



# CARNFORTH TOWN COUNCIL

## STANDING ORDERS

&

## FINANCIAL REGULATIONS

2022

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## 1 INTRODUCTION

- 1.1 The Standing Orders of Carnforth Town Council are designed to assist in the proper conduct of Council business. They set out the policies and procedures -
- both those laid down in statute and those adopted by resolution of the Council – which govern the way in which the Council operates. The master document is held by the Town Clerk and may be inspected by any person by prior appointment with the Town Clerk.

## 2 CODE OF CONDUCT

- 2.1 Each Councillor, must undertake in writing to abide by the Council's Code of Conduct. This undertaking is incorporated in the declaration, so admission to office is not possible without signing it. The Code sets out the standards of behaviour expected of Councillors and introduces a new requirement not to act or behave in a manner which could bring the office or authority into disrepute, together with an obligation to report suspected breaches of the Code to the Monitoring Officer and the Public Services Ombudsman for Wales.
- 2.2 **Disclosure of Interests:** The Code also sets out the system under which Councillors must declare personal or prejudicial interests in any business of the Council. Guidance on the rules has been provided by Lancaster City Council together with forms for recording declarations (see Annex). The Town Clerk will maintain a Register of Members' Interests, which will be available for public inspection at any reasonable time by prior appointment.
- 2.3 **Period of Office:** Councillors are elected for a term of four years, retiring together on the fourth day after the date of the normal elections held every four years. The newly- elected Councillors take office on that fourth day.
- 2.4 The Town Mayor will serve for the period from one annual meeting to the next. If it becomes necessary to elect a Chairperson between annual meetings, the elected person will serve until the next annual meeting.

### **3 CONDUCT OF MEETINGS**

#### **3.1 Rules of debate at meetings**

- 1) Motions on the agenda shall be considered in the order that they appear unless the order is changed at the discretion of the chairman of the meeting.
- 2) A motion (including an amendment) shall not be progressed unless it has been moved and seconded.
- 3) A motion on the agenda that is not moved by its proposer may be treated by the chairman of the meeting as withdrawn.
- 4) If a motion (including an amendment) has been seconded, it may be withdrawn by the proposer only with the consent of the seconder.
- 5) An amendment is a proposal to remove or add words to a motion. It shall not negate the motion.
- 6) If an amendment to the original motion is carried, the original motion (as amended) becomes the substantive motion upon which further amendment(s) may be moved.
- 7) An amendment shall not be considered unless early verbal notice of it is given at the meeting and, if requested by the chairman of the meeting, is expressed in writing to the chairman.
- 8) A councillor may move an amendment to his own motion if agreed by the meeting. If a motion has already been seconded, the amendment shall be with the consent of the seconder and the meeting.
- 9) If there is more than one amendment to an original or substantive motion, the amendments shall be moved in the order directed by the chairman of the meeting.
- 10) Subject to 9) above; only one amendment shall be moved and debated at a time, the order of which shall be directed by the chairman of the meeting.
- 11) One or more amendments may be discussed together if the chairman of the meeting considers this expedient but each amendment shall be voted upon separately.

- 12) A councillor may not move more than one amendment to an original or substantive motion.
- 13) The mover of an amendment has no right of reply at the end of debate on it.
- 14) Where a series of amendments to an original motion are carried, the mover of the original motion shall have a right of reply either at the end of debate on the first amendment or at the very end of debate on the final substantive motion immediately before it is put to the vote. Unless permitted by the chairman of the meeting, a councillor may speak once in the debate on a motion except:
  - to speak on an amendment moved by another councillor;
  - to move or speak on another amendment if the motion has been amended since she/he last spoke;
  - make a point of order;
  - to give a personal explanation; or
  - to exercise a right of reply.
- 15) During the debate on a motion, a councillor may interrupt only on a point of order or a personal explanation and the councillor who was interrupted shall stop speaking. A councillor raising a point of order shall identify the standing order which she/he considers has been breached or specify the other irregularity in the proceedings of the meeting she/he is concerned by.
- 16) A point of order shall be decided by the chairman of the meeting and his decision shall be final.
- 17) When a motion is under debate, no other motion shall be moved except:
  - to amend the motion;
  - to proceed to the next business;
  - to adjourn the debate;
  - to put the motion to a vote;
  - to ask a person to be no longer heard or to leave the meeting;
  - to refer a motion to a committee or sub-committee for consideration;
  - to exclude the public and press;

