



DOVER TOWN COUNCIL

FINANCIAL REGULATIONS

Adopted 12th July 2023
Minute No: 23k)

TABLE OF CONTENTS

<u>Subject</u>	<u>Page No.</u>
1. General	1-3
2. Accounting and Audit (Internal & External)	3-5
3. Annual Estimates (Budget) and Forward Planning	5
4. Budgetary Control and Authority to Spend	5-6
5. Banking Arrangements and Authorisation of Payments	7
6. Instruction for the Making of Payments	7-10
7. Payment of Salaries	10
8. Loans and Investments	10-11
9. Income	11-12
10. Orders for Work, Goods and Services	12
11. Contracts	12-13
12. Payments under Contracts for Building or Other Construction Work	14
13. Stores and Equipment	14
14. Assets, Properties and Estates	14-15
15. Insurance	15
16. Risk Management	16
17. Suspension and Revision of Financial Regulations	16

DOVER TOWN COUNCIL

FINANCIAL REGULATIONS

These Financial Regulations were adopted by the Town Council at its Meeting held on 12th July 2023 (Minute No: 23k)). Standing Orders require that the financial affairs of the Council be governed by the Financial Regulations.

DEFINITIONS

In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations shall mean the regulations issued under the provisions of the Local Audit and Accountability Act 2014 s32, 43(2) and 46, or any superseding legislation, and then in force unless otherwise specified.

In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Smaller Authorities England* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

The term 'Town Clerk' refers to the Proper Officer (PO) and in their absence to the 'Responsible Financial Officer'. References to the Mayor/ Chairperson of the Council or of a Committee also mean (their absence) the Deputy Mayor/Vice Chairperson of a Committee.

National emergencies (such as Covid-19) may mean that any of these Regulations may be subject to overriding National Emergency Legislation or otherwise impractical. In that case regard should be had to the principles of good governance underlying the Regulations and appropriate changes made. Where possible this should include consultation between Senior Officers and Councillors, documentation of any decisions and reporting to the Internal Auditor and Council as appropriate.

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 observed in conjunction with the Council's Standing Orders and any individual financial regulations relating to contracts.
- 1.2. The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk.
- 1.3. The Council's accounting control systems must include measures:

- for the timely production of accounts;
 - that provide for the safe and efficient safeguarding of public money;
 - to prevent and detect inaccuracy and fraud; and
 - identifying the duties of officers.
- 1.4. These financial regulations demonstrate how the Council meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its system of internal control which shall be in accordance with Proper Practices.
- 1.6. A breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7. 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.
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the Council.
- 1.9. The RFO;
- acts under the policy direction of the Council;
 - administers the Council's financial affairs in accordance with Statute, 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.
- 1.10. 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, or records of receipts and payments and 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.

1.11. 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 or receipts and payments 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.

1.12. The accounting control systems determined by the RFO shall include:

- procedures to ensure that the financial transactions of the Council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
- procedures to ensure that material 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.

The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions as set out in Standing Orders and Committee Delegations shall be a matter for the Full Council only.

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 Statute, the Accounts and Audit Regulations, appropriate Guidance and Proper Practices.

2.2. At the end of each month the Town Clerk shall verify bank reconciliations (for all accounts) produced by the RFO. The Town Clerk and 2 Councillors shall sign the reconciliations and the original bank statements (or similar document) as evidence of

verification. Any matter of concern shall be reported to the Finance and General Purposes Committee and Internal Auditor.

