



Stanway

Parish Council

FINANCIAL REGULATIONS

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1. General

- 1.1. These Financial Regulations (these 'Regulations'):
- a) govern the financial management of Stanway Parish Council (the 'Council') and the conduct of activities by the Council which have a financial impact;
 - b) are part of the Council's risk management framework;
 - c) must be read in conjunction with the Council's Standing Orders;
 - d) contain policy statements, which provide guiding principles;
 - e) set out:
 - i) control objectives; and
 - ii) detailed procedures for certain activities,which members of the Council ('Members'), statutory officers and other employees must follow; and
 - f) may be amended or varied only by resolution of the Council.
- 1.2. In these Regulations:
- a) 'Accounts and Audit Regulations' means the regulations issued by the Secretary of State pursuant to s.27 of the Audit Commission Act 1998, or any superseding legislation;
 - b) 'Proper Practice' and 'Proper Practices' refers to the guidance in *Governance and Accountability for Local Councils – a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group;
 - c) 'Clerk' (the 'Clerk') means the person appointed by the Council pursuant to s.112 of the Local Government Act 1972;
 - d) 'Responsible Financial Officer' (the 'RFO') means the person appointed by the Council pursuant to s.151 of the Local Government Act 1972; and
 - e) 'Officers' and 'Officer' refer to the Clerk and the RFO.
- 1.3. The Council will ensure its financial management is adequate and effective, and that it has a sound system of internal control which facilitates the effective exercise of the Council's functions, including arrangements for managing risk.
- 1.4. The Council is not empowered by these Regulations to delegate any decision regarding:
- a) setting the budget or the precept;
 - b) approving annual accounting statements;
 - c) approving an annual governance statement;
 - d) borrowing;
 - e) writing off bad debts;
 - f) declaring eligibility for the General Power of Competence; and
 - g) addressing recommendations in any report from the internal or external auditors,
- each of which is a matter reserved for the Council only.
- 1.5. The Council will review these Regulations from time to time.
- 1.6. The Council may resolve to suspend any part of these Regulations provided:
- a) an assessment of the risks arising has been drawn up and presented in advance to all Members; and
 - b) the reasons for the suspension are recorded.

2. Roles and responsibilities

- 2.1. The RFO:
- a) holds a statutory office appointed by the Council.
 - b) acts under the policy direction of the Council;

- c) administers the Council's financial affairs in accordance with statute (including but not limited to the Accounts and Audit Regulations) and Proper Practices;
 - d) determines on behalf of the Council its accounting records and accounting control systems which will be in accordance with the Accounts and Audit Regulations and Proper Practices;
 - e) ensures the accounting control systems are observed;
 - f) maintains up to date accounting records of the Council in accordance with Proper Practices;
 - g) assists the Council to secure economy, efficiency and effectiveness in the use of its financial resources.
- 2.2. The Clerk will monitor changes in legislation or Proper Practices and will advise the Council of any requirement for a consequential amendment to these Regulations.
- 2.3. Where:
- a) the Council has appointed a 'Deputy RFO'; and
 - b) the RFO is absent through holiday or sickness,
- a 'Deputy RFO' may carry out the procedural responsibilities of the RFO set out in sections 18, 19, 20, 21 and 22 of these Regulations. However:
- c) a 'Deputy RFO' will not carry out any of the other functions of the RFO as set out in these Regulations or otherwise; and
 - d) appointment of a 'Deputy RFO' does not confer on the person any statutory authority or statutory duties.
- 2.4. Each Member will comply with the Model Code of Conduct and the Council's Standing Orders when a decision is to be made in respect of a matter in which a Member has a disclosable pecuniary or other interest, unless dispensation has been granted.
- 2.5. The Council will rotate the duties of Members pursuant to these Regulations so that onerous duties are shared over time.
- 2.6. The same person (be they a Member, an Officer or an employee) will not approve more than two stages of the procurement and payments procedures described in these Regulations related to the same supplier, contract or payment. In particular, the procedures described in sections 18, 19, 20, 21 and 22 of these Regulations.
- 2.7. Deliberate or wilful breach of these Regulations by an Officer or an employee may give rise to disciplinary proceedings.
- 2.8. Members will observe the requirements of these Regulations and will not entice Officers or employees to breach them. Failure to comply with these Regulations brings the office of councillor into disrepute.

