

**RAYLEIGH TOWN COUNCIL
FINANCIAL REGULATIONS
ADOPTED FEBRUARY 2019**

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These Financial Regulations were adopted by the Full Council at its Meeting held on 25th February 2019

1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the Full 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 orders¹ and any individual financial regulations relating to contracts.
- 1.2. The Full Council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.
- 1.3. The council's accounting control systems must include measures:
 - for the timely production of accounts;
 - that provide for the safe and efficient safeguarding of public money;
 - to prevent and detect inaccuracy and fraud; and
 - identifying the duties of officers.
- 1.4. These financial regulations demonstrate how the council meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Governance Statement, the clerk and Chairman of the Policy and Finance Committee must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. A breach of these Regulations by an employee or a member will be investigated by the Chairman of the Policy & Finance Committee and, where appropriate, by the Chairman of Personnel and reported to Full Council for consideration of further action if necessary.
- 1.7. Members of Full 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 Model standing orders for Councils are available in Local Councils Explained © 2013 National Association of Local Councils

1.8. The Responsible Financial Officer holds a statutory office and is appointed by the Full Council. The Town Clerk (henceforth referred to as 'the clerk') has been appointed as Responsible Financial Officer for this council and these regulations will apply accordingly.

1.9. The clerk;

- acts under the policy direction of the Full Council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and accounting control systems;
- ensures the accounting control systems are observed;
- maintains the accounting records of the council up to date in accordance with proper practices;
- assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
- produces financial management information as required by the Full Council.

1.10. The accounting records determined by the clerk shall be sufficient to show and explain the council's transactions and to enable the clerk 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 Full Council from time to time comply with the Accounts and Audit Regulations².

1.11. The accounting records determined by the clerk 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 clerk shall include:

² Accounts and Audit (England) Regulations 2011/817

- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately 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 Full Council for approval to be written off except with the approval of the clerk and that the approvals are shown in the accounting records; and
- measures to ensure that risk is properly managed.

1.13. The Full 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 Full Council must:

- determine and keep under regular review the bank mandate for all council bank accounts;
- approve any grant or a single commitment in excess of £2,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the Personnel Committee in accordance with its standing orders.

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 the websites of NALC and the Society for Local Council Clerks (SLCC).

2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

- 2.1. All accounting procedures and financial records of the council shall be determined by the clerk in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. At every Policy & Finance Committee meeting the Chairman shall verify bank reconciliations (for all accounts) produced by the clerk. The member shall sign the original bank statements (or similar document) as evidence of verification and the dated reconciliations shall be filed with the minutes. This activity shall on conclusion be reported, including any exceptions, to and noted by the Policy & Finance Committee.
- 2.3. The council's financial software providers will conduct the year end closedown of the accounts in preparation for the annual statement of accounts. The clerk shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the Full Council within the timescales set by the Accounts and Audit Regulations.
- 2.4. The Full 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 Full Council to be necessary for the purpose of the audit and shall, as directed by the Full Council, supply the clerk, internal auditor, or external auditor with such information and explanation as the Full Council considers necessary for that purpose.
- 2.5. The internal auditor shall be appointed by the Full Council and shall carry out the work in relation to internal controls in accordance with proper practices.
- 2.6. The internal auditor shall:
 - be competent and independent of the financial operations of the council;

- report to Full 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
- have no involvement in the financial decision making, management or control of the council.

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

- perform any operational duties for the council;
- initiate or approve accounting transactions; or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

2.8. The clerk 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.

2.9. The clerk shall, without undue delay, bring to the attention of the Full Council any correspondence or report from internal or external auditors.

3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

3.1. The clerk must each year, by no later than the date of the Policy and Finance meeting in which budgets are considered (usually 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 relevant committees and the Full Council.

3.2. The Full Council shall fix the precept (council tax requirement) to be levied for the ensuing financial year not later than by the end of January each year. The clerk shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.

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

4. BUDGETARY CONTROL AND AUTHORITY TO SPEND

- 4.1 The clerk, in consultation with the Council Chairman and Vice-Chairman, has delegated powers to spend up to £5,000 in line with the Business Continuity Plan in the event of an emergency. If either the Chairman or Vice-Chairman are unavailable their place can be taken by either the Chairman of the Policy & Finance Committee or the Chairman of the Environment Committee

The clerk, in consultation with the Committee Chairman and Vice-Chairman has delegated powers: Rayleigh in Bloom Sub-Committee up to £200, Environment Committee up to £500, King George V Playing Field Committee up to £2,000 for emergency repairs, and Policy and Finance Committee up to £500 for advertising staff vacancies. The clerk shall report the action to Full Council or relevant committee as soon as practicable thereafter.

Such authority is to be evidenced by a minute, or by an authorisation slip duly signed by the clerk and the appropriate chairman, or by email.

