



<b>Title:</b>	<b>Constitution of the Council (Part 4H: Financial Regulations)</b>
<b>Owner:</b>	<b>Sal Khan</b>
<b>Date of version:</b>	<b>28<sup>th</sup> June 2021</b>
<b>Review due:</b>	<b>May 2021</b>
<b>Approved by Head of Service:</b>	<b>Sal Khan</b>

**Adopted by Full Council on 28<sup>th</sup> June 2021**

# FINANCIAL REGULATIONS

## CONTENTS

INTRODUCTION .....	1
A. FINANCIAL MANAGEMENT .....	2
General Principles .....	2
Status of Financial Regulations .....	3
Accounting .....	4
B. FINANCIAL PLANNING .....	5
Medium Term Financial Strategy (“MTFS”) .....	5
MTFS Monitoring and Control .....	6
Capital Programme .....	6
Capital Payments and Financing .....	7
Revenues Budgets .....	8
Revenue Expenditure and Income .....	8
Maintenance Of Reserves .....	9
C. RISK MANAGEMENT AND CONTROL OF RESOURCES .....	10
Risk Management and Insurance .....	10
Audit .....	11
Banking Arrangements and Cheques .....	11
Treasury Management .....	12
Assets .....	13
Stocks .....	13

Inventories .....	13
Security .....	14
D FINANCIAL SYSTEMS AND PROCEDURES .....	14
Imprest Accounts .....	14
Income .....	14
Orders For Work, Goods And Services.....	16
Payment Of Invoices .....	16
Salaries, Wages And Allowances.....	16
Leasing .....	18
E EXTERNAL ARRANGEMENTS .....	18
Partnerships .....	18
External Funding .....	19
Work for Third Parties.....	19





## INTRODUCTION

The Regulations have been updated to reflect developments arising from the Local Government Act 2000. They encompass the requirements of the Accounts and Audit Regulations 2015.

To conduct its business efficiently, the Council needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is the establishment of Financial Regulations that set out the financial policies of the Council. Financial Regulations are an integral part of the Council's Constitution. We are also committed to innovation, within the regulatory framework, providing that the necessary risk assessment and approval safeguards are in place.

The Financial Regulations provide clarity about the financial accountabilities of individuals – Cabinet Members, the Head of Paid Service, the Monitoring Officer, the Chief Finance Officer and other Chief Officers.

Throughout the Regulations the following term shall have the meaning stated.

**“Chief Officer(s)”** – The officer or officers who have delegated responsibility for the areas of service provision to which the Regulation could apply. These will comprise any or all of the following:

- Chief Executive Officer
- Heads of Service

## A. FINANCIAL MANAGEMENT

### GENERAL PRINCIPLES

#### General

- A.1.1 The Chief Finance Officer shall be the Officer responsible for the administration of the Council's financial affairs as required by Section 151 of the Local Government Act, 1972.
- A.1.2 The Chief Finance Officer has statutory duties in relation to the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. The statutory duties also arise from:
- The Local Government Finance Act 1988;
  - The Local Government and Housing Act 1989;
  - The Accounts and Audit Regulations 2015.
  - Local Government Act 1999 and 2003.
- A.1.3 The Chief Finance Officer is responsible for:
- The proper administration of the Council's financial affairs;
  - Setting and monitoring compliance with financial management standards;
  - Advising on the corporate financial position and on the key financial controls necessary to secure sound financial management;
  - Providing financial information;
  - Preparing and monitoring the progress of the Medium Term Financial Strategy which includes the revenue budget and capital programme;
  - Treasury management.
- A.1.4 **Section 114** of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to the full Council, Cabinet and external auditor if the Council or one of its officers:
- has made, or is about to make, a decision which involves incurring unlawful expenditure;
  - has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Council;
  - is about to make an unlawful entry in the Council's accounts.

Section 114 of the 1988 Act also requires:

- The Chief Finance Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally;
- the authority to provide the Chief Finance Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.

