

# GRAFFHAM PARISH COUNCIL

## FINANCIAL REGULATIONS (to comply with model financial regs issued by SSALC 31 July 2019)

Revised 11 March 2016, Adopted Minute 130 (f)

Revised 13 January 2017, Adopted Minute 87 e

Reviewed 12 January 2018. Re-adopted unchanged Minute 91 (e)

Reviewed 18 January 2019. Re-adopted with revisions to clauses 4.4 and 4.8, Minute 87e

Reviewed 15 November 2019. Re-adopted with multiple revisions. Minute no.76e.

Reviewed 15 January 2021, Adopted Minute 76e

Reviewed and amended on 21st September 2021

Reviewed and readopted unchanged 21st November 2022

These Financial Regulations were initially adopted by the Council at its Meeting held on 9 September 2013. Minute 51.

Following revisions on 13 January 2015 (Minute 90 ©)

Following revisions to Clauses 4.4 and 4.8. These were Re-Adopted on 18 January 2018. Minute 91a. On 11 March 2016 they were RE-ADOPTED on 11 March 2016, Minute 130 (f).

Following revision to Clause 4.4, 4.8, 5.2, 5.3 and the correction to numbering in 5.4 and 5.6, these were RE-ADOPTED on 13 January 2017, Minute 87 e.

1.1 These financial regulations govern the conduct of the financial transactions of the Council and may only be amended or varied by resolution of the Council. Financial regulations are one of the council's three governing policy documents providing procedural guidance for members and officers. Financial regulations must be observed in conjunction with the council's standing orders and any individual financial regulations relating to contracts.

1.2 The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of financial control which facilitates the effective exercise of the Council's functions, including arrangements and for the management of risk.

1.3 The council's accounting control systems must include measures:

- For the timely production of accounts
- That provide for the safe and efficient safeguarding of public money
- To prevent and detect inaccuracy and fraud; and
- Identifying the duties of others.

1.4 These financial regulations are designed to demonstrate how the Council meets these responsibilities.

1.5 At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.

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

1.7 Members of council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.

1.8 The Clerk has been appointed as Responsible Financial Officer (RFO) and these regulations will apply accordingly.

- 1.9 The RFO, acting under the policy direction of the Council:
1. administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
  - 2 the RFO and council determines on behalf of the council its accounting records and accounting control systems;
  - 3 The RFO and Council shall ensure that the accounting control systems are observed;
  - 4 The RFO and Council shall ensure that the accounting records of the council are up to date in accordance with proper practices;
  - 5 Assists the council to secure economy efficiency and effectiveness in the use of its resources and produces financial management information as required by the council.
- 1.10 The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit 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 and expended by the council and the matters to which the income and expenditure or receipts and payments account relate;
  - a record of the assets and liabilities of the council and
  - wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- 1.12 The accounting control systems determined by the RFO shall include:
- Procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible
  - Procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records.
  - Identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions.
  - Procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records and
  - Measure to ensure that risk is properly managed.
- 1.13 The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:
- Setting the final budget or the precept (council tax requirement);
  - approving accounting statements;
  - approving an annual governance statement; borrowing;
  - writing off bad debts;
  - declaring eligibility for the General Power of Competence and
  - addressing recommendations in any report from the internal or external auditors, shall be a matter for the full council only.
- 1.14 In addition, the council must:
- Determine and keep under regular review the bank mandate for all council accounts
  - Approve any grant or a single commitment in excess of £50 and

- In respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference

1.15 In these financial regulations, references to the Accounts and Audit Regulations or “the regulations” shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

In these financial regulations the term “proper practice” or “proper practices” shall refer to guidance issued in Governance and Accountability for Local Councils – a Practitioners’ Guide (England) issued by the Joint Practitioners Advisory Group (JPAG), available from NALC and SLCC.

## **2. ACCOUNTING AND AUDIT (internal and external)**

2.1 All accounting procedures and financial records of the Council shall be determined by the RFO and Council as required by the Accounts and Audit Regulations.