3. Information security and access to personal information

- 3.1. Where available, access to accounting and banking systems will be secured by two-factor authentication.
- 3.2. A Member, Officer or employee:
- a) may use a personal computer for the Council's financial business, provided it is protected by up-to-date anti-virus, anti-spyware and firewall software; and
 - b) will not disclose any PIN or password relevant to the working of the Council or its bank accounts, to any person.
- 3.3. Regular back-up copies of accounting records will be made and will be stored securely away from the computer in question, preferably using secure Cloud technology.
- 3.4. Although the accounting records will include salaries, other emoluments, employers' pension contributions and employers' National Insurance Contributions such information will not be open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by a Member who can demonstrate a need to know;
 - b) by the internal auditor;
 - c) by the external auditor; or

- d) by any person authorised under the Audit Commission Act 1998, or any superseding legislation.

4. Accounting records (general principles)

- 4.1. The Council's accounting records will:
 - a) contain
 - i) entries of all sums received and expended by the Council and the matters to which the income and expenditure relate;
 - ii) a record of the Council's assets and liabilities; and
 - iii) 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; and
 - b) be sufficient to:
 - i) show and explain the Council's financial transactions;
 - ii) provide for the timely production of financial statements;
 - iii) provide management information as requested by Members from time to time; and
 - iv) reconstruct lost records.
- 4.2. Where the Council is the sole managing trustee of a charitable body:
 - a) it will keep separate accounts of the funds held by charitable trusts and make separate financial reports in such form as shall be appropriate, in accordance with statute or as determined by the Charity Commission; and
 - b) the Clerk will arrange for any audit or independent examination as may be required by statute or any supervisory body.
- 4.3. The Council is not registered for VAT and will not make VATable supplies.
- 4.4. As soon as reasonably practicable after the end of the financial year the RFO will prepare and certify the annual Accounting Statements and present them to the Council. The Council will approve such Accounting Statements and the Chair of the meeting at which they were approved will countersign them.
- 4.5. The RFO will arrange for the exercise of electors' rights in relation to the account records as required by Audit Commission Act 1998 and the Accounts and Audit Regulations (or any superseding legislation).

5. Internal control and internal audit

- 5.1. The Council's system of internal control will:
 - a) be in accordance with Proper Practices;
 - b) include measures:
 - i) to safeguard public money;
 - ii) to manage risks,
 - iii) to detect and prevent inaccuracies; and
 - iv) to prevent fraud; and
 - c) identify the duties of Officers dealing with financial transactions and the division of responsibilities of those Officers in relation to significant transactions.
- 5.2. Each Member will review the effectiveness of the Council's system of internal control and will agree with or deny each of the statements contained in the Annual Governance Statement. The Clerk and the Chair of the meeting at which the Annual Governance Statement was approved will countersign the Annual Governance Statement.
- 5.3. The Council will:
 - a) ensure there is an adequate and effective system of internal audit of its accounting records and of its system of internal control; and
 - b) appoint an internal auditor,

in accordance with Proper Practices.

- 5.4. The internal auditor will:
- a) be competent and independent of the financial operations of the Council;
 - b) demonstrate competence, objectivity and independence;
 - c) be free from any actual or perceived conflicts of interest, including those arising from family relationships;
 - d) not be involved in financial decision making, management or control of the Council;
 - e) report to Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
 - f) complete and sign the Annual Internal Audit Report forming part of the Annual Governance and Accountability Return; and
 - g) not under any circumstances:
 - i) perform any operational duties for the Council;
 - ii) initiate or approve accounting transactions; or
 - iii) direct the activities of any Officer or employee, except to the extent that such Officer or employee has been properly assigned to assist the internal auditor.
- 5.5. For the avoidance of doubt, in relation to the internal auditor, the terms 'independent' and 'independence' have the same meaning as is described in Proper Practices.
- 5.6. Any Member, Officer or employee will make available such documents and records as to the Council considers necessary for such purpose and shall, as directed by the Council, supply the RFO or the internal auditor with such information and records.
- 5.7. The RFO will, without undue delay, bring to the attention of Members any correspondence or report from the internal auditor or the external auditor.
- 5.8. At least annually the Council will review the effectiveness of its internal audit process.

