FULL COUNCIL
TUESDAY 25 FEBRUARY 2025

Agenda Item 8:
Finance Policies and Financial Regulations
separate cover pack:

If adopted at this meeting, these will replace any previous versions.
Councillors may wish to keep this pack for future reference.

PADSTOW TOWN COUNCIL

Anti-Fraud and Corruption Policy

POLICY/PROTOCOL/PROCEDURE			
Version		**Comments**	Next Review: Feb 2028
Approval Date		**Responsible Officer**	RFO
Committee	FGP	**Approval by**	Full Council

VERSION HISTORY		
Date	**Version**	**Comments**
18.2.25	DRAFT	Taken to FGP on 18.2.25 for review.

REVIEW RECORD		
Date Review initiated	**Review undertaken by i.e. officer/ Cttee/Council**	**Summary of any recommended updates/changes to be made**
Jan 2024	RFO	Reviewed and updated by RFO. Reformatted to PTC template. Taken to FGP 18.2.25 for review.

ANTI-FRAUD AND CORRUPTION POLICY

1. Principles

1.1 Padstow Town Council has a duty to protect the public funds under its control against fraud, bribery and corruption, both from within the Council and from external sources. This Policy is part of the Council's commitment to protect public money.

1.2 The Council seeks to prevent fraud, bribery and corruption and will take all action necessary to identify these acts if suspected and take appropriate action against those responsible.

1.3 The Town Council promotes a culture of honesty, transparency and fairness and is committed to sound corporate governance.

1.4 The Town Council will not tolerate fraud and corruption in the administration of its responsibilities and requires external suppliers, contractors and service providers to act with integrity.

1.5 The Council takes a **'zero tolerance'** stance on any form of fraud, bribery or corruption. Throughout this policy the term Fraud is used generically and includes bribery, theft and corruption.

2. Definitions

2.1 Fraud is the intentional distortion of financial statements, accounts or other records by persons internal or external to the authority, which is carried out to conceal the misappropriation of assets or otherwise for gain or to mislead or misrepresent. The criminal act is the attempt to deceive, and attempted fraud is therefore treated as seriously as accomplished fraud.

2.2 Theft is dishonestly acquiring, using or disposing of funds, physical or intellectual property belonging to the Council or to individual members of the organisation or deliberately misusing materials or equipment belonging to the Council for financial or material benefit.

2.3 Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.

2.4 Corruption is the offering, soliciting or acceptance of an inducement or reward which may influence the action of any person to act against the interests of an organisation. Corruption includes the deliberate failure to disclose an interest in order to obtain a financial or other pecuniary gain for oneself or another.

3. Culture

3.1 The Town Council promotes a culture of integrity, honesty, transparency and fairness, which supports its opposition to fraud and corruption. The prevention and detection of fraud and corruption and the protection of public money are the responsibility of everyone. Councillors and employees play an important role in creating and maintaining this culture.

3.2 It is essential that Members, employees and volunteers conduct themselves in accordance with the principles laid down by The Relevant Authorities (General Principles) Order 2001, as set out in Appendix 1, during their term of office or employment with the Town Council.

3.3 Everybody is encouraged to raise concerns regarding fraud and corruption, in the knowledge that such concerns will wherever possible be treated in confidence.

3.4 Where fraud and corruption has occurred because of existing procedures, arrangements will be made to ensure that the appropriate improvements are introduced in order to prevent a re-occurrence.

4. Prevention

4.1 Role of Elected Members:

As elected representatives, members of the Council have a duty on behalf of their electorate to protect the Council from all forms of fraud and corruption. This is reflected through the adoption of this Policy and compliance with the Code of Conduct, the Council's Standing Orders, Financial Regulations and other relevant legislation. On taking office Members are required to sign to the effect that they have read and understood the Code of Conduct. The Code requires Members to declare and register interests and to register receipt of gifts and hospitality. The latter required if agreed by Council that such can be accepted. NB: Padstow Town Council's Standing Orders stipulate that gifts and hospitality must not be accepted.

4.2 Role of Employees:

The Town Clerk is responsible for the communication and implementation of this Policy and ensuring that employees are aware of the Council's Financial Regulations and Standing Orders, and that the relevant requirements of each are being met in the day to day conduct of Council business. Managers are expected to strive to create an environment in which employees feel able to approach them with any concerns they may have regarding suspected irregularities.

Employees are responsible for ensuring that they follow the instructions given to them by their manager, including directions on the safekeeping of the Council's assets. Checks are carried out on a regular basis to ensure that adequate financial controls are in place and adhered to in order to protect those employees.

The Council recognises that a key preventative measure in dealing with fraud and corruption is ensuring that effective steps are taken at the recruitment stage to establish as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary or casual posts. This includes obtaining written references.

4.3 Conflicts of Interest:

Elected Members and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Effective role separation will ensure that decisions made are seen to be made based on impartial advice and therefore avoid questions regarding improper disclosure of confidential information.

4.4 Role of Internal Audit:
The Town Clerk and Responsible Financial Officer are responsible for ensuring that there is an adequate and effective system of internal audit of the Council's accounting, financial and other systems in accordance with the relevant Accounts and Audit Regulations. Internal audit plays a significant preventative role in ensuring that the relevant systems deter fraud and will work with management to identify the procedural changes necessary to prevent the Council from exposure to losses. The actions of internal audit include the undertaking of several specific reviews and tests of the relevant financial systems and other arrangements for the protection and detection of fraud.

