

THATCHAM TOWN COUNCIL FINANCIAL REGULATIONS

Adopted by Thatcham Town Council on 12th May 2025

Financial Rules of the Town Council

THATCHAM TOWN COUNCIL

Financial Regulations

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Definitions

Definitions in the Standing Orders apply unless specifically mentioned in this document

Accounts and Audit Regulations

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.

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).

Public Contracts Regulations

In these Financial Regulations, references to the Public Contracts Regulations 2015 or “the PC regulations” shall mean the regulations which came into force in February 2015, or any superseding legislation, and then in force unless otherwise specified.

Appropriate or Relevant Committees

In these Financial Regulations, references to the appropriate or relevant Committees, shall refer to those which have delegated powers within the budget process, viz Recreation and Amenities Committee and Finance and General Purposes Committees.

The Council

The Council shall mean Thatcham Town Council.

Terminology

In the Financial Regulations the words ‘must’ and ‘will’ have the same meaning as ‘shall’.

Member has the same meaning as Councillor

RFO is Responsible Financial Officer

Finance Manager reports to RFO

Finance Officer reports to Finance Manager

1. GENERAL

- 1.1. These Financial Regulations govern the conduct of financial management of the Council and may only be amended or varied by resolution of the Full Council. The 2025 Financial Regulations have been revised against the National Association of Local Councils (NALC) Model Financial Regulations published in March 2025. 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 control environment is adequate and for purpose 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 will 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
 - that identify 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 will 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 and potential criminal proceedings.
- 1.7. Members of Council will follow the instructions within these Regulations and not 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 and is appointed by the Council. The Town Clerk has been appointed as RFO for this Council and these regulations will apply accordingly.
- 1.9. The RFO will:
 - act under the policy direction of the Council.
 - oversee the administration of the Council's financial affairs in accordance with all Acts, Regulations and proper practices.
 - oversee on behalf of the Council its accounting records and accounting control systems.
 - ensure the accounting control systems are observed.
 - ensure the accounting records of the Council are up to date in accordance with proper practices.
 - assist the Council to secure economy, efficiency and effectiveness in the use of its resources; and
 - produce 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 Regulations.
- 1.11. The accounting records determined by the RFO shall in particular contain:
- entries from day to day of all sums of money received, committed and expended by the Council and the matters to which the income and expenditure accounts 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 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 identified and managed.
- 1.13. The Full Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. Any decision regarding:
- setting the final budget or the precept (Council tax requirement);
 - approving an annual governance statement.
 - approving accounting statements.
 - borrowing.
 - writing off bad debts over the value of £1500.
 - declaring eligibility for the General Power of Competence; and
 - addressing recommendations in any report from the Internal or External Auditors,
- 1.14. In addition, the Council must:
- determine and keep under regular review the bank mandate for all Council bank accounts.
 - approve any grant in excess of £10,000 (1% of revenue), 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.

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, other than the Chairman or a mandate signatory, shall be appointed to certify bank reconciliations (for all accounts) produced by the RFO. The Member shall sign the reconciliations and copies of the original bank statements (or similar document) as evidence of certification. This activity shall on conclusion be reported, including any exceptions, to and noted by the Council's Finance and General Purposes Committee.
- 2.3. The Finance Manager shall complete the Annual Governance and Accountability Statement (AGAR) annual statement, and any related documents required (as specified in proper practices) as soon as practicable after the end of the financial year. The RFO will then review and certify the accounts, after which the Finance Manager will 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.
 - demonstrate competence, objectivity, and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
 - not be involved in the financial decision making, management or control of the Council.
- 2.7. Internal or External Auditors will 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 Finance and General Purposes Committee shall review the 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 Full Council not later than the end of December each year including any proposals for revising the forecast.
- 3.2. The RFO will each year, by no later than the end of January, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the Finance and General Purposes Committee and Full Council.
- 3.3. The Council shall consider annual budget proposals in relation to the Council's forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.4. 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.
- 3.5. The approved annual budget shall form the basis of financial control for the ensuing year.
- 3.6. The RFO shall maintain a minimum reserve amount equivalent to six months of net revenue, or £200,000, whichever is the greater. This level shall be reviewed regularly to consider known capital projects which may impact on levels of reserves and cash flow during the year.

