

# Long Stratton Town Council

## Financial Regulations

### 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. 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 financial control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk and for the prevention and detection of fraud and corruption. These financial regulations are designed to demonstrate how the council meets these responsibilities. Financial regulations must be observed in conjunction with the Council's standing orders.

1.2 The Responsible Financial Officer (RFO) is a statutory office and shall be appointed by the council. [The Clerk has been appointed as RFO for this council and these regulations will apply accordingly.] The RFO, acting under the policy direction of the Council, shall administer the Council's financial affairs in accordance with proper practices. The RFO shall determine on behalf of the council its accounting records, and accounting control systems. The 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
- identify the duties of officers

The accounting records must include:

- 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.

The RFO shall ensure that the accounting control systems are observed and that the accounting records of the council are maintained and kept up to date in accordance with proper practices.

1.3 The RFO shall produce financial management information as required by the council.

1.4 At least once a year, prior to approving the annual return, the council shall conduct a review of the effectiveness of its system of internal control which shall be in accordance with proper practices.

1.5 In these financial regulations, references to the Accounts and Audit Regulations shall mean the Regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force.

1.6 In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability in local Councils in England and Wales – a Practitioners' Guide which is published jointly by NALC and SLCC and updated from time to time.

1.7 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.

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- 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.

1.8 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 £1,500 subject to clause 3.4 below; 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.
- Where salaries are determined by NALC/SLCC salary scale points (SCP), where national increases are made to the SCP these will automatically be applied as per contract of employment. The Council determines which SCP is attributed to each employee as per contract of employment.

## **2. ANNUAL ESTIMATES (BUDGET)**

- 2.1 Each Committee (if any) shall formulate and submit proposals to the Council in respect of revenue and capital including the use of reserves and sources of funding for the following financial year not later than the end of November each year.
- 2.2 Detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the year shall be prepared each year by the RFO in the form of a budget to be considered by the council.
- 2.3 The Council shall review the budget not later than the end of January each year and shall fix the Precept to be levied for the ensuing financial year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved budget.
- 2.4 The annual budgets shall form the basis of financial control for the ensuing year.
- 2.5 The Council shall consider the need for and shall have regard to a three-year forecast of Revenue and Capital Receipts and Payments which may be prepared at the same time as the annual Budget.

## **3 BUDGETARY CONTROL**

- 3.1 Expenditure on revenue items may be incurred up to the amounts included for that class of expenditure in the approved budget.
- 3.2 No expenditure may be incurred that will exceed the amount provided in the revenue budget for that class of expenditure without Council's approval. 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.
- 3.3 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.
- 3.4 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

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not there is any budgetary provision for the expenditure, subject to a limit of £2000 per item, £5000 in conjunction with the Chairman/ Vice-Chair in the event of an emergency. The Clerk shall report the action to the Council as soon as practicable thereafter. The Clerk has the power to spend up to £2000 per calendar month to keep the Council operating.

- 3.5 Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless placed in an earmarked reserve by resolution of the council.
- 3.6 No expenditure shall be incurred 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, or the requisite borrowing approval has been obtained.
- 3.7 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 3.8 Salaries are to be reviewed at least annually (no later than November) for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Chairman of Council or relevant committee.
- 3.9 Changes in ear-marked reserves shall be approved by the Council as part of the budgetary control process.
- 3.10 Committees can incur expenditure of up to £1,500 per item unless the power to spend above £1,500 has been delegated by Full Council, any expenditure over £1,500 per item must be approved by Full Council. All expenditure made must be reported to the full Council at the next full Council meeting.

#### **4. ACCOUNTING AND AUDIT**

- 4.1 All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.
- 4.2 The RFO shall complete the annual financial statements of the Council, including the council's annual return, as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
- 4.3 The RFO shall complete the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission) and shall submit the Annual Return for approval and authorisation by the Council within the timescales set by the Accounts and Audit Regulations.
- 4.4 The RFO shall ensure that there is adequate and effective system of internal audit of the Council's accounting, financial and other operations in accordance with proper practices. Any officer or member of the Council shall, if the RFO or Internal Auditor requires, make available such documents of the Council which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO or Internal Auditor considers necessary for that purpose.
- 4.5 The Internal Auditor shall be appointed by and shall carry out the work required by the council in accordance with proper practices. The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council in writing, or in person, on a regular basis with a minimum of one annual written report in respect of each financial year. In order to demonstrate objectivity and independence, the internal auditor shall be free from any conflicts of interest and have no involvement in the financial decision making, management or control of the council.

