PETERSFIELD TOWN COUNCIL

FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Council at its Meeting held on 24th May 2018

1. GENERAL

1.1 These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial regulations are one of the council's three governing policy documents providing procedural guidance for members and officers. Financial regulations must be read in conjunction with the council's standing orders and any separate 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;
- 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 Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.

1.7 The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. The Town Clerk has been appointed as RFO and these regulations will apply accordingly.

1.8 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;
- ensures the accounting records of the council are maintained up to date and 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.

1.9 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, any additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

1.10 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.

1.11 The accounting control systems determined by the RFO shall include:

- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
- procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records, and
- measures to ensure that risk is properly managed.

1.12 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 power of well-being; and
- addressing recommendations in any report from the internal or external auditors,

shall be a matter for the full Council only.

1.13 In addition the Council must:

- determine and keep under regular review the bank mandate
- approve any grant or a single commitment;
- 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.

1.14 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 and then in force unless otherwise specified.

1.15 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) which is published jointly by National Association of Local Councils (NALC) and Society of Local Council Clerks (SLCC) from time to time.

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 On a regular basis, at least once in each quarter, and at each financial year end, the Chairman of the Finance and General Purposes Committee shall verify bank reconciliations for all accounts produced by the Finance Officer. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the Finance & General Purposes Committee.

2.3 The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.

2.4 The council shall ensure that there is adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be necessary for the purpose of the audit and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary for that purpose.

2.5 The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.

2.6 The internal auditor shall:

- be competent and independent of the financial operations of the council;
- report to the Council in writing, or in person, on a regular basis with a minimum of two written reports during each financial year, one of them coming at the end of the financial year;

- to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships, and
- have no involvement in the financial decision making, management or control of the council.

2.7 Internal or external auditors may not under any circumstances:
- perform any operational duties for the council;
- initiate or approve accounting transactions;
- 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 and the Accounts and Audit Regulations.

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

3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

3.1 Each committee shall review in September each year its proposed revenue and capital receipts and payments for the forthcoming financial year. In addition, each Committee may consider potential proposed income and expenditure for an additional two financial years, if desired.

3.2 The Finance Officer shall during October each year use the information provided by each committee, along with officer forecasts for other routine expenditure and asset maintenance requirements to produce a detailed draft budget estimate for the following financial year.

3.3 A Finance Working Party, comprising the Town Mayor, Chairman of the Finance & General Purposes Committee, Chairman of the Grounds Committee, Chairman of the Public Halls Committee, Chairman of the Town Development Committee plus the Town Clerk & RFO shall meet each year, by no later than the end of November to review the detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year and produce a recommended budget and precept requirement for consideration by the Finance & General Purposes Committee.

3.4 The Finance & General Purposes Committee shall consider the recommendations from the Finance Working Party by no later than its

December meeting each year and produce a recommended budget that Council shall consider. The annual budget proposals in relation to the council's three year forecast of revenue and capital receipts and payments shall include recommendations for the use of reserves and sources of funding and update the forecast accordingly.

3.5 The Council shall approve 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.

3.6 The approved 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 for that class of expenditure in the approved budget. This authority is to be determined by the terms of reference for each committee. Contracts may not be disaggregated to avoid controls imposed by these regulations.

4.2 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 the Finance & General Purposes 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 moved to other budget headings or to an earmarked reserve as appropriate ('virement').

4.3 Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.

4.4 The salary budgets are to be reviewed at least annually in September or October for the following financial year by the Staff Panel and such review shall be evidenced by a hard copy schedule signed by the Town Clerk & RFO and the Chairman of the Finance & General Purposes Committee and/or the minutes of the Staff Panel meeting.

4.5 In cases of risk to the delivery of council services and protection of the Council's assets, the Town Clerk may authorise revenue expenditure on behalf of the council which in the Town 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 £2,000. The Town Clerk shall report such action to the relevant Chairman as soon as possible and to the Finance & General Purposes Committee as soon as practicable thereafter. In the event that the emergency expenditure required is in excess of £2,000, this may be approved by the Town Clerk with the approval of the Town Mayor, Chairman

of Finance & General Purposes Committee and Chairman of the relevant committee.

4.6 Authority is delegated to the Town Clerk and RFO to authorise and commit expenditure on matters conducive to the smooth running of the Council's services. This includes utility and fuel costs, stationery, cleaning materials, planned maintenance of facilities, staff training/development, legal advice, regular functions/services and statutory payments but is not intended to be exhaustive.

4.7 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 or the requisite borrowing approval has been obtained.

4.8 All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4.9 The RFO shall regularly provide the Finance & General Purposes Committee with a statement of receipts and payments to date under each heading 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 ideally to every meeting of the committee and shall show explanations of material variances from the budget.

4.10 Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

5.1 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 safety and efficiency. The council may seek credit references in respect of members or employees who act as signatories.

5.2 The RFO shall approve a prepared schedule of payments requiring approval, forming part of the Agenda for the Council Meeting and present the schedule to Council. The Council shall review the schedule for compliance and, approve the payments by a resolution of the Council. The schedule shall be disclosed as an attachment to the minutes of the meeting at which payment was approved. 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.

