

Financial Regulations

RESPONSIBLE COMMITTEE: POLICY AND FINANCE

This is a policy/procedure document of Saltash Town Council to be followed by both Town Council Members and Employees.

Current Document Status			
Version	2024-25	Approved by	FTC
Date	01.08.2024	Responsible Officer	RFO
Minute no.	143/24/25a	Next review date	Annual or as required

Version History					
Date	Version	Author/ editor	Committee/ date	Minute no.	Notes
07/2024	2024/25 DRAFT	NALC/WP	P&F 09.07.2024	47/24/25a	Revised from new NALC model document replacing previous version. Recommended to FTC 01.08.2024
07/2024	2024/25 DRAFT	WE/AJT	FTC 01.08.2024	143/24/25a	Approved.

Document Retention Period
Until superseded

SALTASH TOWN COUNCIL FINANCIAL REGULATIONS

Contents

1. General	4
2. Risk management and internal control	6
3. Accounts and audit	8
4. Budget and precept.....	11
5. Procurement.....	12
6. Banking and payments.....	17
7. Electronic payments.....	19
8. Cheque payments	22
9. Payment cards.....	22
10. Petty Cash.....	23
11. Payment of salaries and allowances.....	24
12. Loans and investments	25
13. Income	26
14. Payments under contracts for building or other construction works	27
15. Stores and equipment	28
16. Assets, properties and estates.....	28
17. Insurance	29
18. Charities.....	30
19. Suspension and revision of Financial Regulations	30
Appendix 1 - Tender process	32

These Financial Regulations were adopted by the Town Council at its meeting held on 1st August 2024.

1. General

1.1. These Financial Regulations govern the financial management of the Town Council and may only be amended or varied by resolution of the Town Council. They are one of the Town Council's governing documents and shall be observed in conjunction with the Town Council's Standing Orders.

1.2. Town Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of Town Councillor into disrepute.

1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.

1.4. 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 Town 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 Town Councils in

Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Town Council Town Clerks in Wales.

- ‘Must’ and **bold text** refer to a statutory obligation the Town Council cannot change.
- ‘Shall’ refers to a non-statutory instruction by the Town Council to its members and staff.

1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the Town Council. The Town Clerk has been appointed as RFO and these regulations apply accordingly. The RFO:

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

1.6. The Town Council must not delegate any decision regarding:

- **setting the final budget or the precept (Town 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.**

1.7. In addition, the Town Council shall:

- **determine and regularly review the bank mandate for all Town Council bank accounts;**
- **authorise any grant or single commitment in excess of £5,000; 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.**

2. Risk management and internal control

2.1. The Town Council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.

2.2. The Town Clerk/RFO shall prepare, for approval by the Town Council, a risk management policy covering all activities of the Town Council. This policy and consequential risk management arrangements shall be reviewed by the Town Council at least annually.

2.3. When considering any new activity, the Town Clerk/RFO shall prepare a draft risk assessment including risk management proposals for consideration by the Town Council.

2.4. **At least once a year, the Town Council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**

2.5. **The accounting control systems determined by the RFO must include measures to:**

- **ensure that risk is appropriately managed;**
- **ensure the prompt, accurate recording of financial transactions;**
- **prevent and detect inaccuracy or fraud; and**
- **allow the reconstitution of any lost records;**
- **identify the duties of officers dealing with transactions and**
- **ensure division of responsibilities.**

2.6. At least once in each quarter, and at each financial year end, the Chairman of Policy and Finance Committee and RFO shall be appointed to verify bank reconciliations for all accounts produced by the Finance Officer (FO). The Chairman and RFO shall sign and date the reconciliations and the original

bank statements (or similar document) using the Town Council accounts approval system as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Town Council

2.7. Regular back-up copies shall be made of the records on any Town Council computer and stored either online or in a separate location from the computer. The Town Council shall put measures in place to ensure that the ability to access any Town Council computer is not lost if an employee leaves or is incapacitated for any reason.

3. Accounts and audit

3.1. All accounting procedures and financial records of the Town Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.

3.2. **The accounting records determined by the RFO must be sufficient to explain the Town 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 Town Council and the matters to which they relate;**
- **a record of the assets and liabilities of the Town Council.**

3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return (AGAR).

3.4. The RFO shall complete and certify the annual Accounting Statements of the Town 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 Town Council, within the timescales required by the Accounts and Audit Regulations.

3.5. The Town Council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.

3.6. Any officer or member of the Town Council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit and shall, as directed by the Town Council, supply the RFO, internal auditor, or external auditor with such information and explanation as the Town Council considers necessary.