4.5 Role of External Audit:
The external auditor has a responsibility to review the Council's arrangements for preventing and detecting any irregularities, and arrangements designed to limit the opportunity for corrupt practices. The outcome of these reviews is reported each year by the external auditor in the Annual Audit Letter, which is presented to the appropriate meeting of the Full Council.

5. Deterrence

5.1 Fraud, bribery and corruption are serious offences against the Council and will be regarded as gross misconduct. Employees will face disciplinary action if there is evidence that they have been knowingly or recklessly involved in these activities. Disciplinary action will be taken in addition to, or instead of, criminal proceedings depending on the circumstances of each individual case, but in a consistent manner.

5.2 Members will face appropriate action if they are found to have been involved in fraud against the Council. Action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner. If the matter is a breach of the Code of Conduct for Members, then it will also be referred to the Standards Committee, which has the option of referring the matter to the Standards Board for England (a government body established to help maintain high standards in local democracy).

5.3 The Council will not seek to cover up cases of fraud or corruption and will seek to ensure where appropriate, that the results of any external action taken are summarised on the Council's website. In all proven cases, where financial loss has occurred and it is in the Council's interest to do so, the Council will seek to recover such loss.

6. Investigation and Detection

6.1 Systems of internal control have been established together with Financial Regulations and Standing Orders to deter fraud and corruption. These are complemented by the work undertaken by Internal Audit in the review of systems and financial controls.

6.2 In addition, it is often the vigilance of employees, elected Members and members of the public that aids detection. Employees are to be

encouraged to raise any concerns they may have without fear of recrimination.

6.3 If an employee makes an allegation of fraud, corruption or theft in good faith which is not confirmed in an ensuing investigation, no action will be taken against that employee. However, if an employee makes malicious or vexatious allegations, disciplinary action may follow. Frauds are in some cases discovered by chance or 'tip-off' and the Council's policy is to follow up any such information.

6.4 The Council recognises that it is essential that there is a consistent treatment of information received suggesting the possibility of fraud, corruption, or theft. Following the completion of an investigation, the circumstances will be assessed to determine the need for procedural and system changes to ensure that future risks are eliminated. Where necessary, following an investigation, the Council's disciplinary procedures will be applied to any employee found to be guilty of improper behaviour.

7. Awareness and Training

7.1 The Council recognises that the success of this policy will depend upon the effectiveness of its training programmes and awareness on the part of Members and employees throughout the organisation.

7.2 Employees will be made aware of their responsibilities and the procedures to be followed for the safekeeping of the Council's assets and will be advised that failure to adhere to the specified procedures may lead to disciplinary action being taken.

7.3 At the start of their term of office, Members will be provided with a Councillor Welcome pack containing all relevant information and policies relating to their role and responsibilities. Relevant training sessions, including a session relating to the Member's Code of Conduct, will also be arranged. Refresher training will be made available as appropriate.

The General Principles of the Order

Selflessness
Members should serve the public interest and should never improperly confer an advantage or disadvantage on any person.

Honesty and Integrity
Members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

Objectivity
Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

Accountability
Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

Openness
Members should be as open as possible about their actions and those of their authority and should be prepared to give reasons for those actions.

Personal Judgement
Members should take account of the views of others but should reach their own conclusions on the issues before them and should act in accordance with those conclusions.

Respect for Others
Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation, or gender disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.

Duty to uphold the law
Members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them,

Stewardship
Members should do whatever they are able to do to ensure that their authority uses its resources prudently and in accordance with the law.

Leadership
Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence

PADSTOW TOWN COUNCIL
INVESTMENT STRATEGY

POLICY/PROTOCOL/PROCEDURE			
Version		**Comments**	
Approval Date		**Responsible Officer**	RFO
Committee	Finance and General Purposes	**Approval by**	Full Council

VERSION HISTORY		
Date	**Version**	**Comments**
May 2023	V1	Annual review

REVIEW RECORD		
Date Review initiated	**Review undertaken by i.e. officer/ Cttee/Council**	**Summary of any recommended updates/changes to be made**
April 2023	RFO	Item 2.5 add '32-day notice account.'
May 2023	Town Clerk	Updated into template.
November 2024	RFO	Full Council reaffirmed before FGP review on 18.2.25

1. Introduction

1.1 The Investment of surplus funds by local authorities is governed by the Local Government Act 2003, section 15(1)(a) and Guidance issued by the Secretary of State under that Act.

1.2 Investments below £10,000 are not subject to the Guidance but for investments between £10,000 and £100,000 the council is required to make a formal decision on the extent to which it would be reasonable to adopt the Guidance either in part or in full.

1.3 The Guidance recommends that a council produces an Annual Investment Strategy which sets out its policy for managing the investments and giving priority to the liquidity and security.

1.4 A 'Specified Investment' is one which is made in sterling, is not long term (less than 12 months), not defined as capital expenditure and is placed with a body which has a high credit rating or made with the UK Government, a UK Local Authority or a parish or community council.

1.5 Any other type of investment is considered 'Non-Specified Investment' to which there can be greater risk and where professional investment advice might be required.

1.6 Local authorities should always keep strategies simple and maintain prudence.

2. Investment Strategy Detail

2.1 The Council acknowledges the importance of prudently investing its temporary surplus funds held on behalf of the community.

2.2 The Council's priorities will be centred on the security (protecting the capital sum from loss), then liquidity (keeping the money readily available for expenditure when needed) and then yield (the return made on the investment), in that order of importance.