5.3 All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has

been received, carried out, examined and represents expenditure previously approved by the Council.

5.4 The Finance Officer 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 within the terms specified on the account or contract.

5.5 The Clerk and RFO shall have delegated authority to authorise the payment of items in the following circumstances:

(a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Council.

(b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of Council;

(c) Fund transfers within the councils banking arrangements, provided that a list of such payments shall be submitted to the next appropriate meeting of Council.

(d) Payments for work that has been completed to the full satisfaction of the officer managing the project in accordance with any terms and conditions that may apply for the relevant account or contract.

5.6 For each financial year the Finance Officer shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund, regular maintenance contracts and other similar payments provided also that a list of all such payments, when made shall be submitted to the next appropriate meeting of Council on the schedule of payments.

5.7 In respect of grants a Grants Panel comprising three councillors is appointed by Council at its Annual Meeting. It shall consider and recommend approval of community grant applications to Council within any limits set by Council and in accordance with any Policy statement approved by Council. All grants provided to Perennial Clients are to be considered and approved as part of the Council's budget setting process. Any client to be added to or removed from the Perennial Client list must be approved by resolution of Council following a recommendation from the Finance & General Purposes Committee.

5.8 In respect of Capital Grants that may be approved by the Council as part of its budget setting process, all applications are to be considered by the Finance & General Purposes Committee annually in October. The grant shall not be payable until at least 1st March of the following year and all successful applicants will need to provide evidence of expenditure prior to

the grant payment being approved. This evidence can be by way of receipted invoice, approved contract, order of goods or some other form that is satisfactory to the Town Clerk.

5.9 Members are bound by the Code of Conduct as adopted by the Council and shall not be present in the room when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary 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 approved in writing by a member.

6 INSTRUCTIONS FOR THE MAKING OF PAYMENTS

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

6.2 Following authorisation under Financial Regulation 5 above, the Council, a duly delegated committee or, if so delegated, the Clerk or RFO shall give instruction that a payment shall be made.

6.3 All payments shall be effected by cheque or other instructions to the Council's bankers, or otherwise, in accordance with a resolution of Council or duly delegated Committee.

6.4 Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to Council shall be signed by two members of council and countersigned by the Clerk or (in the Clerk's absence) the Finance Officer. If a member who is also a bank signatory has declared a disclosable pecuniary interest in the matter in respect of which the payment is being, alternative councillors shall be required to sign the cheque for 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.

6.6 If thought appropriate by the council, payment for utility supplies (energy, telephone and water), any National Non-Domestic Rates and other regular on-going contracts may be made by variable Direct Debit provided that the instructions are signed by two members plus the Town Clerk or Finance Officer and any payments are reported to 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.

6.7 If thought appropriate by the council, payment for certain items may be made by Banker's Standing Order provided that the instructions are signed, or

otherwise evidenced by two members plus the Town Clerk or Finance Officer and any payments are reported to Council as made. The approval of the use of a Bankers Standing Order shall be renewed by resolution of the council at least every two years.

6.8 The normal method of making payments will be by electronic bank payments provided that the instructions for each payment are signed, or otherwise evidenced, by two members plus the Town Clerk or Finance Officer and any payments are reported to Council as made. Should it become necessary to make any payment by cheque then these will be actioned monthly. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.

6.9 The process to be followed for the making of electronic bank payments is:

- The payments to be made will be processed through internet banking with a future payment date of at least a week, and preferably 10 days;
- This list will be printed out from internet banking and placed with the invoices or 'orders for payment' or similar paperwork to support the payment;
- This list will be examined by 2 councillors prior to the date when internet banking is scheduled to make the payments;
- The 2 councillors will sign the internet banking schedule to confirm they have examined the payments and are satisfied that the payments can and should be made;
- In the event that councillors are not content that any of the payments should be made, there is still time for them to be removed from internet banking before the scheduled due date.

6.10 Payment of staff salaries is to be made by internet banking transfer with a 'schedule' or 'order for payment' being signed by two members plus the Town Clerk or Finance Officer. All internet banking transfers are to be entered into the computer system in the presence of the Chairman of the Finance & General Purposes Committee or the Town Mayor. If neither of these members are available for any reason an alternative councillor must be present to confirm the payments.

6.11 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 unless by resolution of the Council or a duly delegated committee.

6.11 Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question.

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

6.13 Where internet banking arrangements are made with any bank, the Town Clerk and RFO shall be appointed as the Service Administrator.

Arrangements shall also be made to ensure that a councillor is involved in authorising payments before they are made.

6.14 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.

6.15 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for the change signed by two of the Town Clerk & RFO, Chairman of the Finance & General Purposes Committee and the Town Mayor. A programme of regular checks of standing data with suppliers will be followed.

6.16 The Finance Officer may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the Finance Officer with a claim for reimbursement.

a) The RFO shall maintain as petty cash a float of £315 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.

c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to council under 5.2 above.