A.1.5 Each Chief Officer shall consult the Chief Finance Officer with respect to any matter within his purview which is liable materially to affect the finances of the Council before any decision is taken or commitment made or discussed in any form with Councillors.

A.1.6 Each Chief Officer shall ensure that every employee under his control or person acting on the Council's behalf shall be made aware of the contents of these Regulations. Staff should be made aware that breaches of the Regulations may be taken into account when considering disciplinary action. Amendments to the Regulations may only be effected with the explicit approval of the full Council. The Chief Finance Officer or in their absence the Chief Accountant should be informed immediately of any breach in these regulations.

## STATUS OF FINANCIAL REGULATIONS

A.2.1 Financial Regulations provide the framework for managing the Council's financial affairs. They apply to every Councillor and officer of the Council and anyone acting on its behalf. They form an integral part of the regulations and procedures used within the Council and should not be considered in isolation. Other important documents include:

- the Constitution
- Contract Procedure Rules
- Financial Policies and Procedures

A.2.2 The Regulations identify the financial responsibilities of the full Council, Cabinet and scrutiny Councillors, the Head of Paid Service, the Monitoring Officer, the Chief Finance Officer and other Chief Officers.

A.2.3 All Councillors and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.

- A.2.4 The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Regulations and submitting any additions or changes necessary to the full Council for approval. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the Financial Regulations to the council and/or to the Cabinet members
- A.2.5 Chief Officers are responsible for ensuring that staff in their departments are aware of the existence and content of the Council's Financial Regulations and other internal regulatory documents and that they comply with them. The Regulations can be accessed in the Constitution and via the Council's corporate shared filing area – Global, under Financial Procedures).
- A.2.6 The Chief Finance Officer is responsible for issuing advice and guidance to underpin the Financial Regulations that Councillors, officers and others acting on behalf of the Council are required to follow.

## ACCOUNTING

- A.3.1 The Chief Finance Officer shall approve all the accounting procedures, systems and accounting records of the Council and its officers.
- A.3.2 The Chief Finance Officer shall ensure that accounting records are properly observed and the accounts of the Council and supporting records are kept up to date (the Accounts and Audit Regulations 2015, Section 4).
- A.3.3 The Chief Finance Officer shall ensure the preparation of the accounts of the Council for audit and public inspection in accordance with the timetable included within the Accounts and Audit Regulations 2015.
- A.3.4 The Council shall publish a Statement of its Accounts in accordance with the timetable included within the Accounts and Audit Regulations 2015, following the financial year to which the accounts relate. The Accounts will conform to the Code of Practice on Local Authority Accounting in the UK (CIPFA/LASAAC).
- A.3.5 Chief Officers shall produce annually, a written Assurance Statement disclosing the level of assurance they can provide in relation to the operation of internal controls in their area of responsibility. These statements are incorporated into the Council's Corporate Governance Statement (The Accounts and Audit Regulations 2015).



- A.3.6 The Chief Finance Officer shall be responsible for keeping the financial accounts of the Council, and shall prepare the annual Statement of Accounts and submit it to the Audit (approval of Statement of Accounts) Committee by the required date following the end of each financial year.
- A.3.7 In the allocation of the duties of Officers it shall be ensured that as far as is possible:
- (a) the duty of keeping records relating to income shall be separate from the duty of the collection of cash;
  - (b) The duties of placing orders and certifying the receipt of goods or the completion of work shall be separate from the duty of the payment of invoices.

## **B FINANCIAL PLANNING**

### **MEDIUM TERM FINANCIAL STRATEGY (“MTFS”)**

- B.1.1 The General format of the MTFS will be approved by the full Council and proposed by the cabinet on the advice of the Chief Finance Officer. The proposed MTFS should include allocation to different services and projects, proposed taxation levels, contingency funds and use of reserves.
- B.1.2 In accordance with the Local Government Act 2003 (SS.25-S27) and to comply with CIPFA guidance on local authority reserves and balances, the Chief Finance Officer is required to formally report to Councillors on the robustness of the budget and the adequacy of reserves. The Chief Finance Officer will assess and determine the appropriate level of reserves and provisions for the Council.
- B.1.3 The Chief Finance Officer is responsible for ensuring that a MTFS is prepared annually covering a three year period, including both the revenue budget and capital programme for consideration by the Cabinet, before submission to the full Council.
- B.1.4 The Cabinet is responsible for issuing guidance on the general content of the budget in consultation with the Chief Finance Officer.
- B.1.5 It is the responsibility of Chief Officers to ensure that budget estimates reflecting Corporate Plan priorities and agreed service plans are submitted to the Cabinet and that these estimates are prepared in line with guidance issued by the Cabinet.

