

# CORRINGTONHAM PARISH COUNCIL

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## FINANCIAL REGULATIONS

Adopted from the National Association Local Councils (NALC) Model  
Financial Regulations 2024

Adopted May 2025

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## 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. Financial regulations are one of the council's governing policy documents and shall be observed in conjunction with the Council's Standing.
- 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. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.
- 1.6. Wilful breach of these regulations by an employee may result in disciplinary proceedings.
- 1.7. In these Financial Regulations:

'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.

"Approve" refers to an online action, allowing an 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 and Governance (JPAG) and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Clerks in Wales.

'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.
- 1.8. 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.
- 1.9. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council.

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1.10 The RFO;

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and accounting control systems;
- ensures the accounting control systems are observed;
- maintains the accounting records of the council up to date in accordance with proper practices;
- assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
- produces financial management information as required by the council.

1.11 **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 Power of Competence; and**
- **addressing recommendations from the internal or external auditors**

1.12 In addition, the council shall:

- determine and regularly review the bank mandate for all council bank accounts;
- authorise any grant or single commitment in excess of [£5,000];

## 2. Risk management and 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.**

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2.5 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.

2.6 At least once in each quarter, and at each financial year end, 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 document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the council or Finance Committee.

2.7 Regular back-up copies shall be made of the records on any council computer and stored either 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.

2.8 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.

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2.9 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 £1000.00 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.

## 3. Accounting and Audit (Internal and External)

3.1 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.

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 reasonably 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.

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 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.

3.6 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.

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 Practitioners' Guide.

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3.8 The Council shall ensure that the internal auditor:

- is 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;
- can demonstrate competence, objectivity and independence free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- 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 other advice including in relation to any future transactions; or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

3.10 For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is 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 by Audit & 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 or external auditors.

## 4. Budget and Precept

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 October for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the Council or relevant committee. The RFO will inform committees of any salary implications before they consider their draft budgets.

4.3 No later than October each year, the RFO shall prepare a draft budget with detailed estimates of all receipts and payments/income and expenditure for the following financial year, taking account of the lifespan of assets and cost implications of repair or replacement.

4.4 Unspent funds for partially completed projects may only be carried forward (by placing them in an earmarked reserve) with the formal approval of the full council.

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- 4.5 Each committee (if any) shall review its draft budget and submit any proposed amendments to the Council not later than the end of October each year.
- 4.6 The draft budget with any committee proposals and forecasts, including any recommendations for the use or accumulation of reserves, shall be considered by the Finance Committee and a recommendation made to the Council.
- 4.7 Having considered the proposed budget and forecasts, the council shall determine its Council Tax requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.
- 4.8 **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.**
- 4.9 The Council may accrue reserves to avoid significant increases to the precept in any one financial year. The reserves may take to form of General Reserves, Earmarked Reserves or Ringfenced Reserves.
  - General Reserves: The Council may hold Reserves against the predicted spend required by the Council to undertake its statutory duties, and for regular services required by the Parish.
  - Earmarked Reserves: The Council may hold Earmarked Reserves against proposed projects that exceed one year's budgeted income or are long term initiatives.
  - Ringfenced Reserves: The Council may hold Ringfenced Reserves, that cannot be spent for any other means other than what they were created for. Ringfenced reserves must be allocated to a specific budgetary requirement.
- 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 the agreed annual budget.
- 4.11 The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.12 Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the council or relevant committee.
- 4.13 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 material variances. For this purpose "material" shall be in excess of £100 or 10% of the budget.

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## 5. Procurement and Authority to Spend

5.1 **Members and officers are responsible for obtaining value for money at all times.** Any officer 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 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 Every contract shall comply with the council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.

5.4 **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 Procurement Act 2023 and The Procurement Regulations 2024 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**

5.5 Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 5.12) obtain prices as follows:

- For contracts estimated to exceed £60,000 including VAT, the Clerk shall seek formal tenders from at least three suppliers (where possible) agreed by the council. 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 regarding the publication of invitations and notices.**
- For contracts greater than £3,000 excluding VAT the Clerk or RFO shall seek at least three fixed-price quotes;
  - where the value is between £500 and £3,000 excluding VAT, the Clerk or RFO shall try to obtain 3 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.

5.6 **Contracts must not be split to avoid compliance with these rules.**

5.7 The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:

- i. specialist services, such as legal professionals acting in disputes;
- ii. repairs to, or parts for, existing machinery or equipment;
- iii. works, goods or services that constitute an extension of an existing contract;
- iv. goods or services that are only available from one supplier or are sold at a fixed price.

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5.8 When 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 The council shall not be obliged to accept the lowest or any tender, quote or estimate.

5.10 Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- the Clerk, under delegated authority, for any items below £500 excluding VAT.
- the Clerk, in consultation with the Chair of the Council, for any items below £2,000 excluding VAT.
- a duly delegated committee of the council for all items of expenditure within their delegated budgets for items under £5,000 excluding VAT
- the council for all items over £5,000;

Such authorisation must be supported by a minute (in the case of council or committee decisions) or other auditable evidence trail.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

5.11 No individual member, or informal group of members may issue an official order unless instructed to do so in advance by a resolution of the council or make any contract on behalf of the council.

5.12 No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the council or a duly delegated committee acting within its Terms of Reference 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 In cases of serious risk to the delivery of council services or to public safety on council premises, the clerk may authorise expenditure of up to £2,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.

5.14 No expenditure shall be authorised, no contract entered into or tender accepted in relation to any major 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.

5.15 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, along with evidence of receipt of goods.

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5.16 Any ordering system can be misused and access to them shall be controlled by the RFO.

## 6. Banking Arrangements and Authorisation of Payments

6.1 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.

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. 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 for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO.

6.4 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.