6. Precept, budgets, forward planning and virements

- 6.1. The annual budgeting process will commence in September each year with the involvement of all Committees of the Council. In particular, the Staffing Committee will review and set the budget for staff costs.
- 6.2. Concurrently, the Corporate Governance Committee (the 'CGC') will review its three-year forecast of revenue and expenditure. Having regard to such forecast, spending requests from Committees and other factors, the CGC will thereafter formulate and submit proposals for the following financial year to the Council not later than the Council meeting in January each year.
- 6.3. The RFO will each year, by no later than the end of the first week of January, prepare finalised detailed estimates of income and expenditure including the use of reserves and all other sources of funding for the following financial year in the form of a budget to be considered by the CGC and the Council at their respective meetings that month.
- 6.4. The Council will calculate the precept for the financial year in accordance with the Local Government Finance Act 1992 (as amended). In determining the precept, the Council will:
- a) calculate the aggregate of —
 - i) the estimated expenditure to perform its functions;
 - ii) an appropriate amount for contingencies;
 - iii) the appropriate financial reserves to meet expected future expenditure, and
 - iv) sufficient financial reserves to meet any revenue account deficit from earlier financial years which has not already been provided for;
 - b) calculate the aggregate of —
 - i) the estimated income, other than income which from the precept; and

- ii) the amount of the financial reserves it will use in order to provide for the items mentioned in paragraphs 6.4.a) above; and
 - c) calculate the difference between 6.4.a) and 6.4.b), and the amount so calculated will be the precept for the year.
- 6.5. The RFO will issue the precept to the billing authority on behalf of the Council and will make available to each Member a copy of the approved annual budget.
- 6.6. The approved annual budget will form the basis of financial reporting for the financial year.
- 6.7. The RFO will inform the Committees of any changes impacting on their respective budgets for the coming year in good time.
- 6.8. During the financial year and by resolution of the Council, having considered fully the implications for public services, unspent and available amounts may be transferred to another cost code or to an earmarked reserve (a 'virement').
- 6.9. During the financial year a Committee, having considered fully the implications for public services, may transfer unspent and available amounts to another cost code within the same cost centre, provided such virement is reported to the CGC and the next Council meeting.
- 6.10. The RFO will provide regularly to the Council a statement of receipts and payments to date under each cost code, comparing actual expenditure to the appropriate date against that planned as shown in the budget. Such statement will be prepared at least at the end of each financial quarter and will highlight material variances. For this purpose, 'material' means more than £1,000 or 15% of the budget, whichever is the lesser.
- 6.11. Unspent provisions in the budget will not be carried forward to a subsequent year unless placed in an earmarked reserve by resolution of the Council.

7. Reserves

- 7.1. The Council will maintain adequate financial reserves to meet planned future expenditure and unplanned contingencies.
- 7.2. The setting of reserves and virements to or from reserves may not be delegated to a Committee.
- 7.3. The Council will maintain earmarked reserves to provide sufficient funds to meet future capital expenditure. Such earmarked reserves may be built up over time to:
 - a) replace tangible assets at the end of life;
 - b) acquire new tangible assets; and
 - c) cover reasonably foreseeable losses or liabilities (not otherwise recoverable from insurance) arising from risks identified by the risk assessments referenced at section 16 of these Regulations.
- 7.4. In addition to earmarked reserves, the Council will maintain a general reserve that is equivalent to at least 25 per cent of its total budgeted annual revenue expenditure.

8. Banking arrangements and financial investments

- 8.1. The Council will have efficient and secure arrangements to deposit funds and make payments.
- 8.2. Banking arrangements, including bank mandates:
 - a) may not be delegated to a Committee; and
 - b) will be reviewed regularly for financial security and efficiency.
- 8.3. A bank signatory may be a Member or an Officer.
- 8.4. The Council may seek credit references in respect of any Member or Officer who is a bank signatory.
- 8.5. Any instruction to withdraw funds, make a payment, transfer funds between accounts or otherwise reduce the amount deposited with any financial institution will be authorised by at least two persons, at least one of whom will be a Member.
- 8.6. Where internet banking arrangements are made with any bank:
 - a) the Clerk or the RFO will be the account administrator;

