Radyr & Morganstown Community Council
Cyngor Cymuned Radur a Threforgan

FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Council at its meeting held on 2 May 2024 and subsequently reviewed during the year.

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. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.

1.7. Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute and may represent a breach in the Councillor's Code of Conduct

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 comply with the Accounts and Audit (Wales) Regulations and to prepare additional or management information, as the case may be, to be prepared for the Council from time to time.

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:

- setting the final budget or the precept (Council Tax Requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- 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;
- approve any grant or a single commitment in excess of £3,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference.

1.15. In these financial regulations, references to the Accounts and Audit (Wales) Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 39 of the Public Audit (Wales) Act 2004, 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 in Wales - A Practitioners' Guide* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of One Voice Wales (OVW) and SLCC as appropriate.

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 (Wales) 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 other than the Chairman or a cheque signatory shall verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the Council or Finance Committee.

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 (Wales) 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 Public Audit (Wales) Act 2004, or any superseding legislation, and the Accounts and Audit (Wales) 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)

3.1. Each committee (if any) shall review its annual forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the RFO not later than the end of **December** each year.

3.2. 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 Finance Committee and the Council.

3.3. The Council shall consider annual budget proposals including recommendations for the use of reserves and sources of funding.

3.4. 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.

3.5. The approved annual budget shall form the basis of financial control for the ensuing year.

4. BUDGETARY CONTROL AND AUTHORITY TO SPEND

4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- the Council for all items over £5,000;
- for all items over £1,000 and up to £5,000, the Clerk in conjunction with Chair of the Council or Chair of the appropriate committee.
- for all items below £1,000, the Clerk.

Such authority is to be evidenced by a minute or by an authorisation slip duly signed or annotated by the Clerk, and where necessary also by the appropriate Chairman.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

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, 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. The salary budgets are to be reviewed at least annually before the end of December for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of Finance Committee. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.

4.5. In cases of extreme risk to the delivery of Council services, 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 £1,000. The Clerk shall report such action to the Chairman as soon as possible and to the Council as soon as practicable thereafter.

4.6. 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.

4.7. All capital works shall be administered in accordance with the Council's standing orders and financial regulations.

4.8. The RFO shall regularly provide the Council with a statement of receipts and payments to date under each head of the budget, 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 £100 or 15% of the budget.

4.9. 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 monthly schedule of payments requiring authorisation, together with the relevant invoices, to be approved and signed by the Chair of the Finance Committee. The schedule of payments will form part of the Agenda for the next appropriate Finance Committee or Council meeting. The Finance Committee or Council shall review the schedule of payments. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the relevant Council meeting. 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, and which have been approved for payment by the Chair of Finance Committee.

5.5. The Clerk and RFO shall have delegated authority to authorise the payment of items only in the following circumstances:

a) 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 and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be included on the schedule of payments submitted to the next appropriate meeting of the Finance Committee or Council;

b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be included on the schedule of payments submitted to the next appropriate meeting of Finance Committee or Council; or

c) Fund transfers within the Council's banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Finance Committee or Council.

d) With the agreement of the Chair of the Finance Committee, if an immediate payment is deemed necessary for implementing a decision of Council or a duly delegated committee and has the required spending approvals set out in Financial Regulation 4.1. Such payments shall be included in the next schedule of payments submitted to the Finance Committee or Council.

5.6. For each financial year the Clerk and RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which Council, or a duly authorised committee, may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of Finance Committee or Council.

5.7. In respect of grants, the Finance Committee (or Full Council) will review all grant applications and make recommendations to Council for approval by Council. Full Council can also determine applications. The Finance Committee or other duly authorised committee shall approve expenditure within any limits set by Council and in accordance with any policy statement approved by Council.

5.8. 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 or other interest, unless a dispensation has been granted.

5.9. The Council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.

5.10. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a Member.