- to adjourn the meeting; or
  - to suspend particular standing order(s) excepting those which reflect mandatory statutory or legal requirements.
- 18) Before an original or substantive motion is put to the vote, the chairman of the meeting shall be satisfied that the motion has been sufficiently debated and that the mover of the motion under debate has exercised or waived his right of reply.
- 19) Excluding motions moved under Standing Order 1(r), the contributions or speeches by a councillor shall relate only to the motion under discussion and shall not exceed 5 minutes without the consent of the chairman of the meeting.

### **3.2 Disorderly conduct at meetings**

- 1) No person shall obstruct the transaction of business at a meeting or behave offensively or improperly. If this standing order is ignored, the chairman of the meeting shall request such person(s) to moderate or improve their conduct.
- 2) If person(s) disregard the request of the chairman of the meeting to moderate or improve their conduct, any councillor or the chairman of the meeting may move that the person be no longer heard or be excluded from the meeting. The motion, if seconded, shall be put to the vote without discussion.
- 3) If a resolution made under 2) above is ignored, the chairman of the meeting may take further reasonable steps to restore order or to progress the meeting. This may include temporarily suspending or closing the meeting.

### **3.3 Meetings Generally**

- 1) Meetings shall not take place in premises which at the time of the meeting are used for the supply of alcohol, unless no other premises are available free of charge or at a reasonable cost.**
- 2) The minimum three clear days for notice of a meeting does not include the day on which notice was issued, the day of the meeting, Sunday, day of the Christmas break, day of the Easter break or of a bank holiday or day appointed for public thanksgiving or mourning.**

- 3) **Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.**
- 4) Members of the public may make representations, answer questions and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda.
- 5) The period of time designated for public participation at a meeting in accordance with standing order 5.3.4 shall not exceed 15 minutes unless directed by the chairman of the meeting.
- 6) Subject to standing order 5.3.5 a member of the public shall not speak for more than 5 minutes.
- 7) In accordance with standing order 5.3.4 a question shall not require a response at the meeting nor start a debate on the question. The chairman of the meeting may direct that a written or oral response be given.
- 8) The chairman of the meeting may at any time permit a person to be seated when speaking.
- 9) A person who speaks at a meeting shall direct his comments to the chairman of the meeting.
- 10) Only one person is permitted to speak at a time. If more than one person wants to speak, the chairman of the meeting shall direct the order of speaking.
- 11) **Subject to standing order 5.3.12 a person who attends a meeting is permitted to report on the meeting whilst the meeting is open to the public. To "report" means to film, photograph, make an audio recording of meeting proceedings, use any other means for enabling persons not present to see or hear the meeting as it takes place or later or to report or to provide oral or written commentary about the meeting so that the report or commentary is available as the meeting**

**takes place or later to persons not present.**

- 12) A person present at a meeting may not provide an oral report or oral commentary about a meeting as it takes place without permission.**
- 13) The press shall be provided with reasonable facilities for the taking of their report of all or part of a meeting at which they are entitled to be present.**
- 14) Subject to standing orders which indicate otherwise, anything authorised or required to be done by, to or before the Chairman of the Council may in his absence be done by, to or before the Vice-Chairman of the Council (if there is one).**
- 15) The Chairman of the Council, if present, shall preside at a meeting. If the Chairman is absent from a meeting, the Vice-Chairman of the Council (if there is one), if present, shall preside. If both the Chairman and the Vice-Chairman are absent from a meeting, a councillor as chosen by the councillors present at the meeting shall preside at the meeting.**
- 16) Subject to a meeting being quorate, all questions at a meeting shall be decided by a majority of the councillors and non-councillors with voting rights present and voting.**
- 17) The quorum for Carnforth Town Council is six councillors.**
- 18) The chairman of a meeting may give an original vote on any matter put to the vote, and in the case of an equality of votes may exercise his casting vote whether or not she/he gave an original vote**
- 19) Unless standing orders provide otherwise, voting on a question shall be by a show of hands. At the request of a councillor, the voting on any question shall be recorded so as to show whether each councillor present and voting gave his vote for or against that question.** Such a request shall be made before moving on to the next item of business on the agenda.