- b) the bank mandate will:
 - i) identify the Members and Officers who are authorised to approve transactions on such accounts; and
 - ii) state the value of payments that can be instructed by the account administrator alone, or by the account administrator with a stated number of approvals.
- 8.7. The Council's current account(s) will be with a UK clearing bank.
- 8.8. The balance of the current account will not exceed £100,000 at any one time unless payments of more than this amount are due to made during the following 14 days.
- 8.9. Balances of more than £100,000 may be placed in fixed term deposit accounts with the Council's main banker or another UK financial institution, subject to the following conditions:
 - a) the financial institution is authorised and regulated by the Financial Conduct Authority for the type of financial product;
 - b) the amount placed in any one fixed term deposit account is not more than £50,000;
 - c) the funds will not be required during the following three calendar months;
 - d) the term of the deposit is no longer than twelve months; and
 - e) the deposit is authorised by resolution of the Council.
- 8.10. Balances of more than £500,000 may be considered for investment in gilts, equities, property and other recognised investment vehicles, subject to the following conditions:
 - a) the provider is authorised and regulated by the Financial Conduct Authority for the type of financial product;
 - b) such funds will not be required during the following 12 month period; and
 - c) the investment is authorised by resolution of the Council.
- 8.11. No more than £100,000 will be deposited with any one counterparty.
- 8.12. Deposits in respect of short term or long term investments and transfers between accounts are subject to:
 - a) the same authority thresholds as set out in paragraph 18.6 of these Regulations; and
 - b) the same payment procedures as set out in paragraph 22.2 of these Regulations.
- 8.13. The RFO will retain all investment certificates and other documents relating thereto.
- 8.14. The Council will arrange with the Council's banks and investment providers to send a copy of each statement of account to the Chairman of the Council at the same time as one is issued to the Clerk or RFO. The Chairman's access to the Council's online bank account(s) fulfils this requirement.
- 8.15. The RFO will deliver a bank reconciliation report and supporting bank statements to the CGC prior to each meeting. A Member will countersign the reconciliation as evidence of verification.
- 8.16. On a regular basis, at least once in each quarter, and at each financial year end, a Member other than the Chair of the Council will verify the bank reconciliations for each account.

9. Credit and debit cards

- 9.1. A debit card may be issued to an Officer or employee subject to a single transaction limit, which will be set by the Council.
- 9.2. The Officer or employee to whom such debit card is issued will report to the Council details of all transactions and purchases made with such debit card.
- 9.3. For the avoidance of doubt, the Officer or employee to whom a debit card is issued is solely responsible for compliance with card issuer's terms, and breach of such terms will be a disciplinary matter.
- 9.4. Any corporate credit card or trade card account opened by the Council will:
 - a) be restricted to use as authorised by the Clerk and the RFO; and
 - b) will be subject to automatic payment in full each month.

- 9.5. Members, Officers and employees will not use personal debit or credit cards to pay for goods or services, except where, in the absence of trade credit facilities, alternative forms of payment are not practicable.

10. Assets, property and estates

- 10.1. The Clerk will make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council.
- 10.2. The Council will keep a record 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.
- 10.3. The Council will not purchase, acquire, sell, lease or otherwise dispose of tangible moveable property, without resolution of the Council and any other consents required by law, save where the value of any one item of tangible movable property is not more than £250.
- 10.4. The Council will not purchase or otherwise acquire any real property (interests in land) without resolution of the Council. In each case a report in writing will be provided to the 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).
- 10.5. The Council will not sell, lease or otherwise dispose of any real property (interests in land) without resolution of the Council and any other consents required by law. In each case a written report will 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 appropriate level of consultation with the electorate).
- 10.6. Subject only to the limit stated in paragraph 10.3 of these Regulations, no tangible moveable property will be purchased or acquired without resolution of the Council. In each case a report in writing will be provided to the Council with a full business case.
- 10.7. The RFO will ensure an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in such Register of Assets and Investments will be verified at least annually.
- 10.8. The Officer or employee in charge of each department will ensure the care and custody of stores and equipment in that department.
- 10.9. Delivery notes will be obtained in respect of all goods received into store or otherwise delivered and goods checked as to order and quality at the time delivery is made.
- 10.10. Stocks will be kept at the minimum levels consistent with operational requirements.
- 10.11. The RFO will make periodic checks of stocks and stores, and at least annually.