2.2 On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman 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.

2.3 The RFO shall complete the annual statement of accounts, annual Report and any related documents of the Council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and 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 adequate and effective system of internal audit of the Council’s accounting, financial 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 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 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 competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- have no involvement in the financial decision making, management or control of the council.

2.7 Internal auditors or external auditors may not under any circumstances:

- Perform any operational duties for the council,
- Initiate or approve accounting transactions or
- direct the activities of any council employee, except to the extent that such employee has 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 notes and statements of account required by Audit Commission Act 1998, or any superseding legislation of the Accounts and Audit Regulations.

2.10 The RFO shall, without any undue delay, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor,

### **3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING (was our section 2)**

3.1 Left out.

3.2 The RFO Must each year, by no later than 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 Committee and Council.

3.3. The council shall consider annual budget proposals in relation to the council’s one-year 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. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.

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

### **4. BUDGETARY CONTROL AND AUTHORITY TO SPEND**

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

- the full council for all items over £500.
- the Clerk for any items between £250-£500 with consent from the Chairman
- the Clerk for any items up to £250.

The Clerk/RFO has authority to spend up to £250 on any item, service or contract relating to solely Council business without the express authorisation of the Chairman, and up to £500 on any item, service or contract relating to solely Council business only with the express authorisation of the Chairman which should be given by email. All such expenditure shall be presented to the Council for approval at the next appropriate council meeting.

The Clerk/RFO is authorised to act on behalf of the Council in all council matters when faced with an emergency/exceptional circumstance which may result in serious harm/danger to life of persons.

The Chair of the Council/ relevant committee are to be consulted before any action is taken.

4.1 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by being authorised by the council. 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”).

4.2 Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless approved by resolution by the Council.

4.3 The salary budget is to be reviewed at least annually in October for the following financial year.

4.4 In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk’s judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any

budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

4.5 No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.

4.6 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.

4.7 The RFO shall regularly provide the council with a schedule of receipts and payments to date under each heading of the budgets, comparing actual expenditure against that planned. These statements are to be prepared by the RFO and presented at each Council meeting.

4.9. Changes in earmarked reserves shall be approved by council as part of the budgetary control process.

## **5 BANKING ARRANGEMENTS AND AUTHORISATION OF CHEQUES**

5.1 The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.

5.2 The RFO will present to Council at each meeting a schedule of payments required, together with the relevant invoices. If the schedule is in order it shall be authorised by a resolution of the Council and shall be initialled by a Member other than the Chairman, thus authorising the RFO to draw the cheques. 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 termination of a contract of employment) may be summarised to remove public access to any personal information.

5.3 All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates have been received, carried out, examined and represents expenditure approved by the council.

5.4 The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted and which are in order

5.5 Left out

5.6 Left out

5.7 Left out

5.8 Any Revenue or Capital Grant in excess of £100 shall before payment, be subject to ratification by resolution of the council.

5.9 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.

5.10 Left out

5.11 Left out

5.12 The RFO will present to Council at each meeting a schedule of payments which have been made since the last meeting, which were not previously authorised at the prior meeting in accordance with 5.2. These payments will be ratified as correct by a resolution of Council and the schedule of payments shall be initialled by a Member other than the Chairman.

## **6 INSTRUCTIONS FOR THE MAKING OF PAYMENTS**

6.1 The council will make safe and efficient arrangements for the making of its payments.

6.2 Following authorisation under Financial Regulation 5 above, the council, shall give instruction that a payment be made.

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

6.4 Cheques, bank transfers or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of council in accordance with a resolution instructing that payment. In the case of online bank transfers, the payment shall be made by the RFO and authorised by a second bank signatory, in line with online banking security protocols. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.

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

6.6 Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.

6.7 If thought appropriate by the council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments are reported to council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years

6.8 Regular back-up copies of the records on any computer shall be made.

6.9 The Council shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.

6.10 The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **7 PAYMENT OF SALARIES**

7.4 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 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.