- 20) The minutes of a meeting shall include an accurate record of the following:
- the time and place of the meeting;
  - the names of councillors who are present and the names of councillors who are absent;
  - interests that have been declared by councillors and non-councillors with voting rights;
  - the grant of dispensations (if any) to councillors and non-councillors with voting rights;
  - whether a councillor or non-councillor with voting rights left the meeting when matters that they held interests in were being considered;
  - if there was a public participation session; and
  - the resolutions made.
- 21) **A councillor who has a personal or prejudicial interest in a matter being considered at a meeting which limits or restricts his right to participate in a discussion or vote on that matter is subject to obligations in the code of conduct adopted by the Council.**
- 22) **No business may be transacted at a meeting unless at least 50% of the whole number of members of the Council are present and in no case shall the quorum of a meeting be less than six.**
- 23) **If a meeting is or becomes inquorate no business shall be transacted** and the meeting shall be closed. The business on the agenda for the meeting shall be adjourned to another meeting.
- 24) A meeting shall not exceed a period of 2.5 hours.

#### 3.4 **Emergency amendments:**

- 1) In an emergency persons attending a council meeting do not need to be in the same place. "Place" means more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

A Councillor in remote attendance attends the meeting at any time if the Councillor is able at that time:

- to hear, and where practicable see, and be so heard and, where practicable, be seen by, the other members in attendance
  - to hear, and where practicable see, and be so heard and, where practicable, be seen by, any members of the public entitled to attend the meeting in order to exercise a right to speak at the meeting, and
  - to be so heard and, where practicable, be seen by any other members of the public attending the meeting.
- 2) Voting at remote meetings will be carried out by a show of hands, by a roll call of councillors' names and asking them to state their vote or by another method of voting, should a platform allow it.
  - 3) A method of remote access for the press and public will be advertised on the meeting's agenda.
  - 4) Notice of a meeting must be placed on the Council's website and in a prominent physical place to meet advertising standards contained in Schedule 12 of the Local Government Act 1972. The Council will take account of social distancing requirements before deciding to put notices in physical spaces.

### **3.5 Committees and sub-committees**

- 1) **Unless the Council determines otherwise, a committee may appoint a sub- committee whose terms of reference and members shall be determined by the committee.**
- 2) **The members of a committee may include non-councillors unless it is a committee which regulates and controls the finances of the Council.**
- 3) **Unless the Council determines otherwise, all the members of an advisory committee may be non-councillors.**
- 4) The Council may appoint standing committees or other committees as may be necessary, and;

- shall determine their terms of reference;
- shall determine the number and time of the ordinary meetings of a standing committee up until the date of the next annual meeting of the Council;
- shall permit a committee, other than in respect of the ordinary meetings of a committee, to determine the number and time of its meetings;
- shall, subject to 2) and 3) above, appoint and determine the terms of office of members of such a committee;
- may, subject to 2) and 3) above, appoint and determine the terms of office of the substitute members to a committee whose role is to replace the ordinary members at a meeting of a committee if the ordinary members of the committee confirm to the Town Clerk 3 days before the meeting that they are unable to attend;
- shall, after it has appointed the members of a standing committee, appoint the chairman of the standing committee;
- shall permit a committee other than a standing committee, to appoint its own chairman at the first meeting of the committee;
- shall determine the place, notice requirements and quorum for a meeting of a committee and a sub-committee which, in both cases, shall be no less than three;
- shall determine if the public may participate at a meeting of a committee;
- shall determine if the public and press are permitted to attend the meetings of a sub-committee and also the advance public notice requirements, if any, required for the meetings of a sub-committee;
- shall determine if the public may participate at a meeting of a sub-committee that they are permitted to attend; and
- may dissolve a committee or a sub-committee.

