



Kidderminster Town Council

Financial Regulations

Document Control		Authority
Adopted on	1 st December 2015	
Review Date	26 th June 2024	Full Council

KIDDERMINSTER TOWN COUNCIL
FINANCIAL REGULATIONS

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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. **Bold text indicates legal requirements, which a council cannot change or suspend.**
- 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 be gross misconduct.
- 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 and therefore may be a breach of the Code of Conduct.
- 1.8. The Responsible Financial Officer holds a statutory office to be appointed by the council. The Clerk has been appointed as Responsible Financial Officer for this council and these regulations will apply accordingly.
- 1.9. The Clerk:
 - acts under the policy direction of the council;
 - administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
 - determines on behalf of the council its accounting records and accounting control systems;
 - ensures the accounting control systems are observed;

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- 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 Clerk shall be sufficient to show and explain the council's transactions and to enable the Clerk to ensure that any income and expenditure account and statement of balances, or record 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 2015 No. 234.
- 1.11. The accounting records determined by the Clerk 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 account relate;
 - a record of the assets and liabilities of the council; and
 - wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- 1.12. The accounting control systems determined by the Clerk shall include:
- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
 - procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
 - identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
 - procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the Clerk and that the approvals are shown in the accounting records; and
 - measures to ensure that risk is properly managed.
- 1.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:
- **setting the final budget or the precept (council tax requirement);**
 - **approving accounting statements;**

- **approving an annual governance statement;**
- **borrowing;**
- writing off **bad debts** at or above **£250** (the Clerk shall have delegated authority to write off debts below **£250**);
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations in any report from the internal or external auditors,**

shall be a matter for the full council only.

1.14. In addition the council must:

- determine and keep under regular review the bank mandate for all council bank accounts;
- 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.
- 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 CEOs in Wales.

2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

- 2.1. All accounting procedures and financial records of the council shall be determined by the Clerk in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. bank reconciliations (for all accounts) produced by the Clerk will be reported to F & O Committee for monitoring and approval.

- 2.3. **The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonably accuracy at any time. In particular, they must contain:**
day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;
a record of the assets and liabilities of the council
- 2.4. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual {Governance and Accountability} Return.
- 2.5. The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual {Governance and Accountability} Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them (with any related documents) to the council, within the timescales required by the Accounts and Audit Regulations.
- 2.6. **The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**
- 2.7. Any officer or member of the council shall make available such documents and records as are necessary for the purpose of the audit and shall supply the Clerk, internal auditor, or external auditor with such information and explanation as is considered necessary for that purpose.
- 2.8. **At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement. 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.**
- 2.9. The internal auditor shall be appointed by the council and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.
- 2.10. 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;
 - 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.
- 2.11. Internal or external auditors may not under any circumstances:
- 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.
- 2.12. 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.
- 2.13. **The Clerk 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.**
- 2.14. The Clerk shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

3. ANNUAL ESTIMATES (BUDGET), PRECEPT AND FORWARD PLANNING

- 3.1. The Clerk must each year, by no later than January, 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 considered by the council.
- 3.2. The council shall consider annual budget proposals in relation to the council's three year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.3. The council shall fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than the end of February each year. The Clerk shall **issue the precept to the billing authority no later than the end of February** and shall supply each member with a copy of the approved annual budget. **Before setting a precept, the council must calculate its requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**
- 3.4. The approved annual budget shall form the basis of financial control for the ensuing year.