- 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 an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or 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 Council in writing, or in person, on a regular basis with a minimum of one annual written report during each 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 without taking appropriate steps to safeguard their professional independence:
 - perform any operational duties for the Council;
 - initiate or approve accounting transactions; or
 - direct the activities of any Council employee, except to the extent that such employees have been appropriately assigned to assist the 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 the Local Audit

and Accountability Act 2014, or any superseding legislation, 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 its forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the Council including any proposals for revising the forecast in accordance with the agreed timetable having regard to the due date for the submission of the precept demand.
- 3.2. The RFO must each year, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be agreed by the Council in time for the precept demand to be submitted by the due date.
- 3.3. The Council shall consider annual budget proposals in relation to the Council's forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.4. The Council shall fix the precept, and relevant basic amount of Council tax to be levied for the ensuing financial year to enable the precept demand to be submitted by the due date. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 3.5. 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 may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:
 - the Council for all items of £15,001 and over;
 - a duly delegated Committee of the Council for items up to £15,000; or
 - the Town Clerk and/or Deputy Town Clerk, for expenditure up to and including £5000.

Such authority is to be evidenced by a Minute or by an authorisation slip duly signed by or email from the Town Clerk, and where required also by the appropriate Chairperson. Contracts may not be disaggregated to avoid controls imposed by these regulations.

- 4.2. No expenditure may be authorised that will materially exceed the amount provided in the revenue budget for that class of expenditure (except for immaterial amounts and subject to 4.4 below) other than by resolution of the Council, or duly delegated Committee.
During the budget year and with the approval of Council having considered fully the implications for public services, unspent and available amounts may be moved (vired) to other budget headings or to an earmarked reserve as appropriate.
- 4.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year without the agreement of Council.
- 4.4. In cases of extreme risk to the delivery of Council services, the Town Clerk may authorise revenue expenditure on behalf of the Council which in the Clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £5000. The Clerk shall report such action to the chairperson as soon as possible and to the Council as soon as practicable thereafter.
- 4.5. No expenditure shall be authorised and no contract entered into or tender accepted unless the Council is satisfied that the necessary funds are available and/or the requisite borrowing approval has been obtained.
- 4.6. All contracts must be administered in accordance with the Council's Standing Orders and Financial Regulations relating to contracts.
- 4.7. The RFO shall regularly provide the Council with a statement of income and expenditure 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.
- 4.8. Changes in earmarked reserves must be approved by Council as part of the budgetary control process.
- 4.9. Committees may resolve virements of up to £10,000 per year between their budget provisions provided the virements are consistent with the Town Council's Ambition Plan and Policies.
- 4.10. The agreement of the Full Council is required where projects require financial commitments beyond the year of the next local council election.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 5.1. The Council must determine and keep under regular review the bank mandate for all Council bank accounts.

5.2. The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council. They shall be annually reviewed for safety and efficiency. The Town Clerk and RFO are authorised to administer the account on a day-to-day basis excluding authorisation for payments to third parties. The Town Clerk and RFO may be included on a bank mandate where necessary for administration of the account on an efficient basis.

5.3. The RFO shall prepare a schedule of payments requiring approval, forming part of the Agenda for a Meeting of the Council. The Council shall review the schedule and approve payment. The approved schedule shall be initialled by the Chairperson of the Meeting.

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. Payments information may be redacted in accordance with obligations under Data Protection legislation. Approval of payments by the Council may be retrospective.

5.4. Invoices and other documentation shall be available for inspection by members with the exception of those restricted under the Data Protection Act or other applicable legislation.

5.5. 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. The RFO shall prepare supporting information necessary for Councillors to pay invoices in accordance with agreed terms and conditions and record the expenditure against the appropriate budget heading.

5.6. Transfers between the Council's accounts shall be authorised by two members in writing. The Clerk and RFO shall have delegated authority to authorise the transfer of amounts between the Councils accounts held at the same bank and in an emergency situation, to protect the Councils monies, between the Councils accounts at different banks

5.7. Members are subject to the Code of Conduct that has been adopted by the Council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.