2.3 Adopt the Secretary of State's Guidance in relation to council investments.

2.4 Carry out an annual budget to ascertain expenditure commitments for the coming financial year.

2.5 Based on that budget, to invest only in:

- 'Specified Investments' (which provide high security and high liquidity) and bodies with high credit ratings, based on information from approved rating agencies.
- Investments will be spread between different UK clearing banks, where appropriate, to minimise the risk. The Council's current

investments are deposit accounts with Lloyds Bank and Barclays Bank, the accounts are immediate access and 32-day notice account.

2.6 'Non-Specified Investments' including longer term investment i.e. 12 months or more, examples include money market, stocks and shares. Given the unpredictability and uncertainty surrounding such investments the Council will not use this type of investment.

2.7 To review investments regularly.

2.8 The Council has a portfolio of investment properties that provide a rental income, this will continue if the capital appreciation and rental yield exceeds that which could be achieved elsewhere, at which point it will be reviewed. Professional advisors will undertake rent reviews on behalf of the Council. The underlying assets provide security for the capital investment.

2.9 The Council will not borrow to invest as this is 'ultra vires' (beyond one's legal power).

2.10 The Council will not make loans to local enterprises etc. due to the prioritisation of security and liquidity.

2.11 The Council does not have any borrowings and capital expenditure is financed from revenue income after it has been received. A balanced revenue budget is achieved from car park income and rental income, any surplus is used to finance capital expenditure once it has been received.

PADSTOW TOWN COUNCIL

Risk Management Policy Statement And Risk Management Scheme

POLICY/PROTOCOL/PROCEDURE			
Version	Version 1	**Comments**	
Approval Date		**Responsible Officer**	RFO
Committee	FGP	**Approval by**	Full Council
Review Schedule	Annually	**Next Review Date**	February 2026

VERSION HISTORY		
Date	**Version**	**Comments**
18 Feb 2025	2025 draft	

REVIEW RECORD		
Date Review initiated	**Review undertaken by i.e. officer/ Cttee/Council**	**Summary of any recommended updates/changes to be made**
January 2025	RFO / FGP	Previously known as Risk Assessment Management Plan – document reviewed, reformatted with PTC front sheet and Risk Policy Statement added – to be considered by FGP 18 Feb 2025.

1. Risk Management Policy Statement

1.1 Padstow Town Council recognises that it has a responsibility to manage Risks effectively in order to protect its employees, assets, liabilities and community against potential losses and minimise uncertainty in achieving its aims and objectives.

1.2 Not all of the Risks to which the Council is exposed can be eliminated, or insured against, but they can be managed and controlled by pro-active measures to identify and assess their impact and by the introduction of a Risk Management Scheme.

1.4 The object of the Councill's Risk Management Scheme will be to protect people, assets, financial losses, liabilities and reputation.

1.5 The Council will carry insurance in such amounts and in respect of such perils as will provide protection against significant losses, where insurance is required by law or contract and in such other circumstances as considered necessary from time to time.

1.6 Padstow Town Council is committed to high standards of training for its Members and Officers to enhance knowledge.

1.7 The Council will seek to embed effective Risk management into its culture, processes and structure and Risk will be constantly reviewed and managed.

RISK MANAGEMENT SCHEME:

Where, in the Risk Management Scheme, responsibility for the Management/Control of Risk is assigned to a specific role, this is the position with overall responsibility. All employees have a duty to undertake their roles within Risk management guidelines ensuring that their skills, experience, and knowledge are used effectively. All employees will maintain an awareness of the impact and costs of Risks and how to feed information into the formal process. They will work to control risks or threats within their roles, monitor progress and report on task related risks to their Line Manager.

Area	Risk(s) Identified	Risk Level H/M/L	Potential Impact H/M/L	Management/Control of Risk	Position responsible	Review/Action Required
Assets						
Protection of physical assets including property, buildings and land	Fire, flood, leaks, weather and accidental damage	Medium	High	• Buildings and property insured for loss or damage. Building reinstatement figure appropriately assessed. • Fire alarm & fire equipment annual test. • Weekly fire alarm test. • Electrical testing undertaken as required. • Weekly checks conducted on other remote locations such as cemetery.	TC & RFO Facilities Officer and Council Foreperson	• Insurance policy to be reviewed annually. • Maintain existing procedures • Regular inspections of property to identify potential issues before they worsen.
Security of physical assets including property, buildings and land	Inadequate security of property, buildings and land	Medium	Medium	• Buildings and property, including vehicles, secured outside working hours, which are checked by last team member leaving the building. • Adequate lighting. • Kestrel Guard services for outside office hours. • Any issues of concern raise with local police team.	Maintenance Team & office team	• Maintain existing procedures. • Reviewing improved lighting for outside of Station House.

Maintenance of physical assets including property, buildings and land	Inadequate maintenance of property, buildings or land leading to escalation of minor issue at greater financial cost. In respect of property, additional risk of harm to employees if work equipment is inadequately maintained	Medium	Medium	• Planned maintenance programme. • Regular servicing of vehicles and machinery. • Completion of vehicle and machinery inspection forms prior to use. • Regular tree inspection reports and management plan developed for Plantation and Churchyard. • Property maintenance Earmarked Reserve. • FGP Committee to review budget annually and Business Plan. • Asset conditions report undertaken.	TC Facilities Officer and Council Foreperson	• Maintain existing procedures. • Council Foreperson reviewing maintenance programme. TC and Facilities Officer to meet with him regularly on progress. • TC and Facilities Officer to explore with Council Foreperson improvements to asset checks/schedule regularly.
Insurance	Inadequate cover or over insurance increasing costs unnecessarily.	Low	Medium	• Annual review of insurance with brokers. • Regular review of asset values. • Asset Register reviewed annually	TC & RFO	Maintain existing procedures.
Finance						
Car parks	Volatility of car park income.	Medium	High	• Hold adequate reserves more so with COVID uncertainty, • Regular reporting of income from car parks to Council to monitor against budget • Car park machines reviewed and maintained. • Payment options for users now card, cash and RingGo.	RFO	• Maintain existing procedures. • Due to legislation changes CC now enforce car park. Due to CC capacity number of enforcement hours has dropped to what PTC provided. PTC to continue to push for more enforcement/ hours.

