

FRAMWELLGATE MOOR PARISH COUNCIL

FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Council at its Meeting held on 7th January 2015.

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 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 separate 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. 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
- to identify the duties of officers.

These financial regulations demonstrate how the Council meets these responsibilities and requirements.

1.3 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.

1.4 A breach of these Regulations by an employee is gross misconduct. Members of the Council are expected to follow the instructions within these Regulations and not entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.

1.5 The Responsible Financial Officer (RFO) is a statutory office to be appointed by the Council. The Clerk has been appointed as RFO for this Council and these regulations apply accordingly.

1.6 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 are 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.

1.7 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.

1.8 The accounting records determined by the RFO shall contain;-

- entries from day to day of all money received and expended by the Council and the matters to which the income and expenditure relates;
- a record of the assets and liabilities of the Council
- 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.

1.9 The accounting control systems determined by the RFO shall include:-

- procedures to ensure that the financial transactions of the Council are recorded 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
- measures to ensure that risk is properly managed.

1.10 The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding the following shall be a matter for the Council only.

- setting the final budget or precept (Council Tax Requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the power of well-being; and
- addressing recommendations in any report from the internal or external auditors,

1.11 In addition the Council must;-

- determine and keep under regular review the bank mandate
- approve any grant or a single commitment in excess of £5,000;
- 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.

1.12 In these financial regulations, references to the Accounts and Audit Regulations shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force unless otherwise specified.

2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

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

2.2 At each financial year end, the Chair shall verify bank reconciliations produced by the RFO. This activity will be reported to and noted by the Council.

2.3 The RFO shall complete the annual financial statements of the Council contained in the annual return, as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council within the timescales set by the Accounts and Audit Regulations.

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

2.5 The Internal Auditor shall be appointed by and shall carry out the work required by the Council in accordance with proper practices. The Internal Auditor shall be competent, objective, independent and free from any actual or perceived conflicts of interest and have no involvement in the financial operations of the Council. The Internal Auditor will report to Council in writing each financial year.

2.6 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.

2.7 The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations.

2.8 The RFO shall 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 Council shall review its three year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall formulate and submit proposals for the following financial year not later than January each year including any proposals for revising the forecast.
- 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 Council.
- 3.3 The Council shall consider annual budget proposals in relation to the Council's forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.4 The Council shall fix the precept 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 will be authorised by the Council. The Clerk, in conjunction with Chair of Council may authorise expenditure in an emergency. Such authority is to be evidenced by a Minute. Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 4.2 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, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.3 Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.
- 4.4 The salary budgets are to be reviewed annually for the following financial year and such review shall be evidenced by Council minute. The RFO will inform Council of any changes impacting on their budget requirement for the coming year in good time.
- 4.5 In cases of extreme risk to the service delivery, the RFO may authorise revenue expenditure on behalf of the Council which in the RFO's judgement

it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure. The RFO shall report such action to the Chair as soon as possible and to Council as soon as practicable.

- 4.6 No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 4.7 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 4.8 The RFO shall provide the Council with a monthly statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned in the budget, and shall show explanations of material variances.
- 4.9 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. They shall be regularly reviewed for safety and efficiency.
- 5.2 The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the meeting and together with the relevant invoices, present the schedule to Council. Payments shall be authorised by a resolution of the Council. A list of all payments shall be disclosed as an attachment to the minutes of the meeting at which payment was authorised. Personal payments will 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 has been received. The RFO shall examine invoices for accuracy and analyse them to the appropriate expenditure heading.
- 5.4 The RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
 - (a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next meeting of Council, where the RFO certifies that there is no dispute or other reason to delay payment, provided that a list of such payments are submitted to the next meeting of Council.
 - (b) An expenditure authorised under 5.6 provided that a list of such payments is submitted to the next meeting of Council;

(c) fund transfers within the Councils banking arrangements up to the sum of £20,000, provided that a list of such payments is submitted to the next meeting of Council.

5.5 For each financial year the RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation for which Council may authorise payment for the year provided that the requirements of regulation 4.1 are adhered to, provided also that a list of such payments is submitted to the next meeting of Council.

5.6 A record of regular payments made under 5.6 shall be drawn up and signed by two Members on every occasion when payment is authorised, thus controlling the risk of duplicated payments being authorised and/or made.

5.7 In respect of grants the Council shall approve expenditure within any limits set and in accordance with any Policy statement approved by Council. Any Revenue or Capital Grant payment, is subject to ratification by resolution of the Council.

5.8 Members are bound by the Code of Conduct 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 had been granted.

6 INSTRUCTIONS FOR THE MAKING OF PAYMENTS

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

6.2 Following authorisation under financial regulation 5, the Council or if so delegated the RFO shall give instruction that a payment shall be made.

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

6.4 Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to Council shall be signed by three Members of Council. If a Member who is also a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being made, that Councillor shall be required to consider Standing Orders, and thereby determine whether it is appropriate and/or permissible to be a signatory to the transaction in question.

6.5 To indicate agreement of the details shown on the cheque for payment with the counterfoil, the signatories shall each initial the cheque counterfoil.