4. BUDGETARY CONTROL AND INDIVIDUAL 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 to spend is to be determined by the Scheme of Delegation of Financial Responsibility to Spending Officers (Appendix A). Such authority will be evidenced by a minute or by an authorisation slip duly signed by the Clerk/RFO or the Finance Manager.

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

- 4.2. No expenditure will be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Full Council, or duly delegated Committee (F&GP). 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 for specific, authorised and uncompleted projects may be carried forward to a subsequent year following approval by the Town Clerk/RFO.
- 4.4. The salary budgets shall be reviewed by the Staff Committee at least annually by December for the following financial year and such review shall be evidenced by a minute reference on a hard copy schedule

- 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. The Clerk shall report such action to the Chairman as soon as possible and to the appropriate Committee 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 relating to contracts.
- 4.8. The RFO shall regularly provide the relevant committee with a statement of income and expenditure 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 for consideration by the Finance and General Purposes Committee and an explanation of material variances given. For this purpose, "material" shall be in excess of 15% of the budget.
- 4.9. Changes in earmarked reserves shall be approved by Full Council or the F&GP Committee as part of the budgetary control process.

5. BANKING ARRANGEMENTS AND AUDIT OF PAYMENTS

- 5.1. The Council's banking arrangements, including the bank mandate, shall be made by the Finance Manager and approved by the F&GP Committee. The arrangements shall be regularly reviewed for risk and efficiency.
- 5.2. The bank mandate shall identify several Councillors who will be authorised to approve transactions and administrative amendments for the Council's accounts.
- 5.3. The Finance Officer shall prepare a schedule of payments, forming part of the Agenda for the Meeting, and the schedule shall be presented to the F&GP Committee. The Committee shall review the schedule for compliance. A detailed list of all payments shall be disclosed within or as an attachment to the Minutes of the meeting at which payment was presented for approval. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be anonymised to remove public access to any personal information.
- 5.4. All invoices for payment shall be examined, verified and certified by the relevant budget holder in accordance with the Scheme of Delegation of Financial Responsibility to Spending Officers, or the RFO as appropriate, to confirm that the work, goods or services to which each invoice relates has been received, carried out to the requisite standard, examined and represents expenditure previously approved. Officers with responsibility for raising expenditure shall allocate invoices to the appropriate expenditure heading.
- 5.5. The Finance Manager shall examine invoices for arithmetical accuracy. The Finance Officer shall take all steps to settle all invoices submitted, and which are in order, for payment.

- 5.6. The Town Clerk/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 the appropriate Committee, where the Town Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next meeting of the appropriate Committee.
 - b) An expenditure item authorised under continuing contracts and obligations provided that a list of such payments shall be submitted to the next meeting of the appropriate Committee.
 - c) Internal Fund transfers within the council's bank accounts, provided that a list of such movements shall be submitted to the next appropriate meeting of the F&GP Committee.
 - d) For goods and services up to the limit shown in regulation 4.1 provided it is an agreed budget item.
- 5.7. In respect of grants a duly authorised Committee shall approve expenditure within any limits set by Council and in accordance with any policy statement approved by Council. Any Revenue or Capital Grant more than £10,000 shall before payment, be subject to ratification by resolution of the 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 pecuniary or other interest, unless a dispensation has been granted.
- 5.9. Following an election, the Council will appoint bank signatories for the term of office of the Council.

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 appropriate Committee or, if so delegated, the Town Clerk or RFO, shall give instruction that a payment shall be made.
- 6.3. All payments shall be made by electronic payment, including direct debits where appropriate, or other instructions to the Council's bankers, or otherwise, in accordance with a resolution of the appropriate Committee.
- 6.4. Payments will be made using two-factor authentication ensuring segregation of duties between creating and releasing payments.
- 6.5. Any person who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, shall not approve the payment in question.
- 6.6. To indicate agreement of the details shown on the payment listing or order for payment, as presented to Council or Committee, the Payment Listing shall be reviewed by two Members of the Council.
- 6.7. Aged Creditor reports will be reviewed quarterly by F&GP to ensure suppliers are being paid within agreed payment terms.