Bank and Banking	Bank errors and/or inadequate checks leading to financial irregularities.	Low	Medium	• Bank reconciliations done when bank statements received. • Any issues RFO takes up with the bank and escalates to the Town Clerk if issues persist.	RFO & TC	Maintain existing procedures.
Financial controls and records	Inadequate records leading to financial irregularities.	Low	Medium	• Monthly financial reports to Council (NB: no meetings during August and December) • RFO regular contact with Chairman of Finance, Town Clerk and Chair of Council. • Internal & External Audits reported to FGP/and or Council.	RFO & TC	Maintain existing procedures.
Computer records	Loss of data through system error or theft.	Low	High	• Cloud back-ups • Antivirus software installed. • Contracted IT support.	Office team	Maintain existing procedures.
Cash	Loss of income or unforeseen major expenditure leading to cash flow problems.	Low	High	• Hold adequate reserves. • Review insurance cover annually. • Annual review of budget and Business Plan.	RFO	Maintain existing procedures.
Cash	Loss through theft or dishonesty.	Low	Low	• Receipts issued matched to invoices. • Unbanked cash locked in safe. • Cash banked regularly. • Petty cash imprest for expenditure and any expenditure signed off by RFO or Town Clerk. • Cash collections from car park machines by	RFO	Maintain existing procedures.

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				company, which is banked by them and reconciled by RFO regularly. This has reduced due to other payment options offered to pay for parking by card and RingGo.		
Budget	Inadequate budget preparation leading to inability to fulfil obligations.	Low	High	• Each Committee (except Planning) has a budget meeting which feeds into the FGP Committee. • FGP Committee to then recommend on to Full Council. • Income and expenditure considered quarterly. • Virements made where necessary. • Review of budget during course of financial year. • Budget to actual reports sent to Town Clerk, Chair of Finance and Chairman monthly.	RFO	• Maintain existing procedures.
Tenders	Best value not achieved.	Low	Medium	• Financial regulations detail procedures to be followed.	RFO & TC	Maintain existing procedures
Payments	Goods not supplied but invoiced. Invoices incorrect. Invoices unpaid. Cheque or online payment made for incorrect amount.	Low	Medium	• All invoices recorded and filed regularly. • Invoices checked for accuracy and for receipt of goods and services. • Two signatories on cheques or Accounts and Addendum to Accounts Outstanding and initialling of cheque stubs or email approval.	RFO & TC	Maintain existing procedures

				• List of payments presented to Full Council monthly for ratification/approval. • cheque signatories to verify cheques to invoices. • Online payments input by RFO and then authorised by the Town Clerk/ Assistant Town Clerk.		
Cheque books & online security details	Loss of cheques. Fraudulent use.	Low	High	• Cheque books & online security details kept in safe or locked cupboard. • No blank cheques signed.	RFO & TC	Maintain existing procedures.
Receipts	Services provided by Council but not paid for.	Low	Medium	• List maintained of regular invoices. • Debtors monitored and action taken if required.	RFO	Maintain existing procedures.
Rental Income	Failure of tenants to settle invoices	Medium	Medium	• Regular review of debtors and chasing of outstanding invoices. • Reported to Council as necessary.	RFO	Maintain existing procedures.
Salaries	Incorrect payments to staff (rates, NI, tax). Payments not made to HMRC	Low	Medium	• Payroll inputted by the RFO and checked by the Town Clerk. All correspondence filed and locked away. • Internal audit. • HMRC payment due dates entered in diary.	RFO & TC	Maintain existing procedures.
Pensions	Local Government Pension Scheme.	Low	Low	• Included on Sage Payroll, payment due dates entered in diary.	RFO	Review any updates received.
Councillor Allowances	Non-payment of tax.	Low	Low	• Councillors do not receive allowances at	n/a	No action required.

				present. This is considered each year during the budget setting process.		
Election Costs	Inability to meet costs.	Low	Low	• Provision made in budget annually.	RFO	Maintain existing procedures.
VAT	Errors in calculation. Payments not made to HMRC.	Low	Medium	• Comply with HMRC regulations. • Quarterly returns to be made. • Internal audit.	RFO	Maintain existing procedures. Advice sought as necessary.
Annual Return	Inability to conduct year end close on time/not submitted on time.	Medium	Medium	• Book internal audit early. • Changes made to internal team with addition of Assistant TC/Assistant RFO role to provide additional RFO cover.	RFO	Maintain existing procedures.
Rent reviews	Not reviewing rents on time.	Medium	Medium	• Review of rent schedule regularly undertaken by Chartered Surveyor.	TC & RFO	Maintain existing procedures.
Annual review of money	Failure to provide adequate segregation of duties leading to increased risk of error and fraud.	Low	High	• Duties are segregated where possible in a small team. Changes made to internal structure improving segregation of duties, as well as providing additional cover for RFO and TC roles.	RFO & TC	Maintain existing procedures.
Liability				•		
Legal liability as a consequence of asset ownership	Acts outside employment law could lead to financial liability and damage to	Medium	Medium	• Public liability insurance in place (limit of indemnity £15m). • Recent staff changes have seen improvement	TC	Insurance cover to be reviewed annually. Continue to review and improve health and safety processes