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

- 4.2 During the budget year and with the approval of Full Council, having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.3 Unspent provisions in budgets for completed projects shall not be carried forward to a subsequent year.
- 4.4 No expenditure shall be authorised in relation to any project and no contract entered into or tender accepted involving expenditure unless the Full Council is satisfied that the necessary funds are available or the requisite borrowing approval has been obtained.
- 4.5 All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.
- 4.6 The clerk shall regularly provide the Policy & Finance Committee with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of £200.
- 4.7 Changes in earmarked reserves shall be approved by Full Council as part of the budgetary control process.

- 4.8 Salaries would be adjusted in line with national salary scales. Salary budgets are to be reviewed whenever national salary scales are adjusted.

5 BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 5.1 All invoices for payment shall be examined, verified and certified by the clerk to confirm that the work, goods or services to which each invoice relates has been received or carried out and checked, and represents expenditure previously approved by the Full Council or a delegated committee chairman.
- 5.2 The clerk shall examine invoices for arithmetical accuracy and allocate them to the appropriate expenditure heading. The clerk shall take all steps to pay all invoices submitted, and which are in order, at the next available committee, sub-committee, or Full Council meeting.
- 5.3 Cheques drawn on the bank account shall be signed by any two of the following members:
- Nat West Account: Cllrs Mrs C Roe, D Sperring, B Smart, Mrs M Spencer, Mrs D Mercer, Mrs C Pavelin.
- HSBC Account: Cllrs D Sperring, C Lumley, B Smart.
- Nationwide: Cllrs D Sperring, Mrs C Roe, B Smart, Mrs M Spencer.
- 5.4 Members are subject to the Code of Conduct that has been adopted by the Full 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.
- 5.5 Cheques or orders for payment shall not normally be presented for signature other than at a Full Council or committee or sub-committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the Chairman of the Policy & Finance Committee.
- 5.6 To indicate agreement of the details shown on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil and the invoice.

- 5.7 All signatories should sign all cheques presented to them. If a signatory feels that they are unable to sign a cheque they should submit a written report to the Council Chairman and the Policy & Finance Committee Chairman. If the matter cannot be resolved a report will be submitted to the Full Council.
- 5.8 Any changes to bank instructions should be agreed by the clerk and Chairman of the Policy & Finance Committee.
- 5.9 The clerk will prepare a schedule of payments for presentation at the next Policy & Finance meeting. The schedule will be included in the minutes.

6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 6.1 The Full Council will make safe and efficient arrangements for the making of its payments
- 6.2 If thought appropriate by the Full Council, payment for utility supplies (energy, telephone and water) 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 the Policy and Finance Committee as made.
- 6.3 If thought appropriate by the Full Council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed by two signatories and reported to the Policy & Finance Committee as made.
- 6.4 Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the clerk and shall be subject to automatic payment in full at each month end.
- 6.5 The clerk shall maintain a petty cash float not exceeding £150 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

- 6.6 Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to the Policy & Finance Committee.

7. PAYMENT OF SALARIES

- 7.1. As an employer, the Full Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating and salary rates shall be as agreed by Full Council, or duly delegated committee.
- 7.2. Payment of salaries and payment of deductions from salary 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 Policy & Finance meeting, as set out in regulation 5.8.
- 7.3. Salaries are to be paid in accordance with National Salary Scales agreed by the Personnel Committee. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Personnel Committee.
- 7.4. The total of salary payments in each calendar month shall be reported with all other payments made in that month to ensure that only payments due for the specified period have been paid.
- 7.5. An effective system of personal performance management should be maintained for all officers.
- 7.6. Any termination payments shall be supported by a clear business case and reported to the Full Council. Termination payments shall only be authorised by Full Council.
- 7.7. Before employing interim staff the Full Council must consider a full business case.

8. LOANS AND INVESTMENTS

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

- 8.2. Any financial arrangement which does not require formal borrowing approval from the 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 Full Council in respect of value for money for the proposed transaction.
- 8.3. All loans and investments shall be negotiated in the name of the Full Council and shall be for a set period in accordance with Full Council policy.
- 8.4. The Full Council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Full 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 retained in the custody of the clerk
- 8.7. The Council Chairman and Vice-Chairman, the Policy and Finance Committee Chairman and Vice-Chairman, and the clerk are delegated to make decisions regarding the movement of council funds. Decisions may either be made at an informal meeting or by consultation on the phone and must involve a minimum of four of those mentioned.

9. ORDERS FOR WORK, GOODS AND SERVICES

- 9.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 9.2 Order books shall be controlled by the clerk.
- 9.3 All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 10(h) below.
- 9.4 A member may not issue an official order or make any contract on behalf of the council.
- 9.5 The clerk shall verify the lawful nature of any proposed purchase before the issue of any order.

10. 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 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 approved by the Full Council to an existing contract;
 - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the clerk shall act after consultation with the Chairman and Vice Chairman of Full Council); and
 - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. Where it is intended to enter into a contract exceeding £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the clerk shall invite tenders from at least three firms to be taken from the appropriate approved list.
- c. When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Full Council.
- d. Such invitation to tender shall state the general nature of the intended contract and the clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- e. All sealed tenders shall be opened at the same time on the prescribed date by the clerk in the presence of at least one member of council.