11. Income

- 11.1. The Council will review its schedule of fees and charges at least annually, following a report by the Clerk.
- 11.2. Particulars of all charges to be made for work done, services rendered or goods supplied will be agreed annually by resolution of the Council, and notified to the RFO.
- 11.3. The RFO will supervise the collection of all accounts due to the Council.
- 11.4. Irrecoverable sums and bad debts will be reported to the Council and will be written off in the financial year.
- 11.5. All sums received by the Council will be banked intact as directed by the RFO. In all cases, all sums will be deposited with the Council's bankers with such frequency as the RFO considers necessary.
- 11.6. The origin of each receipt will be entered on the paying-in slip, or receipt where issued.
- 11.7. Personal cheques will not be cashed out of money held on behalf of the Council.
- 11.8. Where significant sums of cash are received regularly by the Council, the RFO will take such steps as are agreed by the Council to ensure that:
- a) more than one person is present when the cash is counted;
 - b) there is a reconciliation to some form of control such as ticket issues; and
 - c) appropriate care is taken in the security and safety of individuals banking such cash.

11.9. The Council will not maintain any form of cash float.

12. Loans

12.1. All borrowing will be in the name of the Council.

12.2. The Council will approve the terms and purpose of any application for borrowing. The application for borrowing approval, and subsequent arrangements for the loan may not be delegated to a Committee.

12.3. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as hire purchase or leasing of tangible assets) will be approved by resolution of the Council. In each case, a report in writing will be provided to the Council in respect of value for money for the proposed transaction.

13. Grants

13.1. Grants to be made in the name of the Council will be approved by the Council or a Committee:

- a) subject to any limits set by the Council; and
- b) in accordance with any policy statement approved by the Council.

13.2. Grants will be subject to:

- a) the approval thresholds stated at out at paragraph 18.6 of these Regulations, but any grant of more than £5,000 will be authorised only by resolution of the Council; and
- b) the payments process set out in section 22 of these Regulations.

14. Micro Grants

14.1. A Member may award a grant to a beneficiary within the Stanway Parish.

14.2. The total amount available to each Member each year for the next three financial years (ending 31 March 2026) is £300.

14.3. The minimum individual grant is £50.

14.4. Two or more Members may combine their individual allowance to create a larger grant (always subject to the individual £300 allowance for each Member).

14.5. For grants of up to £200 the Member will complete a short form providing details of the amount of the grant, the beneficiary and purpose.

14.6. For grants of more than £200 the beneficiary must complete a formal application form.

14.7. For grants of more than £1,000 the beneficiary must also provide the previous year's financial accounts.

14.8. After the RFO or the Deputy RFO checks an application, payment may be made (but not by cash) subject the process set out in section 22 of these Regulations.

14.9. Alternatively, payment may be made directly to an independent supplier of goods or services provided the supplier has no personal or business relationship with the beneficiary or, if relevant, the beneficiary's members.

14.10. Where practicable, the beneficiary will recognise the Council as provider of the grant (with or without the Member's name). This may be as simple as a photo opportunity with the donating Member or a news article in the beneficiary's publication or on its website.

14.11. Grants will be provided only to individuals and small non-profit, amateur or charitable organisations to support things like one-off events, fund-raising or purchases such as junior sports kit, equipment, etc. Common sense will be applied, but any variation on this or uncertainty around it requires the authorisation of the RFO or the Deputy RFO.

14.12. The Council's Code of Conduct applies at all times to ensure complete transparency and impartiality in the award of grants. Each Member will take full responsibility for the probity of any grant initiated by him/her.

14.13. A list, with details of the grants awarded by each Member, will be published on the Council's website, with a running balance of funds still available.

14.14. Application forms will be available to download from the Council's website.

14.15. In all cases, the RFO or the Deputy RFO is the sole arbiter as to the suitability of any grant and their decision is final and binding.