6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

6.1. The Council will make safe and efficient arrangements for the 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 (except for petty cash payments – see 6.20) shall be affected 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 to be drawn on the bank account in accordance with the schedule as presented to Council or committee shall be signed by two members of Council in accordance with a resolution or delegated power instructing that payment. If a member who is also a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being made, that Councillor shall be required to consider Standing Orders, and thereby determine whether it is appropriate and / or permissible to be a signatory to the transaction in question.
- 6.5. To indicate agreement of the details shown on the cheque or order for payment with the invoice or similar documentation, the signatories shall each also initial the invoice or supporting documentation.
- 6.6. The RFO may make arrangements, payment of items including regular supplies (such as energy, telephone and water) and any National Non-Domestic Rates to be made by variable Direct Debit provided that the instructions to set up the direct debit and for all payments are signed by two members and any payments are reported to Council as made.
- 6.7. The RFO may make arrangements for payment of certain items to be made by Banker's Standing Order provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to Council as made.
- 6.8. The RFO may make arrangements for payment of certain items to be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories are retained and any payments are reported to Council as made.
- 6.9. The RFO may make arrangements for payment of certain items to be made by internet banking transfer provided evidence is retained showing which two members approved the payment.
- 6.10. Where the Council's finance and banking arrangements requires use of a personal identification number (PIN) or other password(s), for access to the Council's records on that computer, the RFO shall be responsible for ensuring that appropriate security arrangements are made.
- 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 in writing by the RFO.
- 6.12. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.

- 6.13. The Council shall ensure an adequate level of computer security which may include anti-virus, anti-spyware and firewall, and software with automatic updates.
- 6.14. Where internet banking arrangements are made with any bank, the RFO and/or The Town Clerk shall be appointed as the Service Administrator(s). Approval for on-line payments must be given by two authorised bank signatories in writing. The written approval must be retained together with invoices and other supporting documentation. It is expected that in normal circumstances payment will be overseen by a second officer who will sign the documentation to evidence correct process.
- 6.15. Access to any internet banking accounts will be in accordance with best practice to manage security risks.

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.

- 6.16. 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 change signed by the RFO and/or Town Clerk following appropriate verification checks. Banking details will be checked to invoice or other documentation for each payment made.
- 6.17. Any Debit Card issued for use will be specifically restricted to the RFO and/or Town Clerk and will also be restricted to a single transaction maximum value of £2500 unless authorised by Council or finance committee before any order is placed.
- 6.18. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Finance and General Purposes Committee. Transactions and purchases made will be reported to the Council.
- 6.19. Any corporate credit card or charge card account opened by the Council will be specifically restricted to use by the RFO and/or Town Clerk and shall be subject to automatic payment in full at each month-end.
- 6.20. The RFO may provide petty cash to officers and/or members for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement.
- a) The RFO shall maintain as petty cash float of £500 or such amount as is reasonable necessary for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - b) All income received must be recorded in full in the accounting records of the Council.

- c) A summary of petty cash payments and 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 duly delegated 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 must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available Council meeting, as set out in these regulations above.
- 7.3. 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 legislation) other than:
 - a) by any Councillor or other person properly authorised by the Town Clerk/RFO and/or the Council. who can demonstrate a compliant need to know;
 - b) by the internal auditor;
 - c) by the external auditor; or
 - d) by any person authorised under the Local Audit and Accountability Act 2014, or any superseding legislation.
- 7.4. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.

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. The Town Clerk shall review all statements of account from the Town Council's bankers and investment providers when received in addition to the RFO.
- 8.4. 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.
- 8.5. The Council shall adopt an Investment Strategy and Policy which shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually.
- 8.6. All investments of money under the control of the Council shall be in the name of the Council.
- 8.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO .
- 8.8. 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).

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 or delegated committee.
- 9.3. The Council will review all fees and charges at least annually, following a report of the Clerk or delegated committee or the matter may be delegated to the Proper Officer.
- 9.4. Any material sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.
- 9.5. All sums received on behalf of the Council shall be recorded in full the Council's accounting records and banked intact or 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.
- 9.6. The origin of each receipt shall be entered on the bank paying-in slip and/or other record of receipt.