- f. If less than three tenders are received for contracts above £60,000 or if all the tenders are identical the Full Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- g. Any invitation to tender issued under this regulation shall be subject to Standing Order 18(c),³ and shall refer to the terms of the Bribery Act 2010.
- h. When the council is to enter into a contract of less than £60,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the clerk shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £1,000 and above £500 the clerk shall strive to obtain 3 estimates. Otherwise, Regulation 9 (3) above shall apply.
- i. The Full Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- j. Should it occur that the Full Council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the Full Council requires further pricing. Provided that the specification does not change no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision making process was being undertaken.
- k. The European Union Procurement Directive shall apply and the terms of the Public Contracts Regulations 2006 and the Utilities Contracts Regulations 2006 including thresholds shall be followed.
- l. Public Contract Regulations 2015. The procurement and award of contracts covered by the 2015 Regulations must comply with those Regulations. In particular, those with an estimated value of £25,000 or more must be advertised on the Contracts Finder website.

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 clerk 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).

³ Based on NALC's model standing order 18d in Local Councils Explained © 2013 National Association of Local Councils

- 11.2. Where contracts provide for payment by instalments the clerk 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 Full Council.
- 11.3. Any variation to a contract, or addition to or omission from a contract, must be approved by the Full Council and notified by the clerk to the contractor in writing. If the final cost is likely to exceed the financial provision the Full Council must be informed

12. RECEIPTS

12.1 CHEQUES

12.1.1 Receipts will not be issued for cheques unless requested by the payee.

12.1.2 Cheques received from regular customers (for example, market traders and sponsors) where the budget code is known, may be paid directly into the bank. Other cheques must be passed to the clerk who will enter the budget code.

12.1.3 Cheques should be paid in as soon as possible and within 24 hours if the cheque(s) total in excess of £300. Officers will complete the paying in slip and pay in at Bank.

12.1.4 Officers enter income onto accounts under the appropriate codes.

12.2 CASH

12.2.1 For all amounts of cash received a receipt will be issued to the payee from the Town Council's pre-numbered receipt book. The receipt must be issued at the same time as the cash is received. If, for any reason, the receipt book is not available the cash should be declined and the matter referred to the clerk.

12.2.2 The cash, the receipt number, and any other paperwork associated with the transaction must be passed to the officer who is responsible for banking.

12.2.3 Before the cash is banked another officer should check the cash against the Receipt Book and check that the paying in slip is correct; or, if the Business Quick Deposit Scheme is being used, both officers should sign

over the sealed flap on the envelope . Any discrepancies that cannot be rectified must be reported to the clerk.

12.2.4 Cash should be paid in as soon as possible and within 24 hours if the total is in excess of £300.

12.2.5 Any unbanked cash should be kept in the safe until banked.

12.2.6 All cash received must be banked intact. Income received must not be paid into the petty cash float but must be separately banked.

12.2.7 If the sum of cash to be banked is in excess of £500 the officer should be accompanied to the bank by another member of staff or a councillor.

12.2.8 The officer who collects market rents should be accompanied by another member of staff or a councillor on the monthly rent collection day.

12.2.9 If significant sums of cash are regularly received by the council, the clerk shall take such steps as are agreed by the Full Council to ensure that more than one person is present when the cash is received and counted.

12.3 Personal cheques shall not be cashed out of money held on behalf of the council.

12.4 The clerk shall promptly complete any VAT return that is required. Any repayment due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

13. ASSETS, PROPERTIES AND ESTATES

13.1 The clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. Copies shall be kept with the council's solicitor. 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 and the location of title deeds.

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

In each case a report in writing shall be provided to Full Council with a full business case.

- 13.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Full Council, together with any other consents required by law. In each case a report in writing shall be provided to Full 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).
- 13.4. 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 Full 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)..
- 13.5. The clerk shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

14. INSURANCE

- 14.1 Following the annual risk assessment (per Financial Regulation 16), the clerk shall effect all insurances and negotiate all claims on the council's insurer.
- 14.2 The clerk shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 14.3 The clerk, if notified of any loss, liability, or damage or of any event likely to lead to a claim shall report these to Full Council at the next available meeting.
- 14.4 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 Full Council, or duly delegated committee.

15. CHARITIES

Where the Full Council is sole managing trustee of a charitable body the clerk shall ensure that separate financial reports are made in a form which is appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The clerk shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

16. RISK MANAGEMENT

- 16.1. The Full Council is responsible for putting in place arrangements for the management of risk. The clerk shall prepare, for approval by the Full 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 Full Council at least annually.
- 16.2. When considering any new activity, the clerk shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Full Council.

17. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 17.1. It shall be the responsibility of the Financial Regulations Sub-committee to review the Financial Regulations of the council at least once per year. The clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the Policy & Finance Committee of any requirement for a consequential amendment to these financial regulations.
- 17.2. The Full Council may, by resolution, suspend any part of these Financial Regulations provided that reasons for the suspension are minuted and that an assessment of the risks arising has been drawn up and *presented in advance* to all members of the Council.