



LLANARMON YN IAL COMMUNITY COUNCIL

**These Financial Regulations were reviewed, amended and adopted by the Council at its**

**AGM 1<sup>st</sup> May 2024**

**Amendments June 5<sup>th</sup> 2024 page 415**

FINANCIAL REGULATIONS

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## GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. 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 order<sup>1</sup> 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 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 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 and may represent a breach in the Councillor's Code of Conduct
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the Council. The Clerk has been appointed as RFO for this Council and these regulations will apply accordingly.
- 1.9. The RFO;
  - acts under the policy direction of the 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 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 comply with the Accounts and Audit (Wales) Regulations and to prepare additional or management information, as the case may be, to be prepared for the Council from time to time.
- 1.11. The accounting records determined by the RFO shall in particular contain:
- entries 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;
  - 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
  - measures 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;
  - 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 bank accounts;
  - approve any grant or a single commitment in excess of £250; and

- in respect of the annual salary for any employee.

1.15. In these financial regulations, references to the Accounts and Audit (Wales) Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 39 of the Public Audit (Wales) Act 2004, 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 in Wales - A Practitioners' Guide* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of One Voice Wales (OVW) and SLCC as appropriate.

## **2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)**

2.1. All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit (Wales) Regulations, appropriate guidance and proper practices.

2.2. At each financial year end, a member other than the Chair shall verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements, 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 having certified the accounts shall submit them and report thereon to the Council within the timescales set by the Accounts and Audit (Wales) Regulations.

2.4. The Council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the Council shall make available such documents and records as appear to the Council to be necessary for the purpose of the audit and shall, as directed by the Council, supply the RFO, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.

2.5. The internal auditor shall be appointed by and carry out the work in relation to internal controls required by the Council in accordance with proper practices.

2.6. The internal auditor shall:

- be competent and independent of the financial operations of the Council;
- report to Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
- 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 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. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 2.9. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Public Audit (Wales) Act 2004, or any superseding legislation, and the Accounts and Audit (Wales) Regulations.
- 2.10. The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from internal or external auditors.

### **3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING**

- 3.1. The RFO must each year, by no later than December, 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 Council.
- 3.2. The Council shall consider annual budget proposals in relation to the Council's forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.3. 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 (earlier if possible). The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 3.4. 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 Clerk, in conjunction with Chair of Council for any items below £250, and the Council for all items over;evidenced by the minutes.

No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of 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 or capital budgets for completed projects shall not be carried forward to a subsequent year.

- 4.3. The salary budget is to be reviewed at least annually for the following financial year and minuted.
- 4.4. In cases of extreme risk to 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 £2000. The Clerk shall report such action to the Chair 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 provide the Council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure against that planned as shown in the budget; at the end of each financial quarter. Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

## **5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS**

- 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; reviewed for safety and efficiency.
- 5.2. The RFO shall prepare payments requiring authorisation, for the Meeting. The Council shall review these for compliance and, having satisfied itself shall authorise payment by a resolution of the Council. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.
- 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 has 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 steps to pay all invoices submitted, and which are in order. A list of such payments shall be submitted at the next available Council meeting.
- 5.5. The Clerk/ RFO shall have delegated authority to authorise the payment of items provided that the information - a list of such payments shall be submitted to the next appropriate meeting of Council and minuted; especially in the following circumstances:
  - a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Council;

- b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of Council; or
  - c) fund transfers within the Councils banking arrangements up to the sum of £50,000, provided that the information a list of such payments shall be submitted to the next appropriate meeting of Council.
- 5.6. For each financial year the Clerk / RFO shall advise due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts. Council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of Council.
- 5.7. A record of regular payments made under 5.6 above may be drawn up and be signed by a member on each and every occasion when payment is authorised - thus controlling the risk of duplicated payments being authorised and / or made.
- 5.8. In respect of grants approved expenditure set by Council shall be paid.
- 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 or other interest, unless a dispensation has been granted.
- 5.10. Any changes in details of supplier's bank account records shall be approved in writing by the Chair.

## **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. The Clerk/RFO and Members of the Council shall consider the potential risks of supplier fraud when providing sensitive information, by phone or other means, especially contract and account information to new and existing suppliers.
- 6.3. Following authorisation under Financial Regulation 5 above, the Council, the Clerk / RFO shall give instruction that a payment shall be made.
- 6.4. All payments shall be effected by cheque, debit card, direct banking or other instructions to the Council's bankers, or otherwise, in accordance with a resolution of Council.
- 6.5. Cheques shall be signed by two signatories. A member who is a bank signatory, having a personal interest, should not, under normal circumstances, be a signatory to the payment in question.
- 6.6. The signatories shall each also initial the cheque counterfoil. Cheques shall not normally be presented for signature other than at a Council meeting . Any signatures obtained away from such meetings shall be reported to the Council at the next convenient meeting.
- 6.7. Orders and Payments made via the Council's Debit card or Internet banking facility shall be checked by the Chair or any council member on a monthly basis and the findings reported

back to the Council at the next convenient meeting. The Debit card will be restricted to a single transaction maximum value of £1500 unless authorised by the council. The overall daily payments limits will remain at £5000 unless an increase is authorised by the council.