6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

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 4 above, the Clerk shall arrange payment for goods, works or services in one of the following ways:

(a) Payment by Cheque

(i) Cheques shall be signed by two of the four members appointed as signatories by the Council. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.

(ii) To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

(iii) To ensure prompt payment and accurate monitoring of the Council's finances, cheques will be presented for signature at the earliest possible opportunity.

(iv) Details of all payments made by cheque shall be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(b) Direct Debt

(i) Payment for may be made by variable Direct Debit. The Council considers this to be appropriate.

(ii) Details of all payments made by Direct Debit shall be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(c) Standing Order

(i) Payment for certain items (principally but not exclusively Salaries) may be made by Banker's Standing Order. The Council considers this to be appropriate.

(ii) Details of all payments made by Standing Order shall be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(d) BACS/CHAPS/"Internal Transfer."

(i) Payment may be made by BACS or CHAPS methods or Internal Transfer (Unity). The Council considers this to be appropriate.

(ii) Details of all payments made by BACS or CHAPS shall be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(e) Internet Banking

(j) Payment may be made by internet banking transfer. The Council considers this to be appropriate.

(ii) Details of all payments made by Internet Banking will be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(f) Debit Card

(i) Payment may also be made by use of the Council's Debit Card. The Council considers this to be appropriate.

(ii) Any Debit Card issued for use will be specifically restricted to the Clerk/Assistant Clerk and will also be restricted to a single transaction maximum value of £3,000 unless authorised by the Council or Finance Committee in writing before any order is placed.

(iii) a limit of £10,000 per month is approved for all total transactions via the Debit Card is approved.

(iv) Details of all payments made by Debit Card will be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(v) Details of all payments made by Debit Card shall also be recorded on a separate record maintained by the Clerk and shall be available for inspection by any member of the Council.

(vi) A pre-paid debit card *may* be issued to employees with varying limits. These limits will be set by the Council or Finance Committee. Transactions and purchases made will be reported to the Council or relevant committee and authority for topping-up shall be at the discretion of the Council.

(vii) Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk /RFO and shall be subject to automatic

payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances. (The invoices received in respect purchases during each month would to be checked by two designated members before authorisation is given in writing for the credit card to be paid off in full)

(g) Petty Cash

(i) The Clerk may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the Clerk with a claim for reimbursement.

(ii) The Clerk shall maintain a petty cash float of £200 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

(iii) Any income received shall not be paid into the petty cash float but must be separately banked, as provided elsewhere in these Regulations.

(iv) Payments to maintain the petty cash float will be reported to the earliest possible meeting of the Council's Finance Committee or Full Council to ensure appropriate review of payments by all Members.

(The Payment Schedule is reported each month to the Chair of Finance Committee. This list all payments and the method of payment.)

6.3 Where any payment requires use of a personal identification number (PIN) or other password(s), details of the PIN number or password shall be held by the Clerk and Assistant Clerk

6.4 No employee or member 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.

6.5 Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.

6.6 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.

6.7 Where internet banking arrangements are made with any bank, the Clerk or Assistant Clerk shall be appointed as the Service Administrator.

6.8 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 and appropriate action will be taken including the use of the Council's disciplinary procedure in the case of employees.

6.9 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by the Clerk. A programme of regular checks of standing data with suppliers will be followed.

6.10 Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by the Clerk and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances. Details of all payments made by Debit Card will be reported to the earliest possible meeting of the Council's Finance Committee or Full Council.

(Note: At the date of approval of these Financial Regulations the Council does not have a corporate credit card or trade card account.).

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. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

a) by any Councillor who can demonstrate a need to know;

b) by the internal auditor;

c) by the external auditor; or

d) by any person authorised under Public Audit (Wales) Act 2004, or any superseding legislation.

7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.

7.6. An effective system of personal performance management should be maintained for the senior officers.

7.7. Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.

7.8. Before employing interim staff the Council must consider a full business case.

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 Welsh 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. The Council will arrange with the Council's banks and investment providers for the sending of a copy of each statement of account to the Chairman of the Council at the same time as one is issued to the Clerk or RFO.