3.7. The internal auditor shall be appointed by the Town Council and shall carry out their work to evaluate the effectiveness of the Town Council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

3.8. The Town Council shall ensure that the internal auditor:

- is competent and independent of the financial operations of the Town Council;
- reports to Town Council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;

- can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the management or control of the Town Council.

3.9. Internal or external auditors may not under any circumstances:

- perform any operational duties for the Town 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 Town Council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.

3.11. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts, including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

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

4. Budget and precept

- 4.1. Before setting a precept, the Town Council must calculate its Town Council tax (England) 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 Town Council at least annually in October for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Town Clerk and the Chairman of the Town Council. The RFO will inform committees of any salary implications before they consider their draft budgets.
- 4.3. No later than November each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year along with a forecast for the following five financial years, taking account of the lifespan of assets and cost implications of repair or replacement.
- 4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. 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 Town Council.
- 4.5. Each committee shall review its draft budget and submit any proposed amendments to the Town Council Policy and Finance Committee not later than the end of November each year.

- 4.6. The draft budget with any committee proposals and five-year forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the Policy and Finance Committee and a recommendation made to the Town Council.
- 4.7. Having considered the proposed budget and five-year forecast, the Town Council shall determine its Town Council tax requirement by setting a budget. The Town 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 Town 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 and must disclose at the start of the meeting that Section 106 applies to them.**
- 4.9. 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.
- 4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the Town Council.

5. Procurement

- 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 Town 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 Public Contracts Regulations 2015 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 Town Council shall (with the exception of items listed in paragraph 6.12) obtain prices as follows:

5.6. For contracts estimated to exceed £30,000 including VAT, the Town Clerk shall seek formal tenders from at least three suppliers agreed by the Town Council OR advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.

5.7. For contracts estimated to be over £30,000 including VAT, the Town Council must comply with any requirements of the Legislation¹ regarding the advertising of contract opportunities and the publication of notices about the award of contracts.

5.8. For contracts greater than £3,000 excluding VAT the Town Clerk/RFO shall seek at least 3 fixed price quotes;

5.9. where the value is between £500 and £3,000 excluding VAT, the Town Clerk/RFO shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.

5.10. For smaller purchases, the Town Clerk shall seek to achieve value for money.

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

5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items 5.12.1 to 5.12.4 below:

5.12.1 specialist services, such as legal professionals acting in disputes;

5.12.2 repairs to, or parts for, existing machinery or equipment;

5.12.3 works, goods or services that constitute an extension of an existing contract;

5.12.4 goods or services that are only available from one supplier or are sold at a fixed price.

¹ The Regulations require Town Councils to use the Contracts Finder website if they advertise contract opportunities and also to publicise the award of contracts over £30,000 including VAT, regardless of whether they were advertised.

5.13. 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 Town Council. Avoidance of competition is not a valid reason.

5.14. The Town Council shall not be obliged to accept the lowest or any tender, quote or estimate.

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

- The Town Clerk/RFO, under delegated authority, for any items below £1,000 excluding VAT.
- The Town Clerk/RFO, in consultation with the Chairman of the Town Council or Chairman of the appropriate committee, for any items below £2,000 excluding VAT.
- A duly delegated committee of the Town Council for all items of expenditure within their delegated budgets for items under £5,000 excluding VAT.
- in respect of grants, a duly authorised committee within any limits set by Town Council and in accordance with any policy statement agreed by the Town Council.
- the Town Council for all items over £5,000;

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

- 5.16. 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 Town Council or make any contract on behalf of the Town Council.
- 5.17. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the Town Council or a duly delegated committee acting within its Terms of Reference, except in an emergency. In cases of serious risk to the delivery of Town Council services or to public safety on Town Council premises, the Town 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 Town Clerk/RFO shall report such action to the Chairman as soon as possible and to the Town Council as soon as practicable thereafter.
- 5.18. No expenditure shall be authorised, no contract entered into, or tender accepted in relation to any major project, unless the Town Council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.
- 5.19. An official order shall be issued for all work, goods and services above £250 excluding VAT 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.
- 5.20. Any ordering system can be misused and access to them shall be controlled by the RFO.