7 PAYMENT OF SALARIES

7.1 As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council, or the Finance & General Purposes Committee.

7.2 Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions may 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. All payments are to be made in accordance with regulation 6.9 above and be duly authorised as specified in that regulation.

7.3 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the relevant

committee with the exception of contractual spinal column point pay increases.

7.4 Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record. This confidential record is not open to inspection or review (under the Freedom of Information Act 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;
d) by any person authorised under Audit Commission Act 1998.

7.5 The total of such payments in each calendar month shall be reported with all other payments as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.

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 approval shall be approved by Council as to terms and purpose. The application for Borrowing Approval, and subsequent arrangements for the Loan shall only be approved by full Council.

8.2 Any financial arrangement which does not require formal Borrowing Approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full Council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.

8.3 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with council policy.

8.4 The council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.

8.5 All investments of money under the control of the Council shall be in the name of the Council.

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

8.7 Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (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 RFO.

9.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the council.

9.3 The Council will review all fees and charges at least annually, following a report of the Clerk.

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

9.5 All sums received on behalf of the Council shall be banked intact as directed by the Finance Officer. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the Finance Officer considers necessary.

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

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

9.8 The Finance Officer shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made quarterly.

9.9 Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10 ORDERS FOR WORK, GOODS AND SERVICES

10.1 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.

10.2 Order books shall be controlled by the RFO.

10.3 All members 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 minimus provisions in Regulation 11 (i) below.

10.4 A member may not issue an official order or make any contract on behalf of the council.

10.5 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

11 CONTRACTS

11.1 Procedures as to contracts are laid down as follows:

(a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:

(i) for the supply of gas, electricity, water, sewerage and telephone services;

(ii) for specialist services such as are provided by 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.

(b) Where it is intended to enter into a contract exceeding £50,000 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 shall invite tenders from at least four firms having previously advertised the nature and purpose of the proposed contract in accordance with the Contract Standing Orders.

(c) 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.

(d) Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically

marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

(f) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council who will normally be the Chairman or member of the relevant Committee.

(g) If less than three tenders are received for contracts above £50,000 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) All tenders received and opened are to be assessed and analysed before being reported to the next meeting of Council or the appropriate Committee.

(i) Any invitation to tender issued under this regulation shall contain a statement to the effect of Standing Order 21, and shall refer to the terms of the Bribery Act 2010.

(j) When it is to enter into a contract less than £50,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 and above £2,000 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.

(k) The council shall not be obliged to accept the lowest of any tender, quote or estimate.

(l) 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.

(m) The European Union Procurement Directive shall apply and the terms of the Public Contracts Regulations including thresholds shall be followed.

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 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).

12.2 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 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 confirmed by the Clerk to the contractor in writing, the Council being 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 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 all 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 RFO shall be responsible for periodic checks of stocks and stores at least annually.

14 ASSETS, PROPERTIES AND ESTATES

14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.

14.2 No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.

14.3 No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law. In each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

14.4 No real property (interests in land) shall be purchased or acquired without the authority of the Council. In each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

14.5 Subject only to the limit set in 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

14.6 The Finance Officer 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 and valued at least once during the term of the Council.

15 INSURANCE

15.1 Following the annual risk assessment (per Financial Regulation 17), the Town Clerk shall effect all insurances and negotiate all claims on the council's insurers.

15.2 The Town Clerk shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.

15.3 The Town Clerk 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.

15.4 All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council, or duly delegated committee.

16 CHARITIES

16.1 Where the council is sole managing trustee of a charitable body the Clerk and RFO shall ensure that separate financial records are made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Town Clerk shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

17 TOWN MAYOR'S CHARITY ACCOUNT

17.1 During the Town Mayor's period of office, he/she may raise funds for charities or causes that are for the benefit of people locally or nationally/internationally.

17.2 The Town Mayor is responsible for the choice of beneficiaries as well as the activities that are undertaken to raise and/or distribute the funds.

17.3 The Town Mayor may use the budget allowance provided each year to cover the costs incurred in undertaking the role of Town Mayor to defray the expenses incurred during fundraising activities should he/she so desire.

17.4 All cheques or orders for payment raised from the account are to be authorised by the Town Mayor and signed by two councillors in accordance with the bank mandate.

17.5 Whilst the Town Mayor remains responsible for the activities raising funds, the control of all invoices, payments and associated documentation rests

with the Finance Officer who will operate control systems in line with those used for regular council expenditure and maintain appropriate financial records for audit purposes.

17.6 The balance of the Town Mayor's Charity Account should be reported regularly by the Responsible Finance Officer to the Finance & General Purposes Committee.

17.7 Bank reconciliations are to be presented by the Finance Officer to the Finance & General Purposes Committee with the regular bank accounts on a monthly basis.

18 RISK MANAGEMENT

18.1 The council is responsible for putting in place arrangements for the management of risk. The Clerk 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.

18.2 When considering any new activity, the Clerk or appropriate Officer shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

20 SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

19.1 It shall be the duty of the council to review the Financial Regulations of the council on a regular basis. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these financial regulations.

19.2 The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.

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