### **3.6 ORDINARY COUNCIL MEETINGS**

- 1) In an election year, the annual meeting of the Council shall be held on or within 14 days following the day on which the councillors elected take office.**
- 2) In a year which is not an election year, the annual meeting of the Council shall be held on such day in May as the Council decides.**
- 3) If no other time is fixed, the annual meeting of the Council shall take place at 6.30pm.**
- 4) In addition to the annual meeting of the Council, any number of other ordinary meetings may be held in each year on such dates and times as the Council decides.**
- 5) The first business conducted at the annual meeting of the Council shall be the election of the Town Mayor and Deputy Town Mayor of the Council.**
- 6) The Town Mayor, unless he has resigned or becomes disqualified, shall continue in office and preside at the annual meeting until his successor is elected at the next annual meeting of the Council.**
- 7) The Deputy Town Mayor, unless he resigns or becomes disqualified, shall hold office until immediately after the election of the Town Mayor at the next annual meeting of the Council.**
- 8) In an election year, if the current Town Mayor has not been re-elected as a member of the Council, she/he shall preside at the annual meeting until a successor has been elected. The current Town Mayor shall not have an original vote in respect of the election of the new Town Mayor.**
- 9) In an election year, if the current Town Mayor has been re-elected as a member of the Council, she/he shall preside at the annual meeting until a new Town Mayor has been elected. She/he may exercise an original vote in respect of the election of the new Town Mayor and shall give a casting vote in the case of an equality of votes.**

- 10) Following the election of the Town Mayor and Deputy Town Mayor at the annual meeting, the business shall include:
- **In an election year, delivery by the Town Mayor, Deputy Town Mayor and councillors of their acceptance of office forms unless the Council resolves for this to be done at a later date. In a year which is not an election year, delivery by the ~~Chairman of the Council~~ of his acceptance of office form unless the Council**
- 11) The normal order of business for Carnforth Town Council's Annual Meeting will be as follows:
- Election of Town Mayor to serve for the coming year
  - Town Mayor's Declaration of Acceptance of Office
  - Election of Deputy Town Mayor to serve for the coming year
  - Receiving Declarations of Interest
  - Appointment of Members to the Committees
  - Confirmation of Standing Orders, Risk Assessments & Policies.
  - Asset Register of Council Property
  - Appointment of Internal Auditor
  - Dates and Times of Council Meetings for the coming year
- 12) In an election year, the agenda will include (after Apologies) Declarations of Acceptance of Office by the newly-elected Councillors. If a Declaration of Acceptance of Office or election of officers cannot be carried out at the Annual Meeting, a new date will be set for these matters to be settled.
- 13) In addition to the Annual Meeting Carnforth Town Council normally holds eleven Ordinary Meetings during the year. These meetings take place at 6.30 pm on the third Wednesday each month except for August
- 14) The normal order of business for an ordinary council meeting is as follows:
- Apologies for Absence and reason; acceptance of apologies by councillors
  - Declarations of Interest and dispensations

- Urgent Business
- Approval of the Minutes of the Previous Meeting
- Public Participation
- Reports of Town Mayor
- General Member updates
- Reports of Ward & County Councillors
- Reports of Outside Bodies
- Planning Applications and Statutory Consultations
- Planning Authority Decisions
- Other Business as Specified on the Agenda
- Committee Reports
- Date of the Next Meeting