	reputation of the Council			to how risk and H&S is managed. • Buildings and other assets are inspected regularly by staff for faults. PAT tests are carried out annually. Appropriate training given and logged, risk assessments regularly reviewed. • James Hallam Risk Management (JHRM) appointed to provide advice and guidance for Health and Safety, including Annual Review.		
Compliance with Employment Law.	Actions outside employment law could lead to financial liability and damage to reputation of the Council	Medium	Medium	• Work Nest employment lawyers and South West Councils consulted as necessary • Employer Liability insurance in place (limit of indemnity £10m). • Staffing Committee responsible for staffing matters.	TC	Insurance cover to be reviewed annually.
Health and Safety of Employees, Visitors and Contractors	Liability incurred if Council found to be at fault. There is a higher-than-normal Health & Safety risk due to the parish being a coastal area.	Medium Medium	Medium Medium	• Health & Safety policy in place. Reviews undertaken as required and communicated to staff, who sign to acknowledge receipt. • Risk assessments in place for all property / tasks, safe systems of work established, all regularly reviewed. • Public liability insurance	TC, Facilities Officer, Foreperson and Maintenance Team	Maintain existing procedures Advice sought as necessary. Annual Staff Appraisal process

				in place. • Lone working minimised and managed. • Appropriate training given to staff and logged. • Training required for positions incorporated into contracts. Access to contracted health and safety advisor (James Hallam), as and when required, also undertakes annual review. Membership of CALC & SW Councils.		
Ensuring Council acts within its Powers	Conduct of Council business is ultra vires leading to financial liability and damage to Council reputation	Medium	Low	• Clerk to provide advice and seek advice if needed, from CALC, NALC, etc. • Councillors undertake training. Also issued with Code of Conduct, Standing Orders and any other relevant documentation. TC also available to any Councillor for advice and support.	TC	Legal advice to be sought where required via Council's own solicitors
Administration						
Councillor propriety	Incomplete register of interests.	Medium	Low	• Councillors advised via Welcome Pack of requirements to complete and update register of interests. Onus on Councillor. • Required to undertake Code of Conduct training (within 6 months of election).	TC	Maintain existing procedures.

				• Sign declaration when taking up office, undertake to observe the Code and uphold principles of public life. Cannot act as Councillor until this is done.		
Councillor propriety	Failure to declare interests, criminal offence if a declarable pecuniary interest. Damage to the reputation of the Council.	Medium	Low	• Councillor training. • Encouraged to seek advice if needed. • Onus on Councillor • Up to date Code of Conduct adopted by Council	TC	Maintain existing procedures.
Councillor/staff propriety	Breach of confidentiality, potential risk to Council's legal position, business interest or finances. Damage to the reputation of the Council.	Medium	Low	• Staff Handbook outlining all aspects, including confidentiality. • Outlined in staff contracts. • Staffing Committee responsible for disciplinary matters if there is an issue. • Councillor training and information provided outlines confidentiality. • Any confidential business of Council at meetings clearly outlined on agenda and papers, with public and press being excluded. • Councillor breaches dealt with by Cornwall Council Monitoring Officer, should a complaint be raised. can also seek their advice on a matter.	TC	Maintain existing procedures.

Reports and records	Improper and untimely reporting of meetings via the minutes.	Medium	Medium	• Council to meet monthly (apart from August and December) to receive and approve minutes of meetings of Full Council, minutes to be made available to press and public (excluding confidential) via the Council website.	TC	Maintain existing procedures.
General Data Protection Regulations (GDPR)	Non-compliance with data protection.	Medium	Medium	• Training undertaken by staff. • Staff and Councillors issued with GDPR Privacy Notices. • Councillors informed and advised and included in their Welcome Pack. Also have to read, understand and sign GDPR checklist. Cyber-security insurance is in place. • Data Protection Policy in place.	TC	Maintain existing procedures TC to undertake further training and to review process in place and staff/Cllr refresher training
Infectious disease/pandemic	Possible lockdown with public advised to stay at home	Medium	High	• Hold increased reserves in case rent and car park income stops. • Office staff able to work from home and visit office occasionally. • Developed processes, procedures and risk assessments for work undertaken by team outside. • Support and assistance of CALC and NALC.	TC & RFO	Monitor news and keep processes under review for best practice.

PADSTOW TOWN COUNCIL
FINANCIAL REGULATIONS

POLICY/PROTOCOL/PROCEDURE			
Version	Draft 2025	**Comments**	
Approval Date		**Responsible Officer**	RFO
Committee	FGP	**Approval by**	Full Council

VERSION HISTORY		
Date	**Version**	**Comments**
	July 2023 Final	

REVIEW RECORD		
Date Review initiated	**Review undertaken by i.e. officer/ Cttee/Council**	**Summary of any recommended updates/changes to be made**
January 2025	Reviewed by RFO with ATC/RFO and TC, recommendations taken to February FGP for consideration	

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1. General

1.1 These Financial Regulations govern the financial management of the Council and may only be amended or varied by resolution of the Council. They are one of the Council's governing documents and shall be observed in conjunction with the Council's Standing Orders.

1.2 Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of Councillor into disrepute.

1.3 Wilful breach of these regulations by an employee may result in disciplinary proceedings.

1.4 In these Financial Regulations:

- 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
- "Approve" refers to an online action, allowing an electronic transaction to take place.
- "Authorise" refers to a decision by the Council, or a Committee or an officer, to allow something to happen.
- 'Proper practices' means those set out in The Practitioners' Guide.
- Practitioners' Guide refers to the guide issued by the Joint Panel on Accountability and Governance (JPAG) and published by NALC in England.
- 'Must' and bold text refer to a statutory obligation the Council cannot change.
- 'Shall' refers to a non-statutory instruction by the Council to its
- Councillors and staff.

