

WALMER TOWN COUNCIL FINANCIAL REGULATIONS

This Model Financial Regulations template was produced by the National Association of Local Councils (NALC) in April 2024 for the purpose of its member Councils and county associations. Every effort has been made to ensure that the contents of this document are correct at time of publication. NALC cannot accept responsibility for errors, omissions and changes to information subsequent to publication.

Notes to assist in the use of this template:

- 1) This document is a model for Councils of all sizes to use to develop their own financial regulations, suitable for the size of the Council and the activities it undertakes.
- 2) Bold text indicates legal requirements, which a Council cannot change or suspend.
- 3) For the rest, each Council needs to adapt the model to suit its size and structure. For example, some Councils have both a clerk and RFO, possibly with several more staff, while others have a single employee as clerk/RFO. Some Councils have committees, some have a high level of delegation and some make all decisions at Full Council meetings. Many now use online payment methods, but others still rely on cheques.
- 4) Curly brackets indicate words, sentences or sections that can be removed if not applicable, or amended to fit the Council's circumstances. An example of this is the phrase {or duly delegated committee}, which can be deleted if there are no committees.
- 5) Specific areas that may need adapting:
 - a) In 1.5 – is the Clerk the RFO?
 - b) In 3.3 and 3.4, the words “Governance and Accountability” do not apply in Wales
 - c) In section 4, does the Council have committees and how many years are forecast?
 - d) In 5.6, does the Council issue an open invitation to tender, or invite specific firms?
 - e) In 5.9, are online prices acceptable evidence?
 - f) In 5.13, 5.15 and 5.17, does the Council have committees?
 - g) In 5.16, will a Councillor ever be instructed to place an order?
 - h) In 5.20, is there a minimum level for official orders?
 - i) Section 6 includes several alternatives to cover delegation to committees or to officers, approval of invoices individually or in batches, or for approval of regular contractual payments at the beginning of the year.
 - j) Sections 7, 8 and 9 also includes several alternatives, including wording for where the clerk is a signatory. These are intended to allow a Council's financial regulations to fit what they actually do, not to force any Council to change what they do.
 - k) Section 10 gives two alternatives, with or without petty cash.
 - l) 13.6 has alternatives for VAT-registered and unregistered Councils – only use one.
 - m) 13.7 and 13.8 are removable if they don't apply to the Council.

- n) Much of Section 16 can be deleted if not applicable.
 - o) 17.3, is the Clerk the RFO or will the RFO consult the Clerk?
- 6) Square brackets indicate where the Council needs to specify who, or how much, or what the timescale is. For example [£500] might need to be £100, or [October] might need to be November, or [the Council] might need to say the Policy and Resources Committee.
- a) In 4.1 and 4.7, select the wording for England or Wales, based on your location.
 - b) In Section 4, the Council needs to determine the timescale for its budget setting.
- 7) It is challenging to try to offer guidance on setting financial limits. A Council spending £1,000 a year is unlikely to delegate authority to spend £500 to its proper officer, but one spending £5 million a year might regard £5,000 as a reasonable limit. Each Council needs to determine its own limits, that help, rather than hinder, its operations.
- 8) Key limits to set:
- a) In 5.6, at what limit will the Council require a formal tender process to ensure fair competition, rather than just asking for quotes? If this is set too low, it may discourage suppliers. Many small Councils might only use formal tenders once every few years.
 - b) In 5.8, at what limit will the Council require fixed-price quotes rather than estimates?
 - c) In 5.9, at what level can smaller purchases be made without competition?
 - d) In 5.15, at what level can purchases be made under delegated authority (having complied with the rules about obtaining prices)?
 - e) In 5.18, how much can the clerk commit to spending in an emergency?
 - f) In 6.9, can payment of invoices (for purchases that have already been authorised) be authorised by an officer under delegated authority as a general principle, or only to avoid problems?
 - g) In Section 9, what are the limits for card payments?
 - h) In 16.5, what value of assets can be bought or disposed of, without seeking Council approval?
- 9) The contents list is a table that extracts section headings from the document. It can be updated by clicking on the contents list, whereupon a tab saying “update table” appears at the top of the list.
- 10) Once this model has been tailored to fit the Council’s needs, the resulting Financial Regulations (with the insertion of the Council’s name at the top) should be adopted at a meeting of the Full Council. The date of adoption should be inserted below the Contents. Any subsequent proposal for amendment should also be made to the Full Council.
- 11) The Council should keep abreast of developments in legislation that affect the local Council sector and should review and update its Financial Regulations annually.
- 12) Please ensure that the latest approved version is published on the Council’s website.

