

ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL

CLERK'S BRIEFING NOTES

PARISH COUNCIL MEETING ON 1 OCTOBER 2015

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Prepared by Helen Sandhu
26 September 2015

Correspondence sent since 3 September 2015

- a) Letter to OCC Highways about chicanes on footpaths
- b) Letter to OCC with response to household waste recycling centre consultation
- c) Letter to WODC Planning with comments on planning application for the Manor House, Woodbridge Close

COMMUNITY SPEED WATCH

- 1.0 Following the September Parish Council meeting, the Clerk has been in contact with Thames Valley Police and the Parish Council's insurers in order to gain more information about the issues and implications presented by the suggested creation of a community Speed Watch group.
- 2.0 **Thames Valley Police advice**
 - 2.1. Contrary to the advice previously received, Sergeant Elizabeth Bell of the Neighbourhood team has confirmed that a Community Speed Watch group does not have to be a formal part of the Parish Council. A Community Speed Watch group can be established on its own account, entirely independent of the Parish Council.
 - 2.2. The group would be responsible for obtaining its own insurance and for meeting the requirements of its insurers and Thames Valley Police in terms of how it conducted its affairs.
 - 2.3. The Clerk has contacted two insurance brokers who provide community group insurance in order to obtain provisional quotations for the cost of obtaining public liability and volunteers' liability cover of £5 million for an independent Speed Watch group. A guidance figure of £150 - £250 has been provided, but confirmed quotations will be available at the Parish Council meeting.
 - 2.4. As has previously been discussed, the Parish Council could provide a donation to the group which would cover the cost of the insurance.
 - 2.5. In response to the Parish Council's frustration that TVP does not carry out more enforcement checks in our parish, TVP has advised that none of the Eynsham neighbourhood team are trained to use the formal speed enforcement device. Pc McHale is shortly due to receive this training.
- 3.0 **Aon Insurance advice**
 - 3.1. Aon advises that if a Community Speed Watch group is operated by the Parish Council, this would be covered by the Parish Council's existing public liability insurance (£10 million).
 - 3.2. Aon advises that there would be **no** need for a Parish Councillor to be present on each occasion that a Speed Watch activity was being carried out.
 - 3.3. In order to fulfil Aon's requirements, the Parish Council would need to:
 - Carry out a general risk assessment for the activities (Thames Valley Police will risk assess and approve the sites for the speed check activities, but there would need to be an over-arching risk assessment covering risks not specific to the sites);
 - Obtain personal details from each volunteer who would be a member of the group;
 - Get the volunteers to confirm in writing that they are fit and able to do the activity and that they have no claims, convictions, non-motoring prosecutions, criminal offences, bankruptcy or insolvency proceedings against them;
 - Provide appropriate workwear/protective wear (probably just high-vis jackets which it is thought TVP will provide);
 - Have an appropriate Health & Safety Policy covering the volunteers;

- Write detailed guidance/instructions for the volunteers to follow when carrying out the activities;
- Keep records of the dates, times and locations that the Speed Watch activities have been carried out and the names of the volunteers who took part.

3.4. The Clerk has contacted North Leigh Parish Council to ask them if they would be willing to share their procedures/risk assessment – response awaited.

4.0 Issues for the Parish Council to consider

- 4.1. The Parish Council needs to consider the implications of a Speed Watch group operating under either basis in the parish.
- 4.2. There is a potential impact on how the public perceives the Parish Council under both bases – if the Parish Council runs the group, what will the wider public think of this; alternatively if the Parish Council elects to stand back from running the group which would put more onus on the volunteers, what will the wider public think of that?
- 4.3. The Parish Council may like to consider whether it would be appropriate to seek the views of the wider community on the desirability of having a community Speed Watch group in our parish – this has not been advertised widely to date, and only a minority of local residents have thus far expressed an interest in there being a Speed Watch group (most residents will be completely unaware that this is being considered, or even that such groups exist/can be set up).
- 4.4. If the Parish Council resolves to operate the group itself, the detailed outworking of the activity (liaison with and supervision of the group to ensure that the insurance requirements are adhered to and that the Parish Council can properly demonstrate that it is controlling and managing the activity) would need to be supervised by one or more designated councillors who would need to keep the Clerk informed/refer any issues to the Clerk. The Clerk could not absorb the detailed work within her job role.