### **3.7 EXTRAORDINARY MEETINGS OF THE COUNCIL, COMMITTEES AND SUB-COMMITTEES**

- 1) The Town Mayor may convene an extraordinary meeting of the Council at any time.**
- 2) If the Town Mayor does not call an extraordinary meeting of the Council within seven days of having been requested in writing to do so by two councillors, any two councillors may convene an extraordinary meeting of the Council. The public notice giving the time, place and agenda for such a meeting shall be signed by the two councillors.**
- 3) The chairman of a committee [or a sub-committee] may convene an extraordinary meeting of the committee [or the sub-committee] at any time.
- 4) If the chairman of a committee [or a sub-committee] does not call an extraordinary meeting within 3 days of having been requested to do so by 2 members of the committee [or the sub-committee], any 2 members of the committee [or the sub- committee] may convene an extraordinary meeting of the committee [or the sub- committee].

### **3.8 PREVIOUS RESOLUTIONS**

- 1) A resolution shall not be reversed within six months except either by a special motion, which requires written notice by at least 2 councillors to be given to the Town Clerk or by a motion moved in pursuance of the recommendation of a committee or a sub-committee.
- 2) When a motion moved pursuant to 1) above has been disposed of, no similar motion may be moved for a further six months.

### **3.9 MOTIONS FOR A MEETING THAT REQUIRE WRITTEN NOTICE TO BE GIVEN TO THE TOWN CLERK**

- 1) A motion shall relate to the responsibilities of the meeting for which it is tabled and in any event shall relate to the performance of the Council's statutory functions, powers and obligations or an issue which specifically affects the Council's area or its residents.
- 2) No motion may be moved at a meeting unless it is on the agenda and the mover has given written notice of its wording to the Town Clerk at least 4 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting.
- 3) The Town Clerk may, before including a motion on the agenda, correct obvious grammatical or typographical errors in the wording of the motion.
- 4) If the Town Clerk considers the wording of a motion received is not clear in meaning, the motion shall be rejected until the mover of the motion re-submits it, so that it can be understood, in writing, to the Town Clerk at least 4 clear days before the meeting.
- 5) If the wording or subject of a proposed motion is considered improper, the Town Clerk shall consult with the chairman of the forthcoming meeting or, as the case may be, the councillors who have convened the meeting, to consider whether the motion shall be included in the agenda or rejected.
- 6) The decision of the Town Clerk as to whether or not to include the motion

on the agenda shall be final.

- 7) Motions received shall be recorded and numbered in the order that they are received. Motions rejected shall be recorded with an explanation by the Town Clerk of the reason for rejection.

### **3.10 MOTIONS AT A MEETING THAT DO NOT REQUIRE WRITTEN NOTICE**

- 1) The following motions may be moved at a meeting without written notice to the Town Clerk:
  - to correct an inaccuracy in the draft minutes of a meeting;
  - to move to a vote;
  - to defer consideration of a motion;
  - to refer a motion to a particular committee or sub-committee;
  - to appoint a person to preside at a meeting;
  - to change the order of business on the agenda;
  - to proceed to the next business on the agenda;
  - to require a written report;
  - to appoint a committee or sub-committee and their members;
  - to extend the time limits for speaking;
  - to exclude the press and public from a meeting in respect of confidential or other information which is prejudicial to the public interest;
  - to not hear further from a councillor or a member of the public;
  - to exclude a councillor or member of the public for disorderly conduct;
  - to temporarily suspend the meeting;
  - to suspend a particular standing order (unless it reflects mandatory statutory or legal requirements);
  - to adjourn the meeting; or
  - to close the meeting.



#### **4 MANAGEMENT OF INFORMATION *See also standing order 15.***

- 4.1 The Council shall have in place and keep under review, technical and organisational measures to keep secure information (including personal data) which it holds in paper and electronic form. Such arrangements shall include deciding who has access to personal data and encryption of personal data.**
- 4.2 The Council shall have in place, and keep under review, policies for the retention and safe destruction of all information (including personal data) which it holds in paper and electronic form. The Council's retention policy shall confirm the period for which information (including personal data) shall