15. Staffing

- 15.1. Salaries, other emoluments and terms of conditions of employment are matters reserved for the Staffing Committee.
- 15.2. Gross and net payments to employees will be calculated in accordance with payroll records and the rules of PAYE and National Insurance in force at the time and will be made on the appropriate dates stipulated in employment contracts.
- 15.3. Payment of deductions such income tax, National Insurance and pension contributions, or similar statutory or discretionary deductions will be made in accordance with:
 - a) the payroll records;
 - b) the rules of PAYE and National Insurance; and
 - c) the pension scheme administrator's rules,as in force at the time.
- 15.4. The total of such payments in each calendar month will be reported alongside the other payments as set out in section 21 of these Regulations.
- 15.5. Any termination payments will be supported by a clear business case and reported to the Council. Termination payments may not be delegated to a Committee.
- 15.6. Before employing interim staff, the Council will consider a costed business case.

16. Risk management

- 16.1. The Council will put in place arrangements for managing risks.
- 16.2. The Clerk and/or the RFO will prepare, for approval by the Council, risk management policy statements in respect of the Council's activities.
- 16.3. The Council will review its risk policy statements and associated risk management framework at least annually.
- 16.4. When considering any new activity, the Clerk will prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

17. Insurance

- 17.1. Following the annual risk review (per section 16 of these Regulations), and as directed by the CGC, the RFO will effect insurance in respect of certain financial interests and liabilities.
- 17.2. The Clerk promptly notify the RFO of:
 - a) all new risks, financial interests, assets and liabilities in respect of which insurance is required; and
 - b) any changes to material circumstances relating to existing insurances.
- 17.3. The RFO will retain a record of all contracts of insurance effected by the Council and review it annually.
- 17.4. The RFO will be notified of any loss, liability or damage or of any event likely to lead to a claim and will report these to the Council at the next meeting.
- 17.5. The RFO will and negotiate all claims on the Council's insurers in consultation with the Clerk.
- 17.6. All Members, Officers and employees will be included in a suitable form of security or fidelity guarantee insurance which will cover the maximum risk exposure as determined annually by the Council, or a duly delegated Committee.

18. Authority to spend (excluding staff costs and grants)

- 18.1. This section 18 of these Regulations does not apply to:
 - a) salaries and other emoluments;
 - b) employers' National Insurance contributions;
 - c) employers' pension contributions;
 - d) grants made by the Council; and

e) Micro Grants,

for which there are separate authorisation procedures described in these Regulations.

- 18.2. Expenditure will not be authorised unless the Council has the statutory legal power to incur such expenditure.
- 18.3. Expenditure will not be authorised that exceeds the budget for that cost code, other than by resolution of the Council.
- 18.4. Capital expenditure will not be authorised unless adequate funds have been secured from grants, loans or a combination of both.
- 18.5. Contracts for the supply of goods or services will not be disaggregated to circumvent the authority thresholds imposed by these Regulations.
- 18.6. Expenditure will be authorised up to the budget for that cost code, subject to the authority thresholds in the following table.

Expenditure	Required authority
£10,000 or more	Resolution of the Council.
£2,500 to £9,999	Resolution of a duly delegate Committee.
£500 to £2,499	Written authorisation from the Clerk in consultation with the Chair of the Council or the Chair of a duly delegated Committee.
Up to £499	The Clerk in the necessary discharge or their duties.
Up to £250	Any Officer or employee in the necessary discharge of their duties.

- 18.7. Notwithstanding the thresholds stated at paragraph 18.6 of these Regulations, the Clerk may authorise expenditure of up to £2,500 which, in their reasonable opinion, is necessary to prevent an inevitable interruption to the performance of the Council's statutory duties. Notwithstanding the prohibition stated a paragraph 18.3 of these regulations, such vital expenditure may be incurred regardless of any budgetary provision. The Clerk will report such vital expenditure to the Chair of the Council as soon as reasonably practicable and to the Council as soon as reasonably practicable thereafter.
- 18.8. Authorisation to incur expenditure by:
 - a) the Council or a Committee will be recorded in the minutes of the meeting at which the resolution was made; and
 - b) an Officer or an employee will be recorded in an email.

In all cases, the minutes or email will record statutory duty or statutory authority upon which the decision to incur expenditure was based.