1.5 The Responsible Financial Officer (RFO) holds a statutory office, appointed by the Council. 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 control systems;
- Ensures the accounting control systems are observed;
- Ensures the accounting records are kept up to date;
- Seeks economy, efficiency and effectiveness in the use of Council resources; and
- Produces financial management information as required by the Council.

1.6 **The Council must not delegate any decision regarding:**

- **Setting the final budget or the precept (Council tax requirement);**
- **The outcome of a review of the effectiveness of its internal controls;**
- **Approving accounting statements;**
- **Approving an annual governance statement;**
- **Borrowing;**
- **Declaring eligibility for the General Power of Competence; and**
- **Addressing recommendations from the internal or external auditors.**

1.7 In addition, the Council shall:

- Determine and regularly review the bank mandate for all Council bank accounts;
- Authorise any grant or single commitment in excess of £20,000.

2. Risk management and internal control

2.1 **The Council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**

2.2 The Town Clerk, with the RFO, shall prepare for approval by the Full Council, a risk management policy covering all activities of the Council. This policy and consequential risk management arrangements shall be reviewed by the Council at least annually.

2.3 **At least once a year, the Council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**

2.4 **The accounting control systems determined by the RFO must include measures to:**

- **Ensure that risk is appropriately managed;**
- **Ensure the prompt, accurate recording of financial transactions;**
- **Prevent and detect inaccuracy or fraud;**
- **Allow the reconstitution of any lost records; and**
- **Identify the duties of officers dealing with transactions; and ensure division of responsibilities.**

2.5 At least once in each quarter, and at each financial year end, a Councillor who is either the Chair or Vice-Chair of the Finance and General Purposes Committee shall verify bank reconciliations for all accounts produced by the RFO. The Councillor shall sign and date the reconciliations and the original bank statements as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Full Council.

2.6 Regular back-up copies shall be made of the records on any Council computer and stored either online or in a separate location from the computer. The Council shall put measures in place to ensure that the ability to access any Council computer is not lost if an employee leaves or is incapacitated for any reason.

3. Accounts and audit

3.1 All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.

3.2 **The accounting records determined by the RFO must be sufficient to explain the Council's transactions and to disclose its financial position with reasonable accuracy at any time. In particular, they must contain:**

- **Day-to-day entries of all sums of money received and expended by the Council and the matters to which they relate; and**
- **A record of the assets and liabilities of the Council;**

3.3 The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.

3.4 The RFO shall complete and certify the annual Accounting Statements of the Council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them with any related documents to the Full Council, within the timescales required by the Accounts and Audit Regulations.

3.5 **The Council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices**.

3.6 **Any officer or Councillor must make available such documents and records as the internal or external auditor consider 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.

3.7 The internal auditor shall be appointed by the Full Council and shall carry out their work to evaluate the effectiveness of the Council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

3.8 The Council shall ensure that the internal auditor:

- Is competent and independent of the financial operations of the Council;
- Reports to the Full Council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
- Can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- Has no involvement in the management or control of the Council.

3.9 Internal or external auditors may not under any circumstances:

- Perform any operational duties for the Council;
- Initiate or approve accounting transactions;
- Provide financial, legal or other advice including in relation to any future 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.

3.10 For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.

3.11 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 documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

3.12 The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from internal or external auditors, unless the correspondence is of a purely administrative matter.

4. Budget and precept

4.1 **Before setting a precept, the Council must calculate its Council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**

4.2 Budgets for salaries and wages, including employer contributions shall be reviewed by the Staffing Committee at least annually in October or November for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Town Clerk and the Chair of the Staffing Committee.

4.3 No later than October each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial

year, taking account of the lifespan of assets and cost implications of repair or replacement.

4.4 Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds from the Council's Community Grant Scheme, may only be carried forward (by placing them in an earmarked reserve) with the formal approval of the Full Council and in accordance with any policy agreed by the Council.

4.5 Each Committee shall review its draft budget and submit any proposed amendments to the Finance and General Purposes Committee not later than the end of November each year.

4.6 The draft budget, with any Committee proposals, including any recommendations for the use or accumulation of reserves, shall be considered by the Finance and General Purposes Committee and a recommendation made to the Full Council.

4.7 Having considered the proposed budget, the Full Council shall determine its Council tax requirement by setting a budget. The Council shall set a precept for this amount no later than the end of December for the ensuing financial year.

4.8 **Any member with Council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.**

4.9 The RFO shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of the agreed annual budget.

4.10 The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.

4.11 Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the Full Council.

5. Procurement

5.1 **Councillors and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.

5.2 The RFO or Town Clerk should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases for items over £10,000, should ensure that the legal power being used is

reported to the meeting at which the order is authorised and also recorded in the minutes.

5.3 Every contract shall comply with the Council's Standing Orders and these Financial Regulations, and no exceptions shall be made, except in an emergency.

5.4 **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**

5.5 Where the estimated value is below the Government threshold, the Council shall (with the exception of items listed in paragraph 5.12) obtain prices as follows:

5.6 For contracts estimated to exceed £100,000 excluding VAT, the Town Clerk shall advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.