Financial Matters

1. Cash Balances

	£
<i>CURRENT ACCOUNT</i>	
Balance at 31 August 2015	14,279.68
Payments authorised & signed on 3 September 2015	(2,124.54)
Balance at 30 September 2015	<u>12,155.14</u>
 <i>BUSINESS DEPOSIT ACCOUNT (Santander Bank)</i>	
Balance at 31 August 2015	16,811.35
Transactions in September: interest received	6.43
Balance at 30 September 2015	<u>£16,817.78</u>
 TOTAL CASH HOLDING AT 30 SEPTEMBER 2015	 <u>£28,972.92</u>

ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL**6 MONTHS ENDED 30 SEPTEMBER 2015****RECEIPTS & PAYMENTS ACCOUNT**

	Relevant Statute	BUDGET		ACTUAL	PRIOR YR
		Full Year Budget 2015/16	Budget for 6 months 2015/16	6m ended 30 Sept 2015/16	6m ended 30 Sept 2014/15
RECEIPTS					
Precept		24,386	12,193	12,193.00	9,068.00
Council tax support grant (WODC)		627	314	313.74	365.86
Grants (grass cutting)		1,049	1,049	1,048.60	2,097.21
Interest		70	35	38.10	84.12
Sundry					
VAT refund received					
TOTAL RECEIPTS		26,132	13,591	13,593.44	11,615.19
PAYMENTS					
<u>Ordinary Expenditure</u>					
Clerk's Salary	LGA 1972, s112	4,242	2,117	2,116.80	2,065.00
Office equipment	LGA 1972, s111				
Office running costs	LGA 1972, s111	500	250	192.78	211.35
Website	LGA 1972, s111				155.36
Insurance	LGA 1972, s111	456	456	434.03	434.03
Audit	LGA 1972, s111	200	200	100.00	200.00
Election cost (2014 election)	LGA 1972, s111	83	83	82.96	
Village Hall Rental/Cost APM	LGA 1972, s111	40	40	76.80	
Subscriptions	LGA 1972, s143	362	219	209.39	209.78
Chairman's Allowance	LGA 1972 s15(5)	100	50		
<u>Expenditure under Statute</u>					
Grass Cutting - verges & War Mem	HA 1980, s116	4,815	2,732	1,789.75	3,623.49
Grass Cutting - playing field	LG(MP)A 1976, s19	840	728	616.00	560.00
Grants - See Separate Analysis		2,850	1,800	1,800.00	1,140.00
Dog & Litter Bin Emptying	Litter Act 1983	231	116	87.65	118.39
Training & Travel	LGA 1972, s174	220	0		156.50
Clock Maintenance	PCA 1957, ss2 & 6	202			
Bus Shelter Cleaning	LG(MP)A 1953, s4	105	53	52.00	50.00
Repairs (incl Cote phone kiosk)		500			
<u>Expenditure from "Free Resource" (S137)</u>					
Village maintenance/Lengthsman		2,000	1,000	210.00	
Subscriptions		106	106	101.00	101.00
Grants - See Separate Analysis		1,430		0.00	
<u>Projects</u>					
Cote info signs	LGA 1972, s144				29.80
Defib at Village Hall	PHA 1936 s234			177.44	
Contingency Sum		5,000			
VAT Paid				499.42	875.09
TOTAL PAYMENTS		24,282	9,949	8,546.02	9,929.79
Excess/(Deficit) of Receipts over Payments for Financial Year					
		1,850	3,642	5,047.42	1,685.40
Reserves					
Opening at 1 April		23,926		23,925.50	
Closing at 31 March		25,776		28,972.92	
Closing reserves analysis:					
Working day to day balance		5,000		6,622	
Contingency Reserve		0		5,000	
Recreation reserve		20,776		17,351	
		25,776		28,973	

**ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL
REVIEW OF BANKING ARRANGEMENTS**

Current Account

- 1.0 The Parish Council currently uses Santander for its current account.
- 2.0 Payment transactions can be made by cheque only, which was the only legal method of payment under the Local Government Act 1972 (Section 150(5) required all payments to be *signed* by two members).
- 3.0 Section 150(5) was repealed on 13 March 2014, and this enables local councils to explore alternative methods of payments which suit their purposes.
- 4.0 Whatever arrangements local councils make, members must ensure that they accord with proper practice.
- 5.0 Proper practice for a local council means that the arrangements must have due regard to the JPAG publication "Governance and Accountability in Local Councils in England and Wales – A Practitioner's Guide."
- 6.0 Appendix 10 of the Practitioner's Guide provides guidance on the safeguarding of public money, which covers payments.
- 7.0 The overriding requirement is that "Local Councils must have safe and efficient arrangements to safeguard public money."
- 8.0 One of the key controls for payments in any type of organisation is that more than one person is involved in making arrangements for all payments, and whilst the legal requirement to have two (physical) signatures authorising all payments has been removed, the involvement of two authorising people for all payments is a key safeguard for a smaller council.
- 9.0 **INTERNET BANKING**
- 9.1. As councillors will be aware, internet banking has become increasingly popular for individuals, businesses, and other organisations.
- 9.2. If the Parish Council were to move to internet banking, payments could be made more efficiently and easily, and the cost of making payments would be reduced as there would be no requirement for a stamp, envelope and printed remittance slip.
- 9.3. Unity Trust bank provides banking services to local councils for no charge. This bank is widely used by the local council sector, and the Clerk has to date only heard good reports about their administration.
- 9.4. Unity Trust bank provides online banking with triple authorisation (meaning that one person can create an online payment, and two others would need to authorise the payment online).
- 9.5. This would continue the existing control of all payments requiring two councillors to authorise ("sign") them, but in an online environment (with the Clerk inputting the payments initially – the third "authorisation" in Unity Trust's terms).
- 9.6. A change to internet banking introduces different risks into the Parish Council procedures which can be mitigated by appropriate controls.

- 9.7. One area of risk is that councillors authorising the payments online would have to do so outside of a meeting, without access to the original documents (invoices). An effective mechanism to address this will be for the Clerk to prepare a list of the payments to be approved at each meeting, showing the amount, payee, and payee's bank details (sort code and account number). The councillors who will be completing the online authorisation will be able to review this list against the original documents at the end of the meeting, and will then be able to take the list they have reviewed and accepted away with them to use as a check when completing the online authorisation.
- 9.8. The Councillors who are acting as online signatories would need to commit to doing the authorisation on a timely basis (within 5 days of the meeting) and would need to have a suitable internet connection on their home computer.
- 9.9. Another area of risk is around internet safety generally. The Clerk and any members using a computer for the council's financial business will need to confirm that their computer is protected with anti-virus, anti-spyware and firewall software with automatic updates. They will also need to ensure that they keep their access details (User ID, pin/password) private and secure and inform the Clerk immediately if these details are compromised).
- 9.10. Appropriate changes will need to be made to the Parish Council's Financial Regulations (attached) to take account of the use of internet banking.

10.0 Deposit Account

- 10.1. The Parish Council currently has a deposit account with Santander. Santander has reduced the interest paid on their deposit accounts, and the Parish Council account now earns 0.45% gross.
- 10.2. The Clerk has reviewed alternative available deposit accounts.
- 10.3. The Nationwide Building Society provides business deposit accounts which can be used by local councils.
- 10.4. Nationwide currently has 3 deposit accounts on offer:

Account type	Withdrawals	Interest rate (annual gross)
Instant Saver	Minimum £500, no notice required	1.00%
95 Day Saver	95 days notice required for each withdrawal, minimum withdrawal of £500	1.01%
Fixed Rate Saver – 6 months	No withdrawals for term of deposit (6 months)	1.10%
Fixed Rate Saver – 12 months	No withdrawals for term of deposit (12 months)	1.4%

- 10.5. The Nationwide accounts are easier to access than the current Santander deposit account. Withdrawals from the Santander account can only be made by fax which has to be sent from a Santander branch as the Council has no fax machine. Withdrawals from a Nationwide account into a nominated current account can be made via a signed copy of an instruction attached to an email.

- 10.6. At 31 October, the Parish Council is expected to have funds of £35,820 which can be placed on deposit. £20,776 of this relates to the recreation reserve that the Parish Council is building to match the expected s106 funds from the first Cote Road development to deliver improved recreational facilities in the parish. It is not expected that there will be a call on these funds for some time.
- 10.7. If the Parish Council were to place £25,000 in a longer term deposit account, £10,820 could be placed in an instant access deposit account which would be available to be called on without notice if the Parish Council needed funds.
- 10.8. The Parish Council needs to decide whether there is a risk in tying up funds for 12 months which could be needed before the account matured. Placing £25,000 in a 12 month fixed term account instead of a 6 month fixed term account would generate an additional £75 in interest. The Parish Council needs to decide whether the benefit of gaining this additional interest would justify the lack of access to the funds.
- 10.9. There does not seem to be a great benefit in choosing a 95 day account over the instant access account.
- 10.10. Placing £25,000 in a 6 month fixed term account would earn £12.50 more interest over those 6 months compared to keeping the same level of funds in an instant saver.