## MTFS MONITORING AND CONTROL

- B.2.1 The Chief Finance Officer is responsible for providing appropriate financial information to enable budgets to be monitored effectively. He or she must monitor and control expenditure and income against budget allocations and report to the Cabinet on the overall position on a regular basis.
- B.2.2 It is the responsibility of Chief Officers to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Chief Finance Officer. They should report on variances within their own areas to the Chief Finance Officer and their respective Deputy Leader. They should also take any action necessary to avoid exceeding their budget allocation and alert the Chief Finance Officer to any problems.
- B.2.3 Each Chief Officer is responsible for ensuring that these Regulations are strictly adhered to, throughout the department under their control. Except where otherwise stated, all references in these Regulations to “Chief Officer” includes all officers that are carrying out duties on behalf of a Chief Officer. Such delegation by Chief Officers should be formally approved and documented.
- B.2.4 Each Chief Officer should ensure that all staff in their department are made aware of and fully understand the requirements and implications of Financial Regulations as far as they relate to their professional duties and responsibilities. However, this does not remove the requirement for all staff to make themselves conversant with these regulations and comply with their requirements.

## CAPITAL PROGRAMME

- B.3.1 The Chief Finance Officer is responsible for ensuring that a three year capital programme is prepared on an annual basis for consideration by the Cabinet before submission to the full Council.
- B.3.2 Any proposal involving capital expenditure, whether or not included in an approved programme, shall be the subject of a capital bid form, prepared by the relevant Chief Officer and containing the views of the Chief Finance Officer. The report shall be presented firstly to the Business Assurance Group (BAG) and then to the Cabinet before expenditure is incurred and will detail the capital and revenue implications of proceeding with each project. In particular the report shall contain the Chief Finance Officer’s advice about the resources to be employed and the adequacy of the budget provision and ongoing revenue budget implications.

- B.3.3 Any proposal for capital expenditure which is not included in an approved programme and cannot be accommodated within the Chief Officer's delegated authority shall be the subject of a joint report (of the Chief Officer and Chief Finance Officer) to the Cabinet.
- B.3.4 The approval by the Council of a programme of capital expenditure shall authorise the Chief Officer concerned at the appropriate time to incur expenditure in order to deliver their projects:
- B.3.4.1 Take steps to enable land required for the purposes of the programme to be acquired in due time and,
  - B.3.4.2 Prepare a scheme and estimate, including associated revenue expenditure, for approval by the Cabinet.
- B.3.5 Expenditure is only capitalised if it reaches the de minimus levels which are:
- |                    |         |
|--------------------|---------|
| Land and buildings | £15,000 |
| Equipment          | £10,000 |
- Expenditure below these amounts is charged to revenue.

## CAPITAL PAYMENTS AND FINANCING

- B.4.1 Each Chief Officer in consultation with the appropriate Deputy Leader shall, in accordance with a timetable and form specified by the Chief Finance Officer, prepare a list of capital schemes to be considered for inclusion in the Council's Capital Programme.
- B.4.2 The Chief Finance Officer in consultation with the Leader and Deputy Leader shall submit, whenever appropriate, a report to the Cabinet on the schemes put forward and on the capital resources and methods of finance available.
- Such report must include the revenue consequences of each scheme and the possibility of grant aid, external funding, private finance or partnership funding.
- B.4.3 The Cabinet shall report at least annually to Council recommending which schemes shall proceed and the method of financing.
- B.4.4 Progress on capital schemes shall be reported as part of Financial Monitoring Reports submitted quarterly to Councillors.
- B.4.5 Any variation between actual expenditure and the estimated cost of any capital scheme shall be reported by the Chief Officer to the Chief Finance Officer and the appropriate Deputy Leader, as soon as it is apparent.