5.7 **For contracts estimated to be over £30,000 including VAT, the Council must comply with any requirements of the Legislation[1] regarding the advertising of contract opportunities and the publication of notices about the award of contracts.**

5.8 For contracts greater than £20,000 excluding VAT the Town Clerk or RFO shall seek at least 3 fixed price quotes;

5.9 Where the value of a contract or purchase is between £3,000 and £20,000 excluding VAT, the Town Clerk or RFO shall try to obtain 3 estimates, which might include evidence of online prices, or recent prices from regular suppliers.

5.10 For smaller purchases, the Town Clerk or RFO shall seek to achieve value for money.

5.11 **Contracts must not be split into smaller lots to avoid compliance with these rules.**

5.12 The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:

i. Specialist services, such as legal professionals acting in disputes;
ii. Repairs to, or parts for, existing machinery or equipment;

[1] The Regulations require Councils to use the Contracts Finder website if they advertise contract opportunities and also to publicise the award of contracts over £30,000 including VAT, regardless of whether they were advertised.

iii. Works, goods or services that constitute an extension of an existing contract;
iv. Goods or services that are only available from one supplier or are sold at a fixed price.

5.13 When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the Full Council or relevant Committee. Avoidance of competition is not a valid reason.

5.14 The Council shall not be obliged to accept the lowest or any tender, quote or estimate.

5.15 Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- The Town or RFO, under delegated authority, for any items below £5,000 excluding VAT.
- The Town Clerk, in consultation with the Chair of the Council or Chair of the appropriate Committee, for any items below £10,000 but above £5,000, excluding VAT.
- A duly delegated Committee of the Council for all items of expenditure within their delegated budgets for items under £20,000 but above £10,000 excluding VAT.
- In respect of grants, a duly authorised Committee within any limits set by Council and in accordance with any policy agreed by the Council.
- The Full Council for all items over £20,000 excluding VAT.

Such authorisation must be supported by a minute (in the case of Council or Committee decisions) or other auditable evidence trail.

5.16 No individual Councillor, or informal group of Councillors may issue an official order or make any contract on behalf of the Council.

5.17 No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the Full Council or a duly delegated Committee acting within its Terms of Reference except in an emergency.

5.18 In cases of serious risk to the delivery of Council services or to public safety on Council premises, the Town Clerk or RFO may authorise expenditure of up to £5,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Town Clerk or RFO shall report such action to the Chair as soon as possible and to the Full Council as soon as practicable thereafter.

5.19 No expenditure shall be authorised, no contract entered into, or tender accepted in relation to any major project, unless the Council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.

5.20 An official order or letter shall be issued for all work, goods and services above £50 excluding VAT unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.

5.21 Any ordering system can be misused and access to them shall be controlled by the RFO and the Town Clerk.

6. Banking and payments

6.1 The Council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the Council; banking arrangements shall not be delegated to a Committee. The Council has resolved to bank with Lloyds Bank and Barclays Bank. The arrangements shall be reviewed regularly for security and efficiency.

6.2 The Council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised, and only authorised payments shall be approved or signed to allow the funds to leave the Council's bank.

6.3 All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the Council before being certified by the RFO, Town Clerk or Assistant Town Clerk and Assistant RFO.

6.4 Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

6.5 All payments shall be made by online banking or cheque, following approval by two members who are bank signatories, unless the Council resolves to use a different payment method. All invoices will be available for inspection by Councillors.

6.6 For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Council may authorise in advance for the year.

6.7 A list of such payments shall be reported to the next appropriate meeting of the Full Council for information only.

6.8 The Town Clerk and RFO shall have delegated authority to authorise payments in the following circumstances:

i. any payments of up to £500 excluding VAT, within an agreed budget.
ii. payments of up to £5,000 excluding VAT in cases of serious risk to the delivery of Council services or to public safety on Council premises.
iii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the Full Council, where the Town 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 the Full Council.
iv. Fund transfers within the Council's banking arrangements up to the sum of £100,000.

6.9 The RFO or Town Clerk shall present a schedule of payments that have been made, following approval by two members who are bank signatories, forming part of the agenda for the meeting, to the Full Council. The Council shall review the schedule for compliance and, having satisfied itself, shall ratify the payments made or authorise payments by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

7. Electronic payments

7.1 Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator, supported by the Assistant Town Clerk/Assistant RFO. The bank mandate will be agreed by the Council. Dual authorisation is required for all payments.

7.2 All authorised signatories may have access to view the Council's bank accounts online.

7.3 No employee or Councillor shall disclose any PIN or password, relevant to the Council or its banking, to anyone not authorised in writing by the Council.

7.4 The Service Administrator or the Assistant Town Clerk/Assistant RFO shall set up all items due for payment online. A list of payments for approval shall be sent by email to the authorised Councillor signatories.

7.5 Two authorised Councillor signatories are required to approve the payments before the payments are made online by BACS or CHAPS. One member of staff who is a bank signatory will input the payments and another member of staff who is a bank signatory will approve (meaning to process) the payments.

7.6 Evidence shall be retained showing which Councillors approved the payment online and confirmation of the transaction date and administrating officer shall be appended to the invoices for audit purposes.

7.7 A full list of all payments made in a month shall be provided to the next Full Council meeting and appended to the minutes as per 6.9 above.

7.8 With the approval of the Full Council in each case, regular payments (such as gas, electricity, telephone, broadband, water, Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed/approved by two authorised signatories. The approval of the use of each variable direct debit shall be reviewed by the Council at least every two years.

7.9 If thought appropriate by the Council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed/approved by two authorised signatories, evidence of this is retained and any payments are reported to Council when made. The approval of the use of a banker's standing order shall be reviewed by the Council at least every two years.

7.10 Account details for suppliers may only be changed upon written notification by the supplier verified by two of either the Town Clerk, RFO or Assistant Town Clerk/Assistant RFO. This is a potential area for fraud and the individuals involved should ensure that any change is genuine.