8.4. All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.

8.5. The Council shall 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.

8.6. All investments of money under the control of the Council shall be in the name of the Council.

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

8.8. Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

9. INCOME

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

9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the Council.

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 ensure the prompt completion of 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.

9.10. 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 16 below).

10. ORDERS FOR WORK, GOODS AND SERVICES

10.1. An official order, email or letter shall usually 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 books shall be controlled by the RFO.

10.3. All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, 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 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 for contracts below £25,000 in value; for contracts above £25,000 in value, specialist services means such services as are provided by legal professionals acting in disputes.

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 goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.

b. The full requirements of The Public Contracts Regulations 2015 ("the Regulations"), as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time).

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. 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.

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. Any invitation to tender issued under this regulation shall be subject to Standing Orders 18.c and shall refer to the terms of the Bribery Act 2010.

g. When it is to enter into a contract of less than £25,000 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 seek 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 and above £1,000 the Clerk shall strive to seek 3 estimates as far as practical. Otherwise, Regulation 10.3 above shall apply.

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

i. Should it occur that the Council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the Council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision making process was being undertaken.

11.2. The Proper Officer shall maintain a register of personal interests, in respect of both members and senior staff.

a. Members and senior staff should not, so far as is practicable, be involved in the award of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.

b. Members and senior staff should not, so far as is practicable, be involved in the making or authorising payments in respect of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.

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 significant variation to a contract or addition to or omission from a contract must be approved by the Council and notified by the Clerk to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

13. STORES AND EQUIPMENT

13.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

13.2. Delivery notes shall usually 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.

13.3. Stocks shall be kept at the minimum levels consistent with operational requirements.

13.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually.

14. ASSETS, PROPERTIES AND ESTATES

14.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council. The RFO shall ensure a record is maintained of all properties held by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit (Wales) Regulations.

14.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.

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

14.4. No real property (interests in land) shall be purchased or acquired without the authority of the full Council. In each case a report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

14.5. Subject only to the limit set in Reg. 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council. In each case a report in writing shall be provided to Council with a full business case.

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

15. INSURANCE

15.1. Following the annual risk assessment (per Financial Regulation 17), the Clerk and RFO shall effect all insurances and negotiate all claims on the Council's insurers.

15.2. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.

15.3. 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.

15.4. 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 from time to time by the Council, or duly delegated committee.

16. CHARITIES

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

17. RISK MANAGEMENT

17.1. The Council is responsible for putting in place arrangements for the management of risk. The Clerk and RFO 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.

17.2. When considering any new activity, the Clerk and RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

18. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

18.1. 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.

18.2. 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.

APPENDIX

Summary of Delegations:

Authority to Spend for items included for that class of expenditure in the approved budget.

- The Council for all items over £5,000.
- For all items over £1,000 and up to £5,000, the Clerk in conjunction with Chair of the Council or Chair of the appropriate committee.
- For all items below £1,000, the Clerk.

  The Clerk shall report such expenditure to the Council's Finance Committee or Full Council.
- In cases of extreme risk to the services or Events, the Clerk may authorise revenue expenditure up to £1,000. The Clerk shall report such action to the Council's Finance Committee or Full Council as soon as possible thereafter.

Goods or materials **in excess of £25,000** shall be procured by way of invitation of tenders.

Goods or materials worth **£5,000 up to £25,000** shall be procured by way of invitation of three quotations.

Where the value is below **£5,000 and above £1,000** the Clerk shall strive to seek 3 estimate as far as practical. Otherwise, Regulation 10.3 above shall apply.

Where the value is **below £1,000** the Clerk shall strive to obtain value for money at all times.

Duties of Officers

Duties of Officers are set out in the Job Descriptions of the Clerk/RFO and Assistant Clerk.

All official orders shall be approved by the Clerk. Expenditure will also be approved by Members as appropriate, as described above.