4. BUDGETARY CONTROL AND AUTHORITY TO SPEND

- 4.1. Where an allocation for a class of expenditure is set out in the approved budget for a financial year, the Clerk has delegated authority to incur expenditure up to the limit of that allocation subject to other provisions in these Regulations (such as regulation 11 on contracts).
- 4.2. No expenditure may be incurred:
 - (a) on a class of expenditure for which no provision has been made in the approved budget; or
 - (b) that will exceed the amount provided in the budget for that class of expenditure 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 to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.
- 4.4. In cases of extreme risk to the delivery of council services, or risk to the public health and safety, or the health and safety of Council officers or members, the 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 £25,000. The Clerk shall report such action to the Finance & Overview Committee as soon as possible and to the council as soon as practicable thereafter.
- 4.5. No expenditure shall be authorised in relation to any capital project, and no contract entered into or tender accepted involving capital expenditure, unless the council has approved allocation of funds in advance and they are available for use and, if relevant, the council has approved in advance that borrowing should be undertaken.
- 4.6. All capital works shall 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 receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of £1000 or 15% of the budget.
- 4.8. Changes in earmarked reserves shall be approved by council as part of the budgetary control process.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 5.1. The council's banking arrangements, including the bank mandate, shall be made by the Clerk and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.
- 5.2. Wherever possible, transactions shall be conducted on line or via other electronic or automated means such as BACS, CHAPS, standing order or internet transfers. Cheques shall be used for payments only as a last resort.
- 5.3. All invoices for payment shall be examined, verified and certified by the Clerk to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.
- 5.4. The Clerk shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The Clerk shall take all steps to pay all invoices submitted, and which are in order, within 28 days of receipt.
- 5.5. The Clerk shall prepare and make arrangements for the custody of schedules of payments which shall be authorised by Council.
- 5.6. 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.
- 5.7. The Clerk shall maintain a record of details of suppliers, such as bank account records. Any changes in the recorded details of suppliers shall be approved in writing by the clerk.

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. Payments shall be made by one of the following methods wherever possible:
 - (a) by variable direct debit (for example for utility supplies (energy, telephone and water) and National Non-Domestic Rates);
 - (b) by banker's standing order, for any other regular payment, the amount of which is known in advance;
 - (c) by BACS or CHAPS methods;
 - (d) by internet banking transfer.
- 6.3. Instructions to set up payments under the methods in regulation 6.2 shall be made in accordance with the bank mandate, which may require authorisation of payment methods or individual payments by one or more officers in addition to or instead of the Clerk. If an officer who is involved in authorising a payment or signing a cheque

has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being made, that officer shall be required to consider Standing Orders and the Officer's Code of Conduct, and thereby determine whether it is appropriate and / or permissible to be a signatory to the transaction in question.

- 6.4. In respect of the internet banking arrangements, the Clerk shall be appointed as the Service Administrator. The bank mandate approved by the council shall identify a number of officers who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with approval by one or more officers.
- 6.5. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the RFO in a sealed dated envelope. This envelope may not be opened other than in the presence of the Mayor. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council.
- 6.6. 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 council or a duly delegated committee.
- 6.7. Regular back-up copies shall be made of the records relating to the council's finances on any computer and shall be stored securely away from the computer in question, and preferably off site.
- 6.8. The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.
- 6.9. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.10. Account details for suppliers, which are used for internet banking, may be changed only on written hard copy notification by the supplier and supported by hard copy authority for change signed by the Clerk and a Member. A programme of regular checks of standing data with suppliers will be undertaken by the Clerk.
- 6.11. Where cheques are used for payments, they shall be signed by the Clerk and another authorised officer and reported to Council.

- 6.12. 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.
- 6.13. 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.
- 6.14. The Council may provide bank debit cards to officers, at limits to be determined by the RFO. Personal credit or debit cards of members or staff shall not be used for Council business under any circumstances.
- 6.15. As a last resort, petty cash may be provided to officers for the purpose of defraying operational and other expenses, subject to the following rules:
 - a) The Clerk shall maintain a petty cash float of £500 for the purpose of defraying operational and other expenses.
 - b) Vouchers for payments made shall be forwarded to the Clerk with a claim for reimbursement, together with receipts for expenditure incurred where available. The vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - c) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - d) Payments to maintain the petty cash float shall be shown on the schedule of payments prepared under regulation 5.5 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.**
- 7.2. **Councillors allowances or the Mayor's allowance (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**
- 7.3. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by council, or duly delegated committee.
- 7.4. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the council or the appropriate delegated committee.
- 7.5. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall be authorised by council or the appropriate delegated committee.