7.11 Councillors and officers shall ensure that any computer used for the Council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.

7.12 Remembered password facilities, other than secure password stores requiring separate identity verification, should not be used on any computer used for Council banking.

8. Cheque payments

8.1 Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by two bank signatories.

8.2 A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.

8.3 To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil.

8.4 Any signatures obtained away from Council meetings shall be reported to the Full Council at the next convenient meeting.

9. Payment cards

9.1 Any debit or credit card issued for use will be specifically restricted to the Town Clerk, RFO and Assistant Town Clerk/Assistant RFO for the purchase of items within an agreed budget up to a maximum value of £500 excluding VAT for a single transaction. Any credit card balance shall be paid full each month.

9.2 Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by the Town Clerk, RFO and Assistant Town Clerk/Assistant RFO and any balance shall be paid in full each month.

9.3 Personal credit or debit cards of Councillors or staff shall not be used except for expenses of up to £250 including VAT, incurred in accordance with Council policy.

10. Petty Cash

10.1 The RFO shall maintain a petty cash imprest account of £200 and may provide petty cash to officers for the purpose of defraying operational and other expenses.

a) Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.

b) Cash income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.

c) Payments to maintain the petty cash float shall be shown separately on any schedule of payments presented for approval.

11. Payment of salaries and allowances

11.1 As an employer, the Council must make arrangements to comply with the statutory requirements of PAYE legislation.

11.2 **Councillor allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**

11.3 Salary rates shall be agreed by the Council, or a duly delegated Committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the Full Council or Staffing Committee.

11.4 Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

11.5 Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

11.6 Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook.

11.7 Any termination payments shall be supported by a report to the Staffing Committee, setting out a clear business case. Termination payments shall only be authorised by the Full Council, following a recommendation of the Staffing Committee.

11.8 The Town Clerk has delegated authority to appoint temporary staff, provided within budget.

12. Loans and investments

12.1 Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the Full Council and recorded in the minutes. All borrowing shall be in the name of the Council, after obtaining any necessary approval.

12.2 Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase, Leasing of tangible assets or loans to be repaid within the financial year) must be authorised by the Full Council, following a written report on the value for money of the proposed transaction.

12.3 The Council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually and agreed by the Full Council.

12.4 All investment of money under the control of the Council shall be in the name of the Council. Short term investment of funds in interest-bearing accounts with either Lloyds Bank or Barclays Bank can be arranged by the Chair of Finance, Town Clerk and RFO.

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

12.6 Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

13. Income

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

13.2 The Council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, informed by the reports of the most appropriate officer. The RFO shall be responsible for the collection of all amounts due to the Council.

13.3 Any sums found to be irrecoverable, and any bad debts shall be reported to the Full Council by the RFO and shall be written off in the year. The Council's approval shall be shown in the accounting records.

13.4 All sums received on behalf of the Council shall be deposited intact with the Council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.

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

13.6 The RFO shall ensure that VAT is correctly recorded in the Council's accounting software and that any VAT Return required is submitted from the software by the due date.

14. Payments under contracts for building or other construction works

14.1 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the surveyor or other consultant engaged to supervise the works (subject to any percentage withholding as may be agreed in the particular contract).

14.2 Any variation, addition to or omission from a contract must be authorised by the Town Clerk to the contractor in writing, with the Full Council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and equipment

15.1 The staff member in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

15.2 Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

15.3 Stocks shall be kept at the minimum levels consistent with operational requirements.

16. Assets, properties and estates

16.1 The Town Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the Council.

16.2 The Town Clerk and RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the Council, their location, extent, plan, reference, purchase details (if known), nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.

16.3 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.

16.4 No interest in land 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. In each case a written report shall be provided to the Full Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).

16.5 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, except where the estimated value of any one item does not exceed £1,000 excluding VAT. In each case above £1,000, a written report shall be provided to the Full Council with a full business case.

17. Insurance

17.1 The Town Clerk or RFO shall keep a record of all insurances effected by the Council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the Council's review of risk management.

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

17.3 The Town Clerk or RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the Full Council at the next available meeting. The Town Clerk or RFO shall negotiate all claims on the Council's insurers.

17.4 All appropriate Councillors 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 Full Council, or duly delegated Committee.

18. Suspension and revision of Financial Regulations

18.1 The Council shall review these Financial Regulations regularly and following any change of Town Clerk or RFO. The Clerk and RFO shall monitor changes in legislation or proper practices and advise the Council of any need to amend these Financial Regulations.

18.2 The Council may, by resolution duly notified prior to the relevant meeting of the Full 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 presented to all members. Suspension does not disapply any legislation or permit the Council to act unlawfully.

18.3 The Council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

Appendix 1 - Tender process

1) Any invitation to tender shall state the general nature of the intended contract and the Town Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases.

2) The invitation shall in addition state that tenders must be addressed to the Town Clerk or RFO in the ordinary course of post, unless an electronic tendering process has been agreed by the Council.

3) Where a postal process is used, 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. All sealed tenders shall be opened at the same time on the prescribed date by the Town Clerk or RFO in the presence of at least one Councillor.

4) Where an electronic tendering process is used, the Council shall use a specific email address that will be monitored to ensure that nobody accesses any tender before the expiry of the deadline for submission.

5) Any invitation to tender issued under this regulation shall be subject to the Council's Standing Orders and shall refer to the terms of the Bribery Act 2010.

6) Where the Council, or duly delegated Committee, does not accept any tender, quote or estimate, the work is not allocated and the Council requires further pricing, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.