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- 4.6 The RFO shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers and for the display or publication of any Notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations.
- 4.7 The RFO shall, as soon as practicable, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.
- 4.8 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 be appointed to 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 [Finance Committee].
- 4.9 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.

### **5. BANKING ARRANGEMENTS AND CHEQUES**

- 5.1 The Council's banking arrangements, including the Bank Mandate, shall be made by the RFO and approved by the Council. They shall be regularly reviewed for efficiency and monetary risk
- 5.2 The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting to present to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. 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 Please see 6.5 for invoice authorisation.
- 5.3 Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4, shall be signed by two members of Council.
- 5.4 To indicate agreement of the details shown on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 5.5 A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, or be the recipient of a payment (expenses), should not, under normal circumstances, be a signatory to the payment in question.
- 5.6 Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk [and RFO] and Council officers and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff or Councillors should not be used to pay for Council expenditure except in circumstances that have been authorised by the Clerk/RFO. Any expenditure will be evidenced with a receipt and reimbursed via the Town Council's banking arrangements.

For officers that use a credit card, the following operational procedures must be in force.

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1. Unless it is a regular expenditure which the Council has recognised e.g Fuel as an on going business expenditure to keep the Council running, all expenditure has to be approved by the Town Clerk/ RFO or the Chairman and/or vice- chairman.
2. Unless approved by a Committee of the Council of the Full Council any expenditure over £500 must be approved by the Chair, Vice Chair and Clerk.
3. Where expenditure has occurred due to Health and Safety, no prior approval will be required, however the Clerk/ RFO and Chairman and Vice Chairman must be informed immediately and the Council as soon as practically possible.
4. All expenditure must be evidenced with a receipt, where appropriate 3 quotes in line with Financial regulations and an explanation of the expenditure e.g envelopes purchased to send hedge letters.
5. Credit Cards must be kept in a secure location at all times.

5.7 The council will maintain a petty cash account in order to pay local suppliers and to allow pavilion hirers to pay cash should they wish to do so. The petty cash account will also provide a float for Council events. Petty cash will be at all times be kept in a safe at a secure location in the Pavilion and will hold no more than £300. Any income that exceed that amount must be banked in accordance with the Council's petty cash policy. Petty cash will be monitored through the Council's accounting software and will be subject to the same scrutiny currently in place for the Council's other accounts. All petty cash will be counted and verified by a minimum of 2 people, one to be an officer of the Council. Please see the petty cash policy for further guidance.

## 6 PAYMENT OF ACCOUNTS

6.1 All payments shall be affected by cheque or other order drawn on the Council's bankers (including electronic payment with dual authorisation)

6.2 All invoices for payment shall be examined, verified, and certified by the Clerk. The Clerk shall satisfy him/herself that the work, goods, or services to which the invoice relates shall have been received, carried out, examined and approved. Invoices over £1000 to a new supplier will be verified with a phone call to confirm correct bank details.

6.3 The RFO shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading. The Clerk shall take all steps to settle all invoices submitted, and which are in order, at the next available Council Meeting.

6.4 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, the Clerk may (notwithstanding para 6.3) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of Council.

6.5 All invoices will be uploaded onto the Council's preferred ICT system for Councillor's to confirm accuracy of payments and appropriate use of funds. The payment list provided to full Council will be signed (wet signature) to confirm accuracy by the Chairman presiding at the Council meeting. BACS payments will be processed by the Town Clerk/RFO and will be initially approved by a second Council Officer before a Councillor dual authorises BACS payments.

6.6 If thought appropriate by the council, payment for utility supplies (energy, telephone, and water) may be made by variable Direct Debit and provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a variable Direct Debit shall be renewed by resolution of the council at least every two years. Direct debit and payments once approved will not require monthly signatures however payments will be noted by the Council via the list of monthly

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payments attached to the minutes and will be subject to spot checking by the Council's internal scrutineer.

- 6.7 Credit card payments will be checked monthly at the Town Council meeting and a payment list signed by the Chair presiding at the meeting. Invoices and receipts paid by Credit Card will not require a wet signature however will be subject to spot checking by the Council's internal scrutineer.
- 6.8 All grant requests will be considered by the full Council.
- 6.9 If thought appropriate by the council, payment for certain items (principally salaries) may be made by banker's standing order provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the council at least every two years. All standing orders will be subject to spot checking by the Council's internal scrutineer.