All overspends shall be reported to the Cabinet showing reasons for the overspend by the appropriate Chief Officer following discussion with the Chief Finance Officer.

- B.4.6 The Chief Finance Officer will, in accordance with the Prudential Code for Capital Finance, calculate and have approved before the start of each financial year, for that year and the following two years, the Prudential Indicators for Capital and Treasury Management. In doing so due diligence will be given to the affordability, sustainability and prudence of the programme.
- B.4.7 The Chief Finance Officer will, in accordance with s.3 of the Local Government Act 2003, determine and keep under review how much the Council can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. If this is likely to be exceeded, a report to Council is required.

## REVENUES BUDGETS

- B.5.1 Guidelines on budget preparation are issued to Councillors and Chief Officers by the Chief Finance Officer. The guidelines will take account of:
- Legal requirements;
  - Medium-term planning prospects;
  - The Sustainable Community Strategy;
  - The Corporate Plan;
  - Available resources;
  - Spending pressures (identified through Service Plans);
  - Value for Money and other relevant government guidelines;
  - Other internal policy documents;
  - Cross-cutting issues (where relevant).

## REVENUE EXPENDITURE AND INCOME

- B.6.1 Chief Officers, in consultation with the appropriate Deputy Leaders, shall, in accordance with a timetable and format specified by the Chief Finance Officer, prepare estimates of revenue expenditure and income relating to the services under their control for the following three financial years.
- B.6.2 The Chief Finance Officer in consultation with the Leader of the Council shall submit a report on the estimates and the options for financing revenue expenditure to the Cabinet, which shall make recommendations to the Council on the budget and

financing arrangements for the next financial year and indications of budget requirements for the following two financial years.

- B.6.3 Expenditure may only be incurred in accordance with any approved estimate and if any expenditure will give rise to new expenditure commitments in future years, a report must be made to the Cabinet before the expenditure is incurred.
- B.6.4 Any variation or likely variation between actual and estimated expenditure and income shall be reported by the Chief Officer to the Chief Finance Officer and the appropriate Deputy Leader as soon as practicable.
- B.6.5 The Chief Finance Officer shall report to the Cabinet during the year on any significant variations from the budget and shall report to the Cabinet on the revenue outturn as soon as practical after the end of the financial year.
- B.6.6 The following shall apply to any virement within the Budget as approved by the Council:
- (a) Within a Service no virement is required for amounts up to £25,000 as long as, excluding salaries and wages costs, the total expenditure on the service is not exceeded at year end. If the virement is between services, step (d) will be carried out.
  - (b) It is the responsibility of Chief Officers, in conjunction with their budget managers, to ensure that there are adequate controls to ensure that total expenditure on each service is not exceeded.
  - (c) For amounts above £25,000, but not exceeding £50,000, the corporate management team (CMT) must be notified of the change.
  - (d) For amounts greater than £50,000, but not exceeding £100,000, approval must be granted by CMT before the virement can occur;
  - (e) For amounts greater than £100,000, step (d) must be undertaken, followed by the need for an Executive Decision Record (EDR) to be completed by the relevant Deputy Leader;
  - (f) For amounts in excess of £250,000 by the Cabinet, upon the completion of steps (d) and (e).

The power given above is not to be used to increase spending on the basis of the generation of additional income. Such a proposal is to be covered, depending on the amount, by (e) and (f).

## MAINTENANCE OF RESERVES

- B.7.1 It is the responsibility of the Chief Finance Officer to advise the Cabinet and the full Council on prudent levels of reserves for the Council.

- B.7.2 The level and purpose of reserves will be reported to Cabinet annually along with the MTFS.