- 6.8. If agreed by the Council, payment for supplies such as utilities and any national non-domestic Rates may be made by variable direct debit provided that the instructions are signed by two Members and any payments are reported to Council as made. The approval of the use of variable direct debit as a method of payment shall be renewed by resolution of the Council annually.
- 6.9. If agreed by the Council, payment for certain items 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 as a method of payment shall be renewed by resolution of the Council annually.
- 6.10. Where an internet banking system requires use of a personal identification number (PIN) and card and card reader, these shall be stored in a secure location in the Council Offices. A note shall be made of the PIN and passwords for each card reader and retained securely.
- 6.11. 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.
- 6.12. Regular back-up copies of the finance records on any computer shall be made and shall be stored securely away from the computer in question and preferably off site or in a fire proof safe.
- 6.13. Officers shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.
- 6.14. Where internet banking arrangements are made with any bank, the Town Clerk/RFO, Finance Manager and Finance Officer shall be appointed as the Service Administrator.
- 6.15. 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 email 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.
- 6.16. Changes to account details for suppliers, which are used for internet banking may only be effected on receipt of a hard copy notification from the supplier. The Finance Officer will reconfirm any changes to bank details via telephone directly with the Supplier and then request hard copy authority for change signed by the Clerk/RFO or the Finance Manager. A programme of regular checks of standing data with suppliers will be followed.
- 6.17. The Finance Manager and Finance Officer shall have authority to execute transfers to and from Imprest and Current accounts within the Council's banking arrangements up to the sum of £5,000. Any amount greater than this will require the approval of two bank signatories.
- 6.18. Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by the Town Clerk, RFO or an Officer designated by the Town Clerk and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of Members or staff shall only be used with the authority from the Town Clerk/ RFO.
- 6.19. The Town Clerk may hold an account called the Clerk's Account and may make payments via BACs to a value of £1,500 approved by the Town Clerk/RFO or Finance Manager.
 - a) The account shall be treated as an Imprest Account and topped up to £5,000 as required.

- b) Payments to manage the account shall be shown separately on the schedule of payments presented to the appropriate committee.
- c) Debit cards linked to the Clerk's Account may be issued to Officers for the purpose of defraying operational and other expenses. Purchases using these cards will be limited to a value of £250 with the Clerk's limit standing at £1,500.
- d) Card Holders shall be responsible for all purchases made using their card and will countersign the receipt showing their approval of the expenditure
- e) The Finance Officer will maintain a record of payments made. Receipts for payments made shall be kept substantiating the payments and reviewed by the Financial Manager

7. PAYMENT OF SALARIES

- 7.1. As an employer, the Council shall 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. The Council may choose a provider to undertake payroll administration on behalf of the Council for which a small management fee may be paid. The salary payments shall show in the schedule of payments.
- 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 relevant committee dealing with staffing matters.
- 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. 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 Local Audit and Accountability Act 2014, 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 been paid.
- 7.6. Any payments for termination of employment shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Full Council.

8. LOANS AND INVESTMENTS

- 8.1. All borrowings shall be affected made in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan, shall be approved by the Full Council.
- 8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the Finance and General Purposes Committee. In each case a report in writing shall be provided to the Committee 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 Treasury Management Plan 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 held securely.
- 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. The Council, or appropriate Committee, will review all fees and charges for work done, services rendered, or goods supplied at least annually, following a report from the Clerk or delegated Officer.
- 9.3. Any sums and bad debts found to be irrecoverable shall be reported to the Council and shall be written off as soon as practicable. Aged Debtor reports will be reviewed quarterly by the F&GP Committee, with a pre year end write off review and supporting aged debt reports and supporting information provided to Council for any bad debts greater than 12 months old requiring write off
- 9.4. All sums received on behalf of the Council shall be banked 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.
- 9.5. The origin of each receipt shall be entered on the paying-in slip.
- 9.6. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.7. The Finance Officer shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with the VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.8. Where any significant sums of cash are received by the Council, the RFO shall take such steps 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 for individuals banking such cash.