## **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 salaries shall be as agreed by Council.
- 7.2 Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, may be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to and ratified by the next available Council Meeting.
- 7.3 Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (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) the appointed internal scrutineer
  - d) by the external auditor; or
  - e) by any person authorised under Audit Commission Act 1998, or any superseding legislation.
  - f) by the Constabulary's Crime Economic Unit.

The RFO will present the confidential cash book for review bi-annually by a minimum of 2 Councillors, the Chairman of the Finance and Policy Management Committee and the Chair or Vice Chair of the Council.

## **8 LOANS AND INVESTMENTS**

- 8.1 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.

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- 8.2 The council shall abide by the Investment Policy which shall be in accordance with relevant regulations, proper practices and guidance. The Investment Policy shall be reviewed at least annually.
- 8.3 All investments of money under the control of the Council shall be in the name of the Council.
- 8.4 All borrowings shall be affected 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 terms and conditions of borrowings shall be reviewed at least annually.
- 8.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

## 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 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 accordance with the Council's bad debt policy.
- 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 The RFO will at the end of every quarter will submit any VAT due on income received via Manor Road Playing Fields and buildings in accordance with VAT Act 1994.
- 9.10 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 the Council's accounting software 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 Order books shall be controlled by the RFO.
- 10.3 All members and Officers are responsible for always obtaining value for money. 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 (I) below.

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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.

10.5 A member may not issue an official order or make any contract on behalf of the Council.

## 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 these regulations shall not apply to contracts which relate to items (i) to (vi) below:

- (i) for the supply of gas, electricity, water, sewerage, and telephone services; subject to item c, below
- (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);
- (vi) for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.

(b) A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £25,000 but less than the relevant thresholds in standing order 18(f) is subject to Regulations 109-114 of the Public Contracts Regulations 2015 which include a requirement on the Council to advertise the contract opportunity on the Contracts Finder website regardless of what other means it uses to advertise the opportunity.

(c) A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £189,330 for a public service or supply contract or in excess of £4,733,252 for a public works contract (or other thresholds determined by the European Commission every two years and published in the Official Journal of the European Union (OJEU)) shall comply with the relevant procurement procedures and other requirements in the Public Contracts Regulations 2015 which include advertising the contract opportunity on the Contracts Finder website and in OJEU.

A public contract in connection with the supply of gas, heat, electricity, drinking water, transport services, or postal services to the public; or the provision of a port or airport; or the exploration for or extraction of gas, oil or solid fuel with an estimated value in excess of £378,660 for a supply, services or design contract; or in excess of £4,733,252 for a works contract; or £884,720 for a social and other specific services contract (or other thresholds determined by the European Commission every two years and published in OJEU) shall comply with the relevant procurement procedures and other requirements in the Utilities Contracts Regulations 2016.

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- (d) 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.
- (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 and either the Chairman or Vice-Chairman of the Council together.
- (g) If less than three tenders are received for contracts above £25,000 or if all the tenders are identical the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- (h) When it is to enter into a contract 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 or RFO shall obtain a minimum of 2 quotations, 3 quotations is preferred where possible (the RFO must evidence she requested 3 quotations.) (Priced descriptions of the proposed supply); where the value is below [£1,500 and above [£250] the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- (i) The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- (j) 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.
- (k) Where the Council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 (“the Regulations”) which is valued at £25,000 or more, the Council shall comply with the relevant requirements of the Regulations

## **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.

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#### **13 STORES AND EQUIPMENT**

- 13.1 The member of staff 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 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 6 monthly checks of stocks and stores.

#### **14 ASSETS, PROPERTIES AND ESTATES**

- 14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The RFO shall ensure a record is maintained of all properties owned by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 14.2 No property (personal, land and asset) shall be 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 £100.
- 14.3 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. During such inspections of assets, the RFO will confirm that those assets are marked as property of Long Stratton Town Council.

#### **15 INSURANCE**

- 15.1 Following the annual risk assessment (per Financial Regulation 17), the RFO shall affect all insurances and negotiate all claims on the Council's insurers [in consultation with the Clerk].
- 15.2 The Clerk shall give prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.3 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 15.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim and shall report these to Council at the next available meeting.
- 15.5 All appropriate employees and members of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council.

#### **16 CHARITIES**

- 16.1 Where the Council is sole 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 and legislation, 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**

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- 17.1 The council is responsible for putting in place arrangements for the management of risk. The Clerk [with the 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 [with the RFO] shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

### **18 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.

**Reviewed and adopted 12 February 2018**  
**Reviewed and adopted 11 February 2019**  
**Reviewed and adopted September 2020**  
**Reviewed and adopted 22 March 2022**  
**Reviewed and adopted 13 March 2023**

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