- 6.8. If thought appropriate by the Council, payment for utility supplies (energy, internet, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided payments are reported to Council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the Council at least every two years.
- 6.9. If thought appropriate by the Council, payment for certain items (principally salaries and ICO) may be made by banker's standing order provided that they are signed by the Chair, or otherwise evidenced by a member are retained and any payments are reported to Council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the Council at least every two years.
- 6.10. If thought appropriate by the Council, payment for items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by a authorised bank signatory 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.
- 6.11. Council payment for items may be made by internet banking transfer provided evidence is retained showing payments are reported to council.
- 6.12. No employee or Councillor shall disclose any PIN or password, relevant to the working of the Council or its bank accounts, to any person not authorised in writing by the Council.
- 6.13. Regular back-up copies of the records on any computer shall be made.
- 6.14. The Council, and any members using computers for the Council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security, is used.
- 6.15. Where internet banking arrangements are made with any bank, the Clerk shall be appointed as the Service Administrator. and the Council informed at the next general meeting.
- 6.16. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for Council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.17. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by the Clerk. A programme of regular checks of standing data with suppliers will be followed.
- 6.18. Where a supplier has purported to have changed their bank details the Clerk/RFO shall call the supplier to check the veracity of the request, using details already in the system and those provided on any associated letter or email before making any changes.
- 6.19. Any Debit Card issued for use will be specifically restricted to the Clerk and authorised by Council.



- 6.20. The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk/ RFO (for example for postage, items of stationery and any other items) shall be refunded on a regular basis.

## **7. PAYMENT OF SALARIES**

- 7.1. As an employer, the Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council.
- 7.2. 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, 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 consent 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, which is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by any Councillor who can demonstrate a need to know;
  - b) by the internal auditor;
  - c) by the external auditor; or
  - d) by any person authorised under Public Audit (Wales) Act 2004, 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.
- 7.6. Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 7.7. An effective system of personal performance management should be maintained for the Clerk/RFO or senior officers

## **8. LOANS AND INVESTMENTS**

- 8.1. 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.
- 8.2. Any financial arrangement which does not require formal borrowing approval from the Welsh Government (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.

- 8.3. 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 Clerk/ RFO; if no hard copies are available ( as forecasted) from the bank then internet copies will be downloaded. Chair can request to view at any time.
- 8.4. 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.
- 8.5. The 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 Council at least annually.
- 8.6. All investments 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, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## **9. INCOME**

- 9.1. The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.
- 9.2. 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 who shall be responsible for the collection of all accounts due to the Council.
- 9.3. The Council will review all fees and charges annually, following a report of the Clerk.
- 9.4. Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.
- 9.5. All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.
- 9.6. The origin of each receipt shall be entered if possible on the paying-in slip.
- 9.7. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.8. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.9. 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.

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

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

- 10.1. The Clerk may issue an official order or letter for work, goods and services over the value of £250.00 (excluding VAT) unless a formal contract is to be prepared or an official order/letter would be inappropriate and not required. Copies of orders shall be retained.
- 10.2. Order books shall be controlled by the RFO.
- 10.3. All members and officers are responsible for 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. A member may not issue an official order or make any contract on behalf of the Council.
- 10.4. Council required it minuted their rationale for the departure from complying with its own Standing Orders and Financial Regulations, is due to appreciating the community being so rural it is extremely difficult and at times impossible (also time delaying) to always gain several quotes for smaller much-needed maintenance/repair /labour works. Council has assessed the risks arising, and is satisfied that value for public money is being gained in the example of cases when White Oak Property Services carry out the required maintenance/ repair/ labour work in the community; acting as the 'Community Linesmen'. Their charges are found to be continually the most competitive and their work of a high standard. (Prop: K Ford. Sec: S Garrett. Council voted in favour for such departures and clear approval was given. There were no votes against or abstentions and the motion was carried).
- 10.5. 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**

- 11.1. Procedures as to contracts are laid down as follows:
- a. Every contract shall comply with these financial regulations, and exceptions shall be made in an emergency. 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, internet services;
    - ii. for specialist services such as are provided by legal professionals; and additional audit work.

- iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
  - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
  - v. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. The full requirements of The Public Contracts Regulations 2015 (“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 exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)<sup>ii</sup>.
  - 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 minuted for the 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 as confidential to the Clerk in the ordinary course of post; or by confidential email. The tender is to remain sealed until the prescribed date for the opening of tenders for that contract;
  - e. All sealed tenders/ confidential emails shall be opened at the same time by the Clerk in the presence of at least one member of the Council.
  - f. 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.
  - g. Formal tender process + £50,000 (not including VAT) or above 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).
  - h. £5,000 to £49,999 (+VAT) Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply);
  - i. £1,000 to £4,999(+VAT) the Clerk or RFO shall strive to obtain 3 estimates.
  - j. Below £1,000 (+VAT) Clerk / members are responsible for obtaining value for money.
  - k. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
  - l. The Proper Officer shall maintain a register of personal interests, in respect of both members and senior staff.
  - m. Members and senior staff should not, so far as is practicable, be involved in the award of orders and/or contracts with organisations or individuals the making or authorising payments in respect of which a personal interest exists, whether declared or not.

## **12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.
- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by the Council and Clerk to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

## **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. The RFO 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 (Wales) Regulations.
- 13.2. No tangible moveable 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 £250.
- 13.3. 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 (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 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. Subject only to the limit set in Reg. 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council.
- 13.6. 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, possibly in conjunction with a health and safety inspection of assets.

## **14. INSURANCE**

- 14.1. Following the annual risk assessment (per Financial Regulation 17), the RFO shall effect all insurances and negotiate all claims on the Council's insurers.
- 14.2. The RFO 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 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.
- 14.4. All appropriate 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 by the Council.

## **15. RISK MANAGEMENT**

- 15.1. The Council is responsible for putting in place arrangements for the management of risk. The Clerk 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 shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

## **16. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS**

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- 1.1. For public works contracts 5,22 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment.
- 1.2. The Council may, by resolution of the Council duly notified prior to the relevant meeting of Council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of Council.