- 9.9. Any income arising which is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any council meeting (see also Regulation 16 below).

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1. A Purchase Order 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 electronically.
- 10.2. Order books shall be controlled by the RFO.
- 10.3. Officers are only able to authorise Purchase Orders in line with the Scheme of Delegation of Financial Responsibility to Spending Officers (Appendix A).
- 10.4. All 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.
- 10.5. A Member shall 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 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 £1,000 (more than this sum the Town Clerk and Finance Manager shall act after consultation with the Chairman and Vice Chairman of Council); and
 - vi. for goods or materials proposed to be purchased which are minor goods which are used in the Council Offices or other Council owned property and / or are only sold at a fixed price.
 - b. Where the Council intends to procure or award a public supply contract, public service contract or a public works contract as defined by The Public Contracts Regulations 2015 ("the PC Regulations") which is valued at current limits (currently £25,000) or more, the Council shall comply with the relevant requirements of the Regulations*.

*The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts.

- 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 and agreed at the appropriate Committee.
- d. An 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 Order 4.2 (Interests) and shall refer to the terms of the Bribery Act 2010.
- g. When the Town Council it is to enter a contract for which the anticipated value is as indicated below the following method of awarding the contract will apply.
 - i. Below £5,000 including VAT - Delegated to officers to place the order with the most appropriate supplier subject to Regulations 10.2 and 10.3 above.
 - ii. £5,000 to £24,999 including VAT - When it is to enter a contract of less than £25,000 (but £5,000 and above) 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 Town Clerk or nominated officer shall strive to obtain 3 quotations.
 - iii. £25,000 to £49,999 including VAT - When it is to enter into a contract of less than £50,000 (but £25,000 and above) 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 Town Clerk or nominated officer shall obtain 3 written quotations obtained through a formal quotation process which is advertised openly on the Contracts Finder website.
 - iv. If it is not possible to obtain three quotations as per ii) and iii) above, for example if the service is of such a specialist nature that three providers do not exist, the details will be recorded by the Business and Finance Manager.
 - v. £50,000 to £214,904 - shall be awarded through open competition by formal quotes based upon a specification published as required by The Regulations, and advertised openly on the Contracts Finder website,
 - vi. £214.904 and over shall be awarded through open competition by formal invitation to tender process based upon a specification published as required by The Regulations, advertised openly via the Find A Tender and Contracts Finder websites.
- h. The Council shall not be obliged to accept the lowest tender or any tender, quote or estimate.

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

12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS (PUBLIC WORKS CONTRACTS)

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the Finance Manager 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 Finance Manager 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 appropriate Committee.
- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by the appropriate Committee and 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 department shall be responsible for the care and custody of stores and equipment in that department and maintain up to date inventory records
- 13.2. Goods must be checked as to order and quality at the time delivery is made and supplier alerted to any discrepancies immediately.
- 13.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 13.4. The Officer in charge of each department shall be responsible for regular checks of stocks and stores and such checks shall be carried out at least once a year.

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 Clerk, shall ensure a record is maintained of all properties held by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 14.2. For the purposes of these Regulations, an Asset is defined as having a value exceeding £1,000 and is not expected to be used up or consumed within one year.
- 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. The Finance Manager 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 annually on a rolling basis.

15. INSURANCE

- 15.1. Following the annual risk assessment (per Regulation 17) by the RFO, the Finance Manager shall effect all insurances in consultation with the Clerk.
- 15.2. The RFO shall review all new risks, properties or vehicles which require to be insured and notify the Finance Manager of any alterations affecting any 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 appropriate Committee at the next available meeting.
- 15.5. All 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 annually by the Council, or duly delegated Committee.

16. CHARITIES

- 16.1. Where the Council is sole managing trustee of a charitable body, the Clerk/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/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 shall put in place arrangements for the management of risk. The Clerk/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/RFO and responsible officers 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 monitor changes in legislation or proper practices and 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 that are not required by law, 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.