6. Banking and payments

- 6.1. The Town Council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the Town Council; banking arrangements shall not be delegated to a committee. The Town Council has resolved to bank with Barclays Bank. The arrangements shall be reviewed regularly for security and efficiency.
- 6.2. The Town 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 Town 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 Budget Line Manager and two Town Councillors before being certified by the FO. Where the certification of invoices is done as a batch, this shall include a statement by the FO that all invoices listed have been 'examined, verified and certified' by the FO.
- 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. All payments shall be made by online banking/cheque, in accordance with a resolution of the Town Council unless the Town Council resolves to use a different payment method.
- 6.6. For each financial year the FO may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Town Council may authorise in advance for the year.
- 6.7. A copy of this schedule of regular payments shall be approved via the accounting system by the RFO, FO and Chairman of the Policy and Finance Committee on each and every occasion when payment is made - to reduce the risk of duplicate payments.
- 6.8. A list of such payments shall be reported to the next appropriate meeting of the Town Council for information only.
- 6.9. The Town Clerk/RFO and Finance Officer shall have delegated authority to authorise payments only in the following circumstances:
- 6.9.1 any payments of up to £500 excluding VAT, within an agreed budget.
 - 6.9.2 payments of up to £2,000 excluding VAT in cases of serious risk to the delivery of Town Council services or to public safety on Town Council premises.
 - 6.9.3 any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled

meeting of the Town Council, where the Town Clerk/ RFO and Finance Officer 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 Town Council.

6.9.4 Fund transfers within the Town Councils banking arrangements up to the sum of £150,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Town Council.

6.9.5 Arrange new variable direct debits from Barclays for regular expenditure up to a monthly cost of £500 + VAT and reporting to the Policy and Finance Committee at the next meeting.

6.10. The FO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, together with the relevant invoices, to the Town Council. The Town Council shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person Chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

7. Electronic payments

7.1. Where internet banking arrangements are made with any bank, the RFO and FO shall be appointed as the Service Administrators. The bank mandate agreed by the Town Council shall identify a number of Town Councillors and officers who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process.

- 7.2. All authorised signatories shall have access to view the Town Council's bank accounts online.
- 7.3. No employee or Town Councillor shall disclose any PIN or password, relevant to the Town Council or its banking, to anyone not authorised in writing by the Town Council or a duly delegated committee.
- 7.4. The Finance Assistant shall set up all items due for payment online. A list of payments are approved via the Town Council approval system by the RFO, FO and Chairman of the Policy and Finance Committee. Copies of the relevant invoices are saved securely online and can be viewed if the authorised signatory has file permissions and available on request.
- 7.5. In the prolonged absence of the Service Administrator an authorised signatory shall set up any payments due before the return of the Service Administrator.
- 7.6. Two authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system.
- 7.7. Evidence shall be retained showing which members approved the payment online and a printout of the transaction confirming that the payment has been made shall be appended to the invoice for audit purposes.
- 7.8. A full list of all payments made in a month shall be provided to the next Town Council meeting and appended to the minutes.
- 7.9. With the approval of the Town Council in each case (exception of 6.9.5), 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 online by two authorised members. The approval of the use of each variable direct debit shall be reviewed by the Town Council at least every two years.

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

7.11. If thought appropriate by the Town Council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are approved online by two signatories, evidence of this is retained and any payments are reported to Town Council when made. The approval of the use of a banker's standing order shall be reviewed by the Town Council at least every two years.

7.12. Account details for suppliers may only be changed upon written notification by the supplier verified by the FO. 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 regularly.

7.13. Members and officers shall ensure that any computer used for the Town Council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.

7.14. Remembered password facilities, other than secure password stores requiring separate identity verification, should not be used on any computer used for Town Council banking.

8. Cheque payments

- 8.1. Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by two members who have banking mandate authorisation.
- 8.2. 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.
- 8.3. 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.
- 8.4. Cheques or orders for payment shall not normally be presented for signature other than at, or immediately before or after a Town Council meeting. Any signatures obtained away from Town Council meetings shall be reported to the Policy and Finance Committee at the next convenient meeting.

9. Payment cards

- 9.1. Any Debit Card issued for use will be specifically restricted to the Town Clerk/RFO and officers and the RFO and FO will also be restricted to a single transaction maximum value of £500 unless authorised by Town Council or Policy and Finance Committee in writing before any order is placed.

9.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Town Council. Transactions and purchases made will be reported to the Town Council and authority for topping-up shall be at the discretion of the Town Council.

9.3. Any corporate credit card or trade card account opened by the Town Council will be specifically restricted to use by the Town Clerk/RFO, FO, FA and Budget Line Manger and any balance shall be paid in full each month.