## C RISK MANAGEMENT AND CONTROL OF RESOURCES

### RISK MANAGEMENT AND INSURANCE

- C.1.1 The Cabinet is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management. The Chief Finance Officer is responsible for ensuring that proper insurance exists where appropriate.
- C.1.2 The Chief Finance Officer is responsible for preparing the Council's risk management policy statement, for promoting it throughout the Council and for advising the Cabinet on proper insurance cover where appropriate.
- C.1.2.1 All Managers, Senior Managers and Chief Officers are responsible for identifying risks and ensuring appropriate action is taken to mitigate against such risks. All risks should be classified within the Council's Risk Register. Service plans, strategies and reports should highlight risks and the action that is being taken to reduce or transfer the risk, thus enabling Council objectives to be met.

#### INSURANCE

- C.1.3 The Chief Finance Officer shall affect all necessary insurance cover and determine those risks that are to be covered by the Council's insurance.
- C.1.4 All Chief Officers shall notify the Chief Finance Officer of all new risks, properties, vehicles, or other assets that need to be insured and of any deletions or other alterations necessary to existing insurances.
- C.1.5 The Chief Finance Officer should be promptly notified of any occurrence likely to lead to a claim. Unless otherwise decided by the Chief Finance Officer, all cases involving loss or damage must be notified to the Police. If the case involves the possibility of fraud the Chief Finance Officer must be informed.
- C.1.6 All appropriate officers of the Council shall be included in a suitable fidelity guarantee insurance and, in all circumstances where the Council undertakes work on a contractual basis for a third party, professional indemnity insurance.

- C.1.7 The Chief Finance Officer shall annually, or at such other periods as is considered necessary, review all insurances in consultation with other Chief Officers as appropriate.
- C.1.8 Where an employee or third party is involved in an accident or property is damaged lost or stolen full details shall be immediately sent to the Chief Finance Officer who shall notify the insurance company and deal with all subsequent correspondence.

## AUDIT

### INTERNAL AUDIT

- C.2.1 The Chief Finance Officer shall maintain an adequate and effective internal audit of all the Council's activities. Such internal audit is to be performed in accordance with guidelines recommended by the Chartered Institute of Public Finance and Accountancy.

The Chief Finance Officer as the responsible officer, (the Accounts and Audit Regulations 2015, regulation 6), will carry out an annual review of the effectiveness of the system of internal audit. The findings will be considered by Council as part of the consideration of the system of internal control (C.2.4 below).

- C.2.2 The Chief Finance Officer and the Internal Audit staff shall have the right of access to all records and property of the Council and shall be entitled to explanations relating to matters arising from audits within a reasonable time of requesting such explanations.
- C.2.3 All Officers shall immediately notify the Chief Finance Officer of any circumstances which may suggest the possibility of irregularity affecting cash, stores, or other property of the Council.
- C.2.4 In accordance the Accounts and Audit Regulations 2015, regulation 6, the Chief Auditor will, in conjunction with the Chief Finance Officer, carry out an annual review of the system of internal control. The findings of the review are to be included in the Corporate Governance Statement, which is to be considered and approved by the Audit Committee and published as part of the Annual Statement of Accounts.

## BANKING ARRANGEMENTS AND CHEQUES

- C.3.1 The Chief Finance Officer is responsible for ensuring that the Council has secure and reliable banking arrangements. All new banking arrangements shall be subject to the prior approval of the Chief Finance Officer.

- C.3.2 Only persons authorised by the Council shall be permitted to sign cheques and orders for payments drawn on the Council's other mandates.