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 be approved only 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 relevant committee. In each case a report in writing shall be provided in respect of value for money for the proposed transaction.
- 8.3. The council will arrange with the council's banks and investment providers for the sending of a copy of each statement of account and for it to be reported to council.
- 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 a Treasury Management and Investment Strategy which shall be in accordance with relevant regulations, proper practices and guidance. The Strategy is reviewed 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. The Clerk shall make appropriate arrangements for the custody of all investment certificates and other documents relating thereto.
- 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 Clerk. Wherever possible, income shall be collected by means of electronic or automated payment to the council's bank accounts, and this shall include the ability to issue invoices electronically.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the council.
- 9.3. The council will review all fees and charges at least annually, following a report of the Clerk.
- 9.4. Any sums found to be irrecoverable and any bad debts of £250 or more shall be reported to the council and shall be written off in the year. The Clerk has delegated authority to write off bad debts below £250.

- 9.5. All sums received on behalf of the council in the guise of cheques or cash shall be banked intact as directed by the Clerk. In all such cases, all receipts shall be deposited with the council's bankers with such frequency as the Clerk considers necessary. The origin of each receipt shall be entered on the paying-in slip.
- 9.6. Personal cheques shall not be cashed out of money held on behalf of the council.
- 9.7. The Clerk 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.
- 9.8. Where any significant sums of cash are regularly received by the council, the Clerk 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.
- 9.9. Any income arising which is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any council meeting(see also Regulation 14 below).

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2. Order records shall be controlled by the Clerk.
- 10.3. **All members and officers are responsible for obtaining value for money at all times.** An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11.1 below.
- 10.4. A member may not issue an official order or make any contract on behalf of the council.
- 10.5. The Clerk shall verify the lawful nature of any proposed purchase before the issue of any order. In the case of new or infrequent purchases or payments, the Clerk shall ensure that the statutory authority for the activity shall be included in the schedule to be prepared under regulation 5.5 above, so that it acts as a record of the power being used.

11. CONTRACTS

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

- a. Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
 - i. for the supply of gas, electricity, water, sewerage and telephone services;
 - ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
 - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
 - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council. The extension may only be in accordance with the terms of the contract and, in any case, an extension shall not exceed £10,000 in value without the prior approval of the council;
 - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk shall act after consultation with the Mayor or the Deputy Mayor and the Chair of the F & O Committee); and
 - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the terms and thresholds of the Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2006 (or any successor legislation) ”), must be followed in respect of the tendering, award and notification of that contract.**
- c. **For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation regarding the advertising of contract opportunities and the publication of notices about the award of contracts.** (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.)
- d. Where it is intended to enter into a contract exceeding £50,000 (excluding VAT) in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk shall invite tenders from at least three firms to be taken from the appropriate approved list.

- e. Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- f. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.
- g. If less than three tenders are received for contracts above £50,000 or if all the tenders are identical the council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- h. Any invitation to tender issued under this regulation shall be subject to Council Standing Orders.
- i. When it is intended to enter into a contract of less than £50,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £100 the Clerk shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.
- j. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- k. 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.
- l. If it occurs 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. ASSETS, PROPERTIES AND ESTATES

- 12.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The Clerk 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.

- 12.2. No tangible moveable property shall be sold, leased or otherwise disposed of, without the authority of the full council or the relevant committee, together with any other consents required by law, except where the estimated value of any one item of tangible movable property does not exceed £2,000.
- 12.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the full 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 business case.
- 12.4. 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 business case.
- 12.5. The Clerk shall ensure that an appropriate and accurate Register of Assets in excess of £500 value, and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

13. INSURANCE

- 13.1. Following the annual risk assessment (in accordance with Financial Regulation 15), the Clerk shall effect all insurances and negotiate all claims on the council's insurers.
- 13.2. The Clerk shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 13.3. The Clerk shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to council at the next available meeting.
- 13.4. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the council, or duly delegated committee.

14. CHARITIES

- 14.1. Where the council is sole managing trustee of a charitable body the Clerk shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

15. RISK MANAGEMENT

- 15.1. **The council is responsible for putting in place arrangements for the management of risk.** The Clerk shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually, and this shall include an assessment of risks.
- 15.2. When considering any new activity, that requires approval by the Council or a committee, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration by the council or Committee as part of the report dealing with the proposal.

16. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 16.1. It shall be the duty of the council to review the Financial Regulations of the council from time to time or at least annually. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these financial regulations.
- 16.2. The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.