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WALMER TOWN COUNCIL'S FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Council at its meeting held on [enter date].

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. They are one of the Council's governing documents and will be observed in conjunction with the Council's Standing Orders.
- 1.2. 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.
- 1.3. 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 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
 - 'Will' refers to a non-statutory instruction by the Council to its members and staff.
- 1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the Council. The Clerk has been appointed as RFO and these regulations apply accordingly. 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 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 Council resources
 - produces financial management information as required by the Council.

1.6. **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**
- **addressing recommendations from the internal or external auditors.**

1.7. In addition, the Council will:

- determine and regularly review the bank mandate for all Council bank accounts
- authorise any grant or single commitment in excess of £2,000.

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 will prepare, for approval by the Council, a risk management policy covering all activities of the Council. This policy and consequential risk management arrangements will be reviewed by the Council at least annually.

2.3. When considering any new activity, the Clerk will 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.**

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**
- **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 the Finance and General Purposes Committee will verify bank reconciliations (for all accounts) produced by the RFO. The member will sign and date the reconciliations as evidence of this. This activity, including any exceptions, will be reported to and noted by the Council via the minutes of the Finance Committee.

2.7. Regular back-up copies will be made of the records on any Council computer and stored either online or in a separate location from the computer. The Council will 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.

3. Accounts and audit

- 3.1. All accounting procedures and financial records of the Council will 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 Council's transactions and to disclose its financial position with reasonable 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.**
- 3.3. The accounting records will be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.
- 3.4. The RFO will 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 will submit them (with any related documents) to the Council, within the timescales required by the Accounts and Audit Regulations.
- 3.5. **The 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 Council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit** and will, 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 will be appointed by the Council every two years and will 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.
- 3.8. The Council will ensure that the internal auditor:
 - is competent and independent of the financial operations of the Council
 - reports to 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
 - has no involvement in the 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
- 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' will have the same meaning as described in The Practitioners' Guide.

3.11. The RFO will 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 will, 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, will be reviewed by the Council at least annually in November for the following financial year.

4.3. No later than November each year, the RFO will prepare a draft budget with detailed estimates of all 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 budgets for completed projects will not be carried forward to a subsequent year. Unspent funds for agreed or partially completed projects may be carried forward as a reserve until the project is completed or cancelled

4.5. Each committee will review its draft budget and submit any proposed amendments to the finance committee not later than the 15th of November each year.

4.6. The draft budget with any committee proposals, including any recommendations for the use or accumulation of reserves, will be considered by the Finance and General Purposes Committee and a recommendation made to the Council.

4.7. Having considered the proposed budget forecast, the Council will determine its Council tax requirement by setting a budget. The Council will 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 RFO will **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 foundation 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 will be agreed by the 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.
- 5.3. Every contract will comply with these the Council's Standing Orders and these Financial Regulations and no exceptions will 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 Council will (with the exception of items listed in paragraph 6.12) obtain prices depending on the estimated cost as per 5.6-5.10.
- 5.6. For contracts estimated to exceed £60,000 including VAT, the Clerk will seek formal tenders from at least three suppliers agreed by the Council or advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders will be invited in accordance with Appendix 1, as agreed by Full Council.
- 5.7. **For contracts estimated to be over £30,000 including VAT, the 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.**

¹ The Regulations require 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.