## TREASURY MANAGEMENT

- C.4.1 All investments of money under its control shall be made in the name of the Council.
- C.4.2 All securities which are the property of or in the name of the Council or its nominees shall be held in the custody of the Chief Finance Officer.
- C.4.3 All borrowings shall be affected in the name of the Council.
- C.4.4 The Chief Finance Officer shall maintain records of all borrowing of money by the Council.
- C.4.5 All trust funds shall be in the name of the Council.
- C.4.6 Treasury Management shall be operated in accordance with the provisions of CIPFA's "Code for Treasury Management in Local Authorities" and the Prudential Code for Capital Finance in accordance with B.2.11.
- C.4.7 An annual Treasury Management and Investment Strategy setting out its strategy and procedures shall be adopted by the Council and thereafter its implementation and monitoring shall be delegated to the Chief Finance Officer.
- C.4.8 All money in the hands of the Council shall be aggregated for the purposes of Treasury Management and shall be under the control of the Officer designated for the purposes of Section 151 of the Local Government Act 1972, i.e. in this instance the Chief Finance Officer.
- C.4.9 All executive decisions on borrowing, investment, or financing shall be delegated to the Chief Finance Officer, or through him to his staff, who shall be required to act in accordance with CIPFA's "Code for Treasury Management in Local Authorities".
- C.4.10 The Chief Finance Officer shall prepare a report for scrutiny by the Audit Committee and approval by full Council on the activities of the Treasury Management operation and on the exercise of Treasury Management powers delegated to him. At a minimum this will include a Mid Year and Annual Report of Treasury Management.



## ASSETS

- C.5.1 The Monitoring Officer shall have custody of all title deeds and arrange to keep them in a secure place.
- C.5.2 The Monitoring Officer shall maintain a register of all land and other property owned by the Council.

## STOCKS

- C.6.1 Each Chief Officer shall ensure that such records relating to the quantity and value of stocks of goods purchased in advance of requirements are maintained as required by the Chief Finance Officer.
- C.6.2 Physical stocks and the records relating to them shall be available at all times for inspection by the Internal Audit Function (provided by CW Audit).
- C.6.3 Chief Officers shall arrange for periodical test examinations of stocks by persons other than storekeepers and shall ensure that all stocks are so checked at least once in every year.
- C.6.4 Surplus stock may only be disposed of in accordance with the approvals required in Regulation D.2.9 and at the best price possible.
- C.6.5 Where a discrepancy arises between physical stocks and the records the reasons for the discrepancy shall be provided by the Chief Officer to the Chief Finance Officer as soon as it is discovered. Where the Chief Finance Officer is satisfied that it is appropriate to do so he may write-off the discrepancy in accordance with Regulation D.2.9.

## INVENTORIES

- C.7.1 Each Chief Officer shall prepare and keep an up to date inventory for all equipment, vehicles and moveable plant with an initial purchase value in excess of £100.
- C.7.2 An up to date copy of the inventory shall be kept in each location to which it relates.
- C.7.3 Equipment, vehicles and moveable plant and the records relating to them shall be available at all times for inspection by the Internal Audit Function (provided by CW Audit).

- C.7.4 Where a discrepancy arises between equipment, vehicles and moveable plant and the records held, the reasons for the discrepancy shall be provided by the Chief Officer to the Chief Finance Officer as soon as it is discovered. Where the Chief Finance Officer is satisfied that it is appropriate to do so, he may write-off the discrepancy in accordance with Regulation D.7.
- C.7.5 The Council's property shall not be removed from its normal location except in the ordinary course of the Council's business with the express permission of the Chief Officer.

## SECURITY

### Computer Security Standards

- C.8.1 Employees and Councillors should ensure compliance with the Council's "Computer Security Standards – A Code of Practice" and the "Security and Confidentiality Policy".

## D FINANCIAL SYSTEMS AND PROCEDURES

### IMPREST ACCOUNTS

- D.1.1 The Chief Finance Officer may make imprest advances to Officers for the payment of small items of expenditure.
- D.1.2 Such Officers shall keep a Petty Cash record and when claiming reimbursement of expenditure shall submit an account to the Chief Finance Officer setting out details of the expenditure with supporting vouchers and receipts.
- D.1.3 The balance of any imprest account shall be available at all times for production to the Internal Audit Function (provided by CW Audit).
- D.1.4 Imprest holders must complete the certificate to confirm the balance held at year end, in accordance with the closing of accounts timetable.

### INCOME

- D.2.1 The collection of all money due to the Council shall be in accordance with arrangements approved by the Chief Finance Officer and shall be receipted in every instance as directed by the Chief Finance Officer.