19. Procedures for procuring goods and services (invitations to tender, requests for proposals and selection of suppliers)

- 19.1. Save for the goods and services listed below, every agreement for the supply of goods or services to the Council will comply with these Regulations:
 - a) supply of gas, electricity, water, sewerage, telephone and broadband services;
 - b) legal advice;
 - c) repairs to or parts for machinery or equipment or plant owned by the Council;
 - d) additional audit work of the external auditor up to a value of £500 (in excess of this sum the Clerk and the RFO may act after consultation with the Chair of the Council); and
 - e) proprietary goods that are sold only at a fixed price.
- 19.2. All goods and services will be necessary to the Council's operations and will represent value for money.
- 19.3. The basic procedure for the selection of a supplier for goods or services, will be as given in the following table depending on the value of the supply.

Value of supply	Procedure
£25,000 or more	The Council will observe the relevant competitive tendering and award procedures set out in The Public Contracts Regulations 2015 (as amended).

£2,500 to £24,999	The Clerk or RFO will secure priced proposals from at least three suppliers.
£500 to £2,499	The Clerk or RFO will obtain priced proposals from three suppliers, but if this is impracticable or three suppliers decline to submit priced proposals, the best available terms will be secured.
Up to £499	The Officer or employee will secure the best available terms from a supplier.

19.4. All invitations to tender and requests for proposals issued by the Council will:

- a) state the specification for the goods or services;
- b) be subject to Standing Order 30;
- c) will refer expressly to the Bribery Act 2010;
- d) require tenders or priced proposals to be submitted before a prescribed date;
- e) remain sealed until the prescribed date for opening bids;
- f) will be opened at the same time on the prescribed date by the Clerk in the presence of at least one Member.

19.5. The Council is not obliged to accept the lowest or any tender, priced proposal, quotation or estimate.

19.6. The decision as to the selection of the supplier:

- a) will be recorded in the minutes of the meeting of the Council or Committee at which the decision was made; or
- b) in the case of a decision made by an Officer or employee, in an email to the RFO.

19.7. Should:

- a) the Council, or a duly delegated Committee, decide not to accept any tender or priced proposal; and
- b) the Council requires further pricing, and
- c) the specification does not change,

any person who was present when the original decision was made will not be permitted to submit another tender or priced proposal.

19.8. The Council may resolve to waive section 19 of these Regulations (but not the statutory obligations pursuant to the Public Contracts Regulations 2015) so that a price can be negotiated without competition. The reason for such waiver will be recorded in the minutes of the meeting at which such decision was made.

19.9. In accordance with the Local Government Transparency Code, each quarter the Council will publish details of every invitation to supply goods and/or services with a value of more than £5,000.

20. Procedures for procuring goods and services (award of contract and agreements with suppliers) and managing suppliers

20.1. A Member will not issue an order or make any agreement on behalf of the Council.

20.2. Paragraphs 20.3 to 20.9 of these Regulations are not mandatory for goods or services with a value of less than £250, but the requirements may be observed in whole or in part at the discretion of the Officer or employee.

20.3. After the Council, duly delegated Committee, Officer or employee has decided to appoint a supplier (in accordance with paragraphs 19.1 to 19.8 of these Regulations) the RFO will issue a purchase order for the supply goods and services.

20.4. The RFO will not issue a purchase order for any proposed supply that does not conform with all applicable paragraphs of sections 18 and 19 of these Regulations.

20.5. All supplies will be subject to a written agreement between the Council and the supplier which sets out, as a minimum:

- a) the goods or services to be supplied;
- b) the value of the goods or services; and
- c) the payment terms.

- 20.6. The type of written agreement and the level of detail will be appropriate for the value of the goods or services. At a simplest it may be an exchange of correspondence whereas a lengthier agreement may be necessary for higher value goods or services or more complex supplies.
- 20.7. The Council, Committee, Officer or employee who authorised the expenditure (in accordance with section 18 of these Regulations):
- a) is responsible for compliance with this section 20 of these Regulations.
 - b) will ensure delivery of the goods or services; and
 - c) is responsible for all matters concerning ongoing supplier performance.
- 20.8. The Council may agree a variation to an agreement with a supplier before the expiry of the agreement, provided such variation does not lead to an increase in the value of goods or services. Where a variation leads to an increase in the value of goods or services, the procurement process restarts and the requirements of sections 18,19 and 20 of these Regulations will be observed.
- 20.9. The Council will reject all goods or services supplied in the absence of a purchase order or a written agreement.
- 20.10. In accordance with the Local Government Transparency Code, each quarter the Council will publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable supply agreement with a value of more than £5,000.