6.5 The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices and present the schedule to council. The council / committee 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 by two members of the council and signed by the person making the payment when the said payment is made. A detailed list of all payments shall be disclosed within, or as an attachment to, the minutes of the meeting at which payment was authorised.

6.6 The Clerk or RFO shall have delegated authority to authorise the payment of items only in the following circumstances:

- any payments of up to £500 excluding VAT, within an agreed budget.
- payments of up to £1,000 excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.
- 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 [or finance committee];
- an expenditure item authorised under 6.7 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council [or finance committee]; or
- fund transfers within the councils banking arrangements up to the sum of £5,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council.

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- 6.7 For each financial year the Clerk and RFO 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 and regular maintenance contracts and the like for which council, may authorise payment for the year provided that the requirements of regulation 5.10 (Procurement & Authority to Spend) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council.
- 6.8 A record of regular payments made under 6.7 above shall be drawn up and be signed by two members on each and every occasion when payment is authorised - thus controlling the risk of duplicated payments being authorised and / or made.
- 6.9 In respect of grants a duly authorised committee may 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.
- 6.10 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.

## 7. Instructions for the Making Of Payments

- 7.1 The council will make safe and efficient arrangements for the making of its payments.
- 7.2 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.
- 7.3 All payments shall be made by online banking or cheque, in accordance with a resolution of the council or duly delegated committee or a delegated decision by an officer, unless the Council resolves to use a different payment method.

### Electronic payments

- 7.4 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 can be authorised to approve transactions on those accounts and a minimum of two people can 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.
- 7.5 All authorised signatories shall have access to view the council's bank accounts online.
- 7.6 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 or a duly delegated committee.
- 7.7 A full list of all payments made in a month shall be provided to the next Council meeting and appended to the minutes.

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7.8 With the approval of [the council] in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed/approved by two authorised members. The approval of the use of each variable direct debit shall be reviewed by the Council at least every two years.

7.9 Payment may be made by BACS or CHAPS by resolution of the Council provided that each payment is approved by two authorised signatories, evidence is retained and any payments are reported to the Council at the next meeting. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.

7.10 If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed/ approved 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.

7.11 Account details for suppliers may only be changed upon written notification by the supplier verified by the Clerk, RFO or a member. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.

7.12 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.

7.13 Remembered password facilities should not be used on any computer used for council banking.

## **Cheque payments**

7.14 Cheques or orders for payment in accordance in accordance with a resolution or delegated decision shall be signed by two members or one member and the Clerk.

7.15 A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.

7.16 To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice. Cheques or orders for payment shall not normally be presented for signature other than at, or immediately before or after a council meeting. Any signatures obtained away from council meetings shall be reported to the Council at the next convenient meeting.

## **Payment cards**

7.17 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 £200 unless authorised by council or finance committee in writing before any order is placed.

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- 7.18 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.
- 7.19 Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk, RFO, or any member as specified by the Council, and any balance shall be paid in full each month.
- 7.20 Personal credit or debit cards of members or staff shall not be used except for expenses of up to £250 including VAT, incurred in accordance with council policy.

## Petty Cash

- 7.21 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, at least quarterly.

## 8 Payments under contracts for building or other construction works

- 8.1 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.
- 8.2 Any variation of, addition to or omission from a contract must be authorised by the Clerk to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

## 9. Payment of Salaries

- 9.1 As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation.
- 9.2 Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.
- 9.3 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 duly delegated committee.
- 9.4 Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the Council.
- 9.5 Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

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9.6 Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

9.7 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, with the total of such payments each calendar month reported in the cashbook. This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

- by the Council or Finance Committee to ensure that the correct payments have been made.
- by any councillor who can demonstrate a need to know;
- by the internal auditor;
- by the external auditor; or
- by any person authorised under Audit Commission Act 1998, or any superseding legislation.

9.8 Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.

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

## 10. Loans and Investments

10.1. All borrowings shall be affected in the name of the council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full council.

10.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State/Welsh Assembly Government (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.

10.3. 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 Clerk or RFO.

10.4. 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.

10.5. 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.

10.6. All investments of money under the control of the council shall be in the name of the council.

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

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10.8. 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).

## 11 Income

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

11.2 The council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Clerk. The RFO shall be responsible for the collection of all amounts due to the council.

11.3 Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year. The Council's approval shall be shown in the accounting records.

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

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

11.6 The RFO shall ensure that VAT is correctly recorded in the council's accounting and that any VAT return is promptly complete as 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.

11.7 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, that the amount of cash is recorded and signed for by at least two persons – at least one to be a Councillor, and that appropriate care is taken in the security and safety of individuals banking such cash.

11.8 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 7](#) below).

## 12. Stores and equipment

12.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

12.2. 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.

12.3. Stocks shall be kept at the minimum levels consistent with operational requirements.

12.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually.

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## 13. Assets, Properties and Estates

- 13.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council.
- 13.2 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.
- 13.3 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.
- 13.3 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.
- 13.5 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, save where the estimated value of any one item of tangible movable property does not exceed £500.
- 13.6 No 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).
- 13.7 No interests in land shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

## 14. Insurance

- 14.1. Following the annual risk assessment (per Regulation 17), the RFO shall effect all insurances and negotiate all claims on the council's insurers in consultation with the Clerk.
- 14.2. The Clerk shall give prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 14.3. The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 14.4. 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.
- 14.5. 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, or duly delegated committee.

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## 15. Charities

15.1. 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.

## 16. Suspension and 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 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. 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.

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## 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. 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.
- 4) 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.
- 5) Any invitation to tender issued under this regulation shall be subject to Standing Order [insert reference of the council's relevant standing order] and shall refer to the terms of the Bribery Act 2010.
- 6) Where 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, 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.

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