- 9.7. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.8. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 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 where an official order is inappropriate. Copies of orders shall be retained.
- 10.2. Records of orders issued 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 and presenting it to the full Town Council for agreement on preferred quotation or estimate.
- 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, reports to the Council or committee meeting authorising expenditure shall indicate the statutory authority
- 10.6. In awarding any contract the Council must comply with the provisions of the Public Services (Social Value) Act 2013. This requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.
- 10.7. In considering best value, the Council will give appropriate weighting to tenders and quotations from suppliers and contractors based in the town of Dover and its immediate vicinity or employing over 75% of its workforce from the town or its surrounding area.

11. CONTRACTS

- 11.1. Procedures as to contracts are laid down as follows:

The Council is committed to an open and transparent procedure for the awarding of contracts.

Where the Council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 (“the Regulations”) (or superseding legislation or regulations) which is valued at £25,000 or more, the Council shall comply with the relevant requirements of the Regulations.

The full requirements of the Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public work contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (or superseding legislation and which thresholds may change from time to time)

- a. Where it is intended to enter into a contract exceeding £25,000 in value for the supply of goods or materials or for the execution of works or specialist services the opportunity shall be advertised on the Town Council’s website and the Clerk shall invite tenders from at least three appropriate potential contractors (subject to three appropriate contractors being identified).
- b. 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.
- c. If less than three tenders are received for any proposed contracts above £25,000 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.
- d. Any invitation to tender issued under this regulation shall be subject to Standing Orders 18 and 19, and take account of the provisions of the Bribery Act 2010.
- e. When it is to enter into a contract of between £5001 and £25,000 in value for the supply of goods or materials or for the execution of works or specialist services the Clerk or RFO shall seek to obtain 3 quotations (priced descriptions of the proposed supply). Otherwise, Regulation 10 (3) above shall apply.
- f. When it is to enter into a contract where the value is up to £5,000 the Clerk or RFO shall seek to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- g. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- h. 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.

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 material variation to a contract or addition to or omission from a contract must be approved by the Council and Clerk to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision. The Clerk is delegated to approve any minor changes not exceeding £5,000 in cost.

13. STORES AND EQUIPMENT / SERVICES

- 13.1. All officers and members shall act responsibly with regard to property belonging to the Council.
- 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. Records of services provided to the Council (for example in respect of maintenance contracts) shall be obtained and checked as correct at the time the service is provided where possible. Records of goods and services provided shall be checked to invoices prior to payment.
- 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 or duly delegated Committee, together with any other consents required by law, save where

the estimated realisable value of any one item of tangible movable property does not exceed £5000.

- 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 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).
- 14.5. Subject only to the limit set in Reg. 14.1 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 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.

15. INSURANCE

- 15.1. Following the annual review of risk (per Financial Regulation 16), the RFO shall effect all insurances and negotiate all claims on the Council's insurers in consultation with the Clerk.
- 15.2. 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.
- 15.3. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and review it annually. The RFO shall report to Council each year concerning the adequacy of the insurance provision.
- 15.4. 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 or committee at the next available meeting.
- 15.5. All appropriate members and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance.

16. RISK MANAGEMENT

- 16.1. The Council is responsible for putting in place arrangements for the management of risk. The Clerk with the RFO shall ensure appropriate policies, method statements, assessments and practice are in place, in respect of all activities of the Council. The risk policy and risk register shall be reviewed annually by the Council or appropriate committee.
- 16.2. When considering any new activity, the Clerk with the RFO shall ensure that appropriate steps are taken to manage risk.

17. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 17.1. It shall be the duty of the Council to review the Financial Regulations of the Council periodically. The Clerk and RFO shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these financial regulations.
- 17.2. The Council may, by resolution of the Council duly notified prior to the relevant meeting of Council, suspend any part of these Financial Regulations which are not statutory 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.