21. Procedures for approving payments

- 21.1. Invoices for payment will be delivered to the RFO no later than five working days before the meeting at which payment is to be authorised.
- 21.2. The RFO will reject any invoice that does not satisfy the criteria set out in paragraphs 21.3.a) to 21.3.d) of these Regulations.
- 21.3. The RFO will :
- a) check the invoice is for expenditure properly authorised in accordance with sections 18,19 and 20 of these Regulations;
 - b) check the goods or services to which the invoice relates have been delivered;
 - c) if the supplier is VAT registered business, check the invoice is a 'VAT Invoice' as defined in Schedule 11 of the Value Added Tax Act 1994;
 - d) check the invoice for arithmetical accuracy; and
 - e) thereafter provide to the Council or the CGC a list of payments for approval, together with a copy of each invoice.
- 21.4. The Council or the CGC will review such list and, having satisfied itself that payments are due, will resolve to authorise the payments. The Chair of the meeting will initial the schedule of payments as evidence.
- 21.5. A 'de minimis' rule of automatic approval applies to any invoice valued at less than £50, but a Member may request sight of any invoice so approved.
- 21.6. The list of payments will be given within or as an attachment to the minutes of the meeting at which payment was approved. However, details of payments to Officers and employees will be redacted or summarised to withhold personal information (such as salary information, expenses and payments made in relation to the termination of employment).
- 21.7. On occasion it may be necessary to approve a payment outside the cycle of regular meetings of the CGC or the Council. Payment in such circumstances may be authorised by:
- a) the permanent members of the CGC, subject to a simple majority with a casting vote by the Chair of the CGC; or
 - b) the Clerk or the RFO if necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998,
- provided:
- c) the invoice to which payment relates meets the criteria described in paragraphs 21.3.a) to 21.3.d) of these Regulations; and

- d) a list of such payments is submitted to the next meeting of the Council or the CGC (whichever convenes first).
- 21.8. For each financial year the RFO will draw up a list of due payments which arise on a regular basis which the Council or a duly delegated Committee may authorise payment for the year subject to:
 - a) sections 18, 19 and 20 of these Regulations; and
 - b) a list of such payments will be submitted to the next available meeting of the Council or the CGC (whichever convenes first).
- 21.9. A record of regular payments made pursuant to paragraph 21.8 of these Regulations will be drawn up and be signed by two Members on each occasion when payment is authorised.
- 21.10. Any details for a new supplier or change in the recorded details of a current supplier, especially bank account information, will be verified and approved in writing by the RFO and a Member.

22. Procedures for making payments

- 22.1. Following authorisation pursuant to section 21 of these Regulations, the Clerk or the RFO will instruct the Council's bankers to make a payment.
- 22.2. Any cheque, standing order, direct debit instruction, electronic bank transfer or any other instruction for payment (as set out in paragraphs 22.3 to 22.6 of these Regulations) will be signed or otherwise authorised by at least two persons, at least one of whom will be a Member.
- 22.3. A Member or Officer who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, will not be a signatory to the payment in question.
- 22.4. Payments may be made by direct debit or standing order, provided the use of a direct debit or standing order is authorised by resolution of the Council at least every two years.
- 22.5. Payments may be made by electronic bank transfer (including BACS, CHAPS or Faster Payments), provided the use of electronic bank transfer is authorised by resolution of the Council at least every two years.
- 22.6. Cheques or instructions for payment will not be presented for signature other than at a Council or CGC meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings will be reported to the Council or the CGC at the next meeting.
- 22.7. In respect of building or construction contracts, payments on account or by instalments may be made in accordance with the terms of the contract.
- 22.8. Regular checks of a supplier's bank account details will be undertaken.
- 22.9. Changes to a supplier's bank account details (which are used for internet banking) may be changed:
 - a) only on written notification from the supplier or an attachment to an email from the supplier (but not solely an email); and
 - b) only once authorised by the Clerk or the RFO and at least one Member.
- 22.10. Any payments made in cash by the Clerk or the RFO (for example for postage or minor stationery items) will be refunded on a regular basis, and at least quarterly.
- 22.11. Regardless of the method of payment, all payments will be reported to the Council at least monthly.