9.4. Personal credit or debit cards of members or staff shall not be used under any circumstances.

10. Petty Cash

10.1. All cash received must be banked intact. Any payments made in cash by the Town Clerk/ RFO or officers (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly. The FO shall maintain a petty cash imprest account of £215 and may provide petty cash to officers for the purpose of defraying operational and other expenses.

10.1.1 Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.

10.1.2 Cash income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.

10.1.3 Payments to maintain the petty cash float shall be shown separately on any schedule of payments presented for approval.

11. Payment of salaries and allowances

- 11.1. As an employer, the Town Council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 11.2. Town Councillors' allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 11.3. Salary rates shall be agreed by the Town 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 Personnel Committee and recommending to the Town Council.
- 11.4. 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.
- 11.5. 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.
- 11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the Personnel Committee to ensure that the correct payments have been made.

11.7. Any termination payments shall be supported by a report to the Town Council, setting out a clear business case. Termination payments shall only be authorised by the full Town Council.

11.8. Before employing interim staff, the Town Council must consider a full business case.

12. Loans and investments

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

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

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

12.4. All investment of money under the control of the Town Council shall be in the name of the Town Council.

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

12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

13. Income

13.1. The collection of all sums due to the Town Council shall be the responsibility of and under the supervision of the RFO.

13.2. The Town 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 Town Clerk. The RFO shall be responsible for the collection of all amounts due to the Town Council.

13.3. Any sums found to be irrecoverable, and any bad debts shall be reported to the Town Council by the RFO and shall be written off in the year. The Town Council's approval shall be shown in the accounting records.

13.4. All sums received on behalf of the Town Council shall be deposited intact with the Town Council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.

13.5. Personal cheques shall not be cashed out of money held on behalf of the Town Council.

13.6. The RFO shall ensure that VAT is correctly recorded in the Town Council's accounting software and that any VAT Return required is submitted from the

software by the due date. Any repayment claim under section 33 of the VAT Act 1994 shall be made and at least annually at the end of the financial year.

13.7. Where significant sums of cash are regularly received by the Town Council, the RFO shall 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 record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.

13.8. Any income that 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 Town Council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any Town Council meeting.

14. Payments under contracts for building or other construction works

14.1. 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.

14.2. Any variation of addition to or omission from a contract must be authorised by the Town Clerk to the contractor in writing, with the Town 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.

15. Stores and equipment

- 15.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 15.2. 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.
- 15.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 15.4. The FO in conjunction with Line Managers shall be responsible for periodic checks of stocks and stores, at least annually.

16. Assets, properties and estates

- 16.1. The Town Clerk/RFO shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the Town Council.
- 16.2. The RFO and FO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the Town Council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.
- 16.3. 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.

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

No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Town Council, together with any other consents required by law, except where the estimated value of any one item does not exceed £1,000. In each case a written report shall be provided to Town Council with a full business case.

17. Insurance

17.1. The RFO shall keep a record of all insurances effected by the Town Council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the Town Council's review of risk management.

17.2. Line Managers shall give prompt notification to the FO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

17.3. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the Town Council at the next

available meeting. The Town Clerk/ RFO shall negotiate all claims on the Town Council's behalf.

17.4. All appropriate members and employees of the Town 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 Town Council, or duly delegated committee.

18. Charities

18.1. Where the Town Council is sole managing trustee of a charitable body the Town Clerk/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 Town Clerk/RFO, FO and Senior Policy and Data Compliance Monitoring Officer shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

19. Suspension and revision of Financial Regulations

19.1. The Town Council shall review these Financial Regulations annually and following any change of Town Clerk or RFO. The Town Clerk/RFO shall make arrangements with the FO and Senior Policy and Data Compliance Monitoring Officer to monitor changes in legislation or proper practices and advise the Town Council of any need to amend these Financial Regulations.

19.2. The Town Council may, by resolution duly notified prior to the relevant meeting of Town Council, suspend any part of these Financial Regulations,

provided that reasons for the suspension are recorded and that an assessment of the risks arising has been presented to all members.

Suspension does not disapply any legislation or permit the Town Council to act unlawfully.

19.3. The Town 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.

Appendix 1 - Tender process

1. Any invitation to tender shall state the general nature of the intended contract and the Town 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 Town Clerk in the ordinary course of post, unless an electronic tendering process has been agreed by the Town 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 Town Clerk in the presence of at least one member of Town Council.
4. Where an electronic tendering process is used, the Town 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 19.4 and shall refer to the terms of the Bribery Act 2010.
6. Where the Town Council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the Town 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.