- 5.8. For contracts greater than £10,000 excluding VAT the Clerk will seek at least 3 fixed-price quotes.
- 5.9. where the value is between £500 and £10,000 excluding VAT, the Clerk will try to obtain 3 estimates.
- 5.10. For smaller purchases, the clerk will 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 (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.
- 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 Council or relevant committee. Avoidance of competition is not a valid reason.
- 5.14. The Council will not be obliged to accept the lowest of any tender, quote or estimate.
- 5.15. 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 or Chair of the appropriate committee, 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 £2,000 excluding VAT
 - the Council for all items over £2,000.
- Such authorisation must be supported by a minute (in the case of 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 Council or make any contract on behalf of the Council.
- 5.17. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the Council, except in an emergency.
- 5.18. 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 will report such

action to the Chair as soon as possible and to the Council as soon as practicable thereafter.

- 5.19. No expenditure will 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.

6. Banking and payments

- 6.1. The Council's banking arrangements, including the bank mandate, will be made by the RFO and authorised by the Council. Banking arrangements will not be delegated to a committee.
- 6.2. The Council must ensure safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. 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 will 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. All payments will be made by online banking, 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.
- 6.6. For each financial year the RFO 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 Council may authorise in advance for the year.
- 6.7. A list of such payments will be reported to the next appropriate meeting of the Council for information only.
- 6.8. The Clerk will have delegated authority to authorise payments in the following circumstances:
- i. any payments of up to £500 excluding VAT, within an agreed budget
 - ii. payments of up to £2,000 excluding VAT in cases of serious risk to the delivery of Council services or to public safety on Council premises
 - iii. 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 Council, where the Clerk certifies that there is no dispute or other reason to

delay payment, provided that a list of such payments will be submitted to the next appropriate meeting of Council

- iv. Fund transfers within the Council's banking arrangements, provided that a list of such payments will be submitted to the next appropriate meeting of Council.

6.9. The RFO will present a schedule of payments for noting, forming part of the agenda for each meeting, to the Council. The Council will review the schedule for compliance and, having satisfied itself, will note payment by resolution. A detailed list of all payments will 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 or other appointed officers will be appointed as the Service Administrators. The bank mandate agreed by the Council will identify a number of Councillors who will be authorised to approve transactions on those accounts and a minimum of two people will 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.
- 7.2. All authorised signatories will have access to view the Council's bank accounts online.
- 7.3. No employee or Councillor will disclose any PIN or password, relevant to the Council or its banking, to anyone.
- 7.4. The Service Administrator will set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, will be sent by email to two authorised signatories.
- 7.5. In the prolonged absence of the Service Administrator a second administrator will be appointed to ensure the smooth running of the Council.
- 7.6. Two authorised signatories will check the payment details against the invoices before approving each payment using the online banking system.
- 7.7. Evidence will be retained showing which members approved the payment online and a printout of the transaction confirming that the payment has been made will be kept in the banking file.
- 7.8. A Full list of all payments made in a month will be provided to the next Council meeting and appended to the minutes.
- 7.9. 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 online by two authorised members.
- 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 or approved

online by two members, evidence of this is retained and any payments are reported to Council when made.

- 7.11. Changes to account details for suppliers, which are used for internet banking, may only be made after outbound contact with the supplier has confirmed a change which is then checked through the bank's payee confirmation service.
- 7.12. Members and officers will 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, other than secure password stores requiring separate identity verification, should not be used on any computer used for Council banking.

8. Payment cards

- 8.1. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £1000 unless authorised by Council or finance committee in writing before any order is placed.
- 8.2. 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 will be at the discretion of the Council.
- 8.3. Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by the Clerk and any balance will be paid in Full each month. The maximum transaction amount per month will be £1000.
- 8.4. Personal credit or debit cards of members or staff will not be used unless circumstances dictate there is no other option. In these cases it should only be used for expenses of up to £250 including VAT, incurred in accordance with Council policy and with permission from the Clerk. An expenses claim form must be completed along with provision of any receipts.

