10 below.
- 9.4 A Councillor shall not issue an official order or make any contract on behalf of the Council.
- 9.5 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

10. CONTRACTS

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

- b) Where the Council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("the Regulations") which is valued at £25,000 or more, the Council shall comply with the relevant requirements of the Regulations. 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.
- 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).
- 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 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 Councillor.
- g) If less than three tenders are received for contracts above £15,000 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.
- h) 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.
- i) When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £10,000 and above £1,000 the RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- j) The Council shall not be obliged to accept the lowest or any tender, quote or estimate.

- k) 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.

11. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

- 11.1 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).
- 11.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.
- 11.3 Any variation to a contract or addition to or omission from a contract must be approved by the Council and Clerk to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

12. ASSETS, PROPERTIES AND ESTATES

- 12.1 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.
- 12.2 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 £500.
- 12.3 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).

- 12.4 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).
- 12.5 Subject only to the limit set in Reg. 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.
- 12.6 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.

13. INSURANCE

- 13.1 Following the annual risk assessment (per Financial Regulation 15), the RFO shall be responsible for effecting all appropriate insurances and shall negotiate all claims on the Council's insurers.
- 13.2 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 13.3 The RFO shall be notified of any loss, liability or damage, or of any event likely to lead to a claim and shall report these to Council at the next available meeting.
- 13.4 All appropriate Councillors 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, or duly delegated committee.

14. CHARITIES

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

15. RISK MANAGEMENT

- 15.1 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.
- 15.2 When considering any new activity, the RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

16. SUSPENSION & REVISION OF FINANCIAL REGULATIONS

- 16.1 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time. The RFO 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.
- 16.2 The Council may, by resolution of the Council duly notified prior to the relevant meeting of Council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all Councillors.

APPROVED:

May 2018

REVIEWED & AMENDED:

September 2018

APPROVED

September 2018

Reviewed annually