- 6.6 Cheques for payment 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 meeting.
- 6.7 If thought appropriate by Council, payment for certain items may be made by Direct Debit or Standing Order, provided that the instructions are signed, or otherwise evidenced, by two Members are retained and reported to Council. The approval of the use of a Direct Debit or Standing Order shall be approved by resolution of the Council.
- 6.8 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 Members are retained and reported to Council. The approval of the use of BACS or CHAPS shall be approved by resolution of the Council.
- 6.9 If thought appropriate by the Council payment for certain items may be made by internet banking transfer provided evidence is retained showing which Members approved the payment.
- 6.10 Where a computer requires use of a personal identification number (PIN) or password(s), for access to the Council's records on that computer, a note shall be made of the PIN and passwords and shall be handed to and retained by the Chair of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other Councillors. After the envelope has been opened, in any circumstances, the PIN and/or passwords shall be changed. The fact that the sealed envelope has been opened shall be reported to all Members immediately and formally to the next meeting of the Council. This will not be required for a Member's personal computer used only for remote authorisation of bank payments.
- 6.11 No employee or Councillor shall disclose any PIN or password, relevant to the working of the Council or its bank accounts, to any person not authorised in writing by the Council.
- 6.12 Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question.
- 6.13 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.
- 6.14 Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The Bank Mandate approved by the Council shall identify a number of Councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.

- 6.15 Access to any internet banking accounts will be directly to the access page and not through a search engine or email link. Remembered or saved password facilities must not be used on any computer used for Council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.16 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by the RFO and a Member. A programme of regular checks of standing data with suppliers will be followed.
- 6.17 Any debit card issued for use will be specifically restricted to the Clerk and RFO and will also be restricted to a single transaction maximum value of £500 unless authorised by Council in writing before any order is placed.
- 6.18 A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Council. Transactions and purchases made will be reported to the Council and authority for topping-up shall be at the discretion of the Council.
- 6.19 Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by the Clerk/RFO and the Head Groundsperson and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances.
- 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 or the Head Groundsperson shall be refunded at the next Council meeting.

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 made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available Council meeting.
- 7.3 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of Council.

7.4 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;-

- by any Councillor who can demonstrate a need to know;
- by the internal auditor;
- by the external auditor;
- by any person authorised under Audit Commission Act 1998.

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 Any termination payments shall be supported by a clear business case and reported to Council for authorisation.

7.7 Before employing interim staff the Council must consider a full business case.

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. The application for Borrowing Approval shall only be approved by 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 approved by Council. 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 Chair of the Council at the same time as one is issued to the RFO.

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 annually by the Council.

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 and 6.

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 and the RFO shall be responsible for the collection of all accounts due to the Council.

9.3 The Council will annually review all fees and charges 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 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 annually coinciding with the financial year end.

9.9 Where 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, and that appropriate care is taken in the security and safety of individuals banking such cash.

10 ORDERS FOR WORK, GOODS AND SERVICES

10.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is prepared or an official order would be inappropriate. 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, usually by obtaining three or more quotations from appropriate suppliers, subject to any de minimis provisions in regulation 11(l).
- 10.4 A Member may not issue an official order or make any contract on behalf of the Council.
- 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 no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
- (i) for the supply of gas, electricity, water, sewerage and telephone services;
 - (ii) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
 - (iii) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
 - (iv) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
 - (v) for additional audit work of the external Auditor up to an estimated value of £200 (in excess of this sum the RFO shall act after consultation with the Chair and Vice Chair 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 it is intended to enter into a contract exceeding £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 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 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 Council may make such arrangements as it thinks fit for procuring the goods, materials or works.
- (g) When it is to enter into a contract less than £60,000 in value for the supply of goods, materials or 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; where the value is below £3,000 and above £1,000 the Clerk shall strive to obtain 3 estimates. Otherwise, regulation 10(3) shall apply.
- (h) the Council is not obliged to accept the lowest or any tender or estimate.
- (i) Should it occur that the Council does not accept any tender 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 or estimate who was present when the original decision making process was being undertaken.
- (j) 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.

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 STORES AND EQUIPMENT

- 13.1 The officer in charge of each section shall be responsible for the care and custody of all stores and equipment in that section.
- 13.2 Delivery notes shall be obtained in respect of all goods received and goods must be checked as to order and quality at the time delivery is made.
- 13.3 Stocks shall be kept at the minimum levels consistent with operational requirements.
- 13.4 The RFO shall be responsible for periodic checks of stocks and stores.

14 ASSETS, PROPERTIES AND ESTATES

- 14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council. The 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.
- 14.2 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.
- 14.3 No real property (interests in land) shall be sold, leased, or otherwise disposed of without the authority of the Council, together with any other consents required by law. In each case a report shall be provided to Council in respect of valuation and surveyed condition of the property (including planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.4 No real property (interests in land) shall be purchased or acquired without the authority of the Council. In each case a report shall be provided to Council in respect of valuation and surveyed condition of the property (including planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

- 14.5 Subject only to the limit set in regulation 14.2, no tangible moveable property shall be purchased or acquired without the authority of the Council. In each case a written report shall be provided to Council with a full business case.
- 14.6 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.

15 INSURANCE

- 15.1 Following the annual risk assessment the RFO shall effect all insurances and negotiate all claims on the council's insurers.
- 15.2 The RFO shall give prompt notification of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.3 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 15.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to the next Council meeting.
- 15.5 All appropriate Members and employees of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council.

16 RISK MANAGEMENT

- 16.1 The Council is responsible for putting in place arrangements for the management of risk. The RFO shall prepare, for approval by the Council, risk management policy statements in respect of all activities of the Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Council at least annually.
- 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 Council.

17 SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 17.1 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 to these financial regulations.
- 17.2 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.