9. Petty Cash

- a) 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 (for example for postage or minor stationery items) will be refunded on a regular basis, at least quarterly. An expenses claim form must be completed to reclaim any money.

10. Payment of salaries and allowances

- 10.1. **As an employer, the Council must make arrangements to comply with the statutory requirements of PAYE legislation.**
- 10.2. **Councillor's allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 10.3. Salary rates will be agreed by the Council, or a duly delegated committee. No changes will be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the Council.
- 10.4. Payment of salaries will be made, after deduction of tax, National Insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

- 10.5. Deductions from salary will be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.
- 10.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions will 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.
- 10.7. Any termination payments will be supported by a report to the Council, setting out a clear business case. Termination payments will only be authorised by the Full Council.
- 10.8. Before employing interim staff, the Council must consider a Full business case.

11. Loans and investments

- 11.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the Full Council and recorded in the minutes. All borrowing will be in the name of the Council, after obtaining any necessary approval.
- 11.2. 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 Council, following a written report on the value for money of the proposed transaction.
- 11.3. The Council will 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 will be reviewed by the Council at least annually.
- 11.4. All investment of money under the control of the Council will be in the name of the Council.
- 11.5. All investment certificates and other documents relating thereto will be retained in the custody of the RFO.
- 11.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, will be made in accordance with these regulations.

12. Income

- 12.1. The collection of all sums due to the Council will be the responsibility of and under the supervision of the RFO.
- 12.2. 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 will be responsible for the collection of all amounts due to the Council.
- 12.3. Any sums found to be irrecoverable and any bad debts will be reported to the Council by the RFO and will be written off in the year. The Council's approval will be shown in the accounting records.

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

12.5. Personal cheques will not be cashed out of money held on behalf of the Council.

12.6. Any repayment claim under section 33 of the VAT Act 1994 will be made at least annually at the end of the financial year.

13. Payments under contracts for building or other construction works

13.1. Where contracts provide for payment by instalments the RFO will maintain a record of all such payments, which will be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.

13.2. 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.

14. Stores and equipment

14.1. The Clerk will be responsible for the care and custody of stores and equipment.

14.2. Delivery notes will 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.

14.3. Stocks will be kept at the minimum levels consistent with operational requirements.

15. Assets, properties and estates

15.1. The Clerk will make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the Council.

15.2. The RFO will 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 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.

15.3. The continued existence of tangible assets shown in the Register will be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

15.4. No interest in land will 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. In each case a written report will 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 where required by law).

No tangible moveable property will 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, except where the estimated value of any one item does not exceed £500.

16. Insurance

- 16.1. The RFO will keep a record of all insurances effected by the Council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the Council's review of risk management.
- 16.2. The RFO will be notified of any loss, liability, damage or event likely to lead to a claim and will report these to the Council at the next available meeting. The RFO will negotiate all claims on the Council's insurers, in consultation with the Clerk.
- 16.3. All appropriate members and employees of the Council will be included in a suitable form of security or fidelity guarantee insurance which will cover the maximum risk exposure as determined annually by the Council, or duly delegated committee.

17. Suspension and revision of Financial Regulations

- 17.1. The Council will review these Financial Regulations bi-annually and following any change of clerk or RFO. The Clerk will monitor changes in legislation or proper practices and advise the Council of any need to amend these Financial Regulations.
- 17.2. The Council may, by resolution 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 presented to all members. Suspension does not disapply any legislation or permit the Council to act unlawfully.
- 17.3. 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.

Appendix 1 - Tender process

- 1) Any invitation to tender will state the general nature of the intended contract and the Clerk will obtain the necessary technical assistance to prepare a specification in appropriate cases.
- 2) The invitation will 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 will 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 will 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 will 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 will be subject to Standing Order 19 and will 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 will be permitted to submit a later tender, estimate or quote who was present when the decision-making process was being undertaken.