- D.2.2 Invoices for work done, services rendered, goods supplied and for any other amounts due shall be raised promptly and notified following the systems prescribed by the Chief Finance Officer.
- D.2.3 All charges, discounts and concessions shall be determined by the Chief Officer in consultation with the Chief Finance Officer and the appropriate Deputy Leader. All charges shall be reviewed in accordance with the fees and charges policy.
- D.2.4 The Chief Finance Officer shall approve the necessary arrangements for the recovery of all monies due to the Council. Where recovery is not successful the Chief Finance Officer shall be permitted to authorise the writing out of the accounts of the amount due in accordance with Regulation D.2.9
- D.2.5 All monies owed to the Council relating to non-statutory debt that are to be written off (in accordance with Regulation D.2.9), should be written back to the service raising the invoice. All other statutory debt shall be written out of the accounts.
- D.2.6 All monies received on behalf of the Council shall be paid without deduction into the Council's bank accounts on the day of collection or at such intervals as may be agreed by the Chief Finance Officer.
- D.2.7 Personal cheques shall not be cashed out of the money held on behalf of the Council.
- D.2.8 Maximum limits as agreed by the Chief Finance Officer for cash held at any location shall not be exceeded.

#### AUTHORISATIONS FOR WRITE-OFFS AND DISPOSAL

- D.2.9 The Chief Finance Officer may, after satisfying himself that it is correct to do so, write out of the accounts any amount under Regulation shown elsewhere:
- (a) For individual amounts less than £1,000;
  - (b) For individual amounts of £1,000 and over on the authorisation of the Deputy Leader;
  - (c) For cumulative amounts of £5,000 and over on the authorisation of the Deputy Leader.
- D.2.10 The term "individual amounts" shall be construed as meaning the total of amounts owed by one debtor, or the total value of stock or equipment at a particular location, as the context requires.
- D.2.11 As in accordance with the Write-off policy, all items written off will be reported on a quarterly basis to the Audit Committee.

## ORDERS FOR WORK, GOODS AND SERVICES

- D.3.1 All Officers of the Council shall ensure that they will obtain value for money before placing any orders for goods or services.
- D.3.2 Orders should have regard to the Council's Contract Procedure Rules, and the Council's current Procurement Strategy.
- D.3.3 All cheques, official receipt forms or books, licences, tickets and other documents representing money shall be ordered only on the authority of the Chief Finance Officer. The systems for ordering and stock control shall be in a form approved by the Chief Finance Officer.

## PAYMENT OF INVOICES

- D.4.1 The arrangements for the payment of invoices and other amounts due shall be subject to the approval of the Chief Finance Officer.

## SALARIES, WAGES AND ALLOWANCES

- D.5.1 The arrangements for the payment of salaries, wages and allowances shall be subject to the approval of the Chief Finance Officer. All Chief Officers shall as soon as possible advise the Chief Finance Officer in the prescribed form of all appointments, resignations, timesheet detail, or any other circumstances affecting the salaries, wages or emoluments of any employees.
- D.5.2 The Chief Finance Officer shall have access to all information necessary to maintain records of service, superannuation, income tax and national insurance liability.
- D.5.3 All claims for payment of overtime, fees, car allowances, subsistence allowances and travelling and other expenses shall be submitted duly certified, in a format approved by the Chief Finance Officer as soon as possible following the end of the monthly period in which they are incurred.