11.0 Recommendations

- 11.1. The Clerk considers that with the mechanism and safeguards in place referred to above, a move to internet banking with Unity Trust bank for the current account would be beneficial, and recommends this to the Parish Council
- 11.2. The Clerk recommends opening a Nationwide instant saver account for part of the Council's cash deposits in order to earn more interest.
- 11.3. The Clerk further recommends consideration of opening a Nationwide 12 month account for the deposit of £25,000 provided the Council is confident that access to these funds would not be required within that period.
- 11.4. The Clerk recommends retaining the Santander account as a base deposit account as there are no restrictions over the value of deposits/withdrawals which can be made to/from it (there are value restrictions on the Nationwide account).

Prepared by Helen Sandhu, Clerk & RFO
22 September 2015

ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL
FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Council at its Meeting held on [.....]

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 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 is 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.
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. The Clerk has been appointed as RFO for this council and these regulations will apply accordingly.
- 1.9. The RFO;
 - acts under the policy direction of the council;
 - administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
 - determines on behalf of the council its accounting records and accounting control systems;

- ensures the accounting control systems are observed;
 - maintains the accounting records of the council up to date in accordance with proper practices;
 - assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
 - produces financial management information as required by the council.
- 1.10. 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 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 Regulations¹.
- 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 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 RFO shall include:
- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
 - procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
 - identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
 - procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records; and
 - measures to ensure that risk is properly managed.
- 1.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:

¹ Accounts and Audit (England) Regulations 2011/817

- setting the final budget or the precept (council tax requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the General Power of Competence; and
- addressing recommendations in any report from the internal or external auditors,

shall be a matter for the full council only.

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.

1.15. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, 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 Local Councils - a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

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 the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. On a regular basis, at least once in each quarter, and at each financial year end, a member of the council shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.
- 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 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.
- 2.8. 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 Audit Commission Act 1998, 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. The RFO must each year, by no later than December, 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 fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 3.3. 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 on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget.
- 4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council. The RFO may, with the approval of Council, vire between budget headings.
- 4.3. The salary budgets are to be reviewed at least annually for the following financial year.
- 4.4. The Clerk may incur expenditure on behalf of the Council which is necessary to carry out any repair, replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £250. The Clerk shall report the action 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 is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 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.
- 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 RFO 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. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. 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. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.
- 5.3. 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.
- 5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available council meeting.
- 5.5. The Clerk shall have delegated authority to authorise the payment of items only if a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of council, where the Clerk certifies that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council.
- 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.

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 shall be effected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of council.

- 6.4. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of the council in accordance with a resolution instructing that payment.
- 6.5. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.
- 6.6. Payments can be made by internet banking transfer provided evidence is retained showing which members approved the payment.
- 6.7. 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.
- 6.8. 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. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator.
- 6.10. All internet payments shall be authorised by two members of the council in accordance with a resolution instructing that payment.
- 6.11. 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.
- 6.12. The council will not maintain any form of cash float. All cash received must be banked intact.

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. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the council.
- 7.4. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.

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/Welsh Assembly Government (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.
- 8.3. 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.
- 8.4. The council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 8.5. All investments of money under the control of the council shall be in the name of the council.
- 8.6. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.7. 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.
- 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 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 banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.
- 9.6. The origin of each receipt shall be entered on the paying-in slip.
- 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 unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2. 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.
- 10.3. A member may not issue an official order or make any contract on behalf of the council.
- 10.4. 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, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record 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;
 - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of council); and
 - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. Where it is intended to enter into a contract exceeding £250 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 quotations from at least three suppliers.
 - c. 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.
 - d. When it is intended to enter into a contract exceeding £1,000 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 11.1a the Clerk shall invite full tenders from at least three suppliers. 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 instructed to submit the tender in an envelope marked "Tender for xx services" on the outside in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
 - e. 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.
 - f. If fewer than three tenders are received for contracts above £1,000 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.
 - g. Any invitation to tender issued under this regulation shall be subject to Standing Order 18d and shall refer to the terms of the Bribery Act 2010.
 - h. The council shall not be obliged to accept the lowest or any tender, quote or estimate.

- i. The European Union Procurement Directive shall apply and the terms of the Public Contracts Regulations 2006 and the Utilities Contracts Regulations 2006 including thresholds shall be followed.

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 of 5% or more a report shall be submitted to the council.
- 12.3. Any 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.

13. ASSETS, PROPERTIES AND ESTATES

- 13.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 13.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law.
- 13.3. 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).
- 13.4. 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).

- 13.5. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

14. INSURANCE

- 14.1. Following the annual risk assessment (per Financial Regulation 17), the RFO shall effect all insurances and negotiate all claims on the council's insurers.
- 14.2. The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 14.3. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to council at the next available meeting.
- 14.4. All appropriate employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the council.

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.
- 15.2. When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

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. 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.

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