7.5 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, provided that each payment is reported to the next available council meeting.

7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior approval of the Council.

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

- a) Any councillor who can demonstrate a need to know
- b) By the internal auditor or
- c) By the external auditor or
- d) By any person authorised under Audit Commission Act 1998, or any superseding legislation.

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

7.6 - 7.8 left out.

## **8 LOANS AND INVESTMENTS**

8.4 All borrowings shall be effected in the name of the council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full council.

8.5 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 full Council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.

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

8.7 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.

8.8 Left out.

8.6. All investment of money under the control of the council shall be in the name of the council.

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

8.8. Payments in respect of short-term or long-term investments, shall be made in accordance with Regulation 5 (authorisation of payments) and Regulation 6 (Instructions for payments).

## **9 INCOME**

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

9.5 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.

9.6 The Council will review all fees and charges annually, following a report of the RFO.

9.7 Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.

9.8 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.

9.9 The origin of each receipt shall be entered on the paying-in slip.

9.10 Personal cheques shall not be cashed out of money held on behalf of the Council.



9.11 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.

9.12 Where any significant sums of cash are regularly received by the Council, the RFO shall take such steps as are agreed by the Council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

9.13 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)

## **10 ORDERS FOR WORK, GOODS AND SERVICES**

10.1 All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining 2 quotes for any expenditure between £500 and £4,000 and 3 quotes for any over £4000, subject to any de minimis provisions in Regulation 11.

10.2 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.

10.3 Order books shall be controlled by the RFO.

10.4 All members and Officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11 (I) below.

10.5 Left out.

10.6 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

## **11 CONTRACTS**

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;

(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 on or 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 £250 (in excess of this sum the 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) 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 (*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** The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceeds thresholds in The Regulations set up by the Public Contracts Directive 2014/24/EU (which may change from time to time). (*Thresholds currently applicable are: a) for public supply and public service contracts 209,000 Euros (£181,3020, for Public works contracts 5,225,000 Euros (£4551,413) Based on NALC's Standing Order 18d NALC 2018*)

(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 the 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 the council.

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

(h) When the Council is to enter into a contract less than £1,000 in value for the supply of goods or materials or for the execution of works or specialist services 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 designated 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 undertaken.

## **11 PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

11.1 Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of any architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).

11.2 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.

11.3 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.

Their section 13 Stores and equipment left out completely.

## **12 PROPERTIES AND ESTATES**

12.1 The RFO shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates 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.

12.2 No tangible movable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £50.

12.3 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).

12.4 No real property (interests in land) shall be purchased or acquired without the authority of the 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).

12.5 Subject only to the limit set in 13.2. above, no tangible property shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council with a full business case.

12.6 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually.

## **13 INSURANCE**

13.1 Following an annual risk assessment (per Regulation 16) the RFO shall effect all insurances and negotiate all claims on the Council's insurers.

13.2 The Clerk shall give prompt notification to the Council of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

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

13.4 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.

13.5 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.

## **14 CHARITIES**

14.1 Where the Council is sole trustee of a Charitable body the Clerk and Finance Committee 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 Finance Committee shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

## **15 RISK MANAGEMENT**

15.1 The council is responsible for putting in place arrangements for the management of risk. The Clerk/RFO, with the Chairman of the Finance Committee and/or Chairman, shall prepare, for approval by the council, risk management policy statements in respect of all activities of the Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually.

15.2 When considering any new activity the Clerk/RFO, in conjunction with the Chairman or appropriate Councillor, shall prepare a draft assessment including risk management proposals for consideration and adoption by the council.

15.3 Our number 16.3 previously now not included.

## **16 REVISION OF FINANCIAL REGULATIONS**

16.1 It shall be the duty of the Council to review the Financial Regulations of the Council on an annual basis.

16.2 The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risk arising has been drawn up and presented in advance to all members of council.