- D.5.4 All subsistence claims will be reimbursed in accordance with guidelines issued by the Chief Finance Officer. Claims will only be reimbursed if supported by a valid VAT receipt, where appropriate.
- D.5.5 Each Chief Officer shall supply to the Chief Finance Officer, for approval, names, designations and specimen signatures of officers they propose shall sign such claims. Where approval is carried out on-line then names, designations and computer identification codes shall be submitted to the Chief Finance Officer.
- D.5.6 The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, properly and necessarily incurred and the fees and allowances are properly payable by the Council.
- D.5.7 Claims submitted more than three months after fees were earned or the expenses incurred must be accompanied by an explanatory letter of the delay and will only be paid on the express approval of the Chief Finance Officer and only when the reasons for delay are exceptional.
- D.5.8 All payments of incidental expenses such as removal, lodging and disturbance allowances and training course fees, etc. shall be made in accordance with the appropriate scheme approved by the Council.
- D.5.9 Payments to Councillors, who are entitled to claim travelling or other allowances, will be made by the Chief Finance Officer on receipt of the prescribed form duly completed. All claims must be made within 3 months of the expense being incurred unless otherwise agreed in exceptional circumstances by the Chief Finance Officer. Details of payments made to Councillors will be retained by the Chief Finance Officer and made available for public inspection when appropriate.

#### ADVANCES TOWARDS EXPENSES ON OFFICIAL VISITS

- D.5.10 The Chief Finance Officer may make advances of cash or foreign currency to an Officer who represents the Council on an official visit approved by the Chief Executive Officer.
- D.5.11 Such Officers shall obtain receipts wherever possible and on return to the office submit a Return detailing the amounts expended together with any unused balance to the Chief Finance Officer. The Return shall be certified by the Officer to the effect that the amounts have been expended on Council business.



## LEASING

- D.6.1 The Chief Finance Officer shall be responsible for obtaining quotations from Finance Houses providing lease arrangements for the acquisition of buildings, plant, vehicles and equipment in accordance with European Union directives. These quotations shall form part of the options appraisal that must be prepared in accordance with the Prudential Code to ensure the Council obtains Value for Money. Chief Officers must ensure that the Chief Finance Officer is consulted as part of this process.
- D.6.2 Provision within Service estimates to cover the annual costs of leasing should be made only following consultation with the Chief Finance Officer.
- D.6.3 Sale/Lease-back and operating leasing arrangements also come within this regulation.

## E EXTERNAL ARRANGEMENTS

### PARTNERSHIPS

- E.1.1 The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.
- E.1.2 **Partnerships** - The Cabinet is responsible for approving delegations, including frameworks for partnerships. The Cabinet is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.
- E.1.3 The Cabinet can delegate functions – including those relating to partnerships – to Chief Officers. These are set out in the scheme of delegation that forms part of the Council's constitution. Where functions are delegated, the Cabinet remains accountable for them to the full council.
- E.1.4 The Head of Paid Service represents the Council on partnership and external bodies, in accordance with the scheme of delegation.

- E.1.5 The Monitoring Officer is responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council.
- E.1.6 The Chief Finance Officer must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are satisfactory. Chief Officers must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. They must also ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- E.1.7 Chief Officers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies. Chief Officers should also ensure that the Internal Audit Function (provided by CW Audit) has access to the records maintained by any partnership and joint funding arrangements.

## EXTERNAL FUNDING

- E.2.1 The Chief Finance Officer is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- E.2.2 Chief Officers shall submit promptly all relevant information to the Chief Finance Officer who shall be responsible for the timely submission of all grant claims. The Accounts and Audit Regulations provide that proper accounting records shall, in particular, be kept in relation to Government Grants, whether paid by a Government department, an agency or grants from EU institutions.
- E.2.3 Chief Officers must inform the Chief Finance Officer of any potential externally funded projects at the earliest opportunity. The information should consist of a report fully highlighting the details of the funding and associated project. This report must be presented to the Business Assurance Group before approval is granted.
- E.2.4 De minimus levels for reporting and approval are the same as the Capital Regulations.

## WORK FOR THIRD PARTIES

- E.3.1 The Cabinet is responsible for approving the contractual arrangements for any work for third parties or external bodies.

- E.3.2 Chief Officers shall be responsible for ensuring that proper arrangements are in place in respect of all grants from whatever source, which may be due to the Council.
- E.3.3 Each Chief Officer shall ensure that whenever a grant application is being considered the Chief Finance Officer is consulted and where necessary the proper authority obtained and suitable records are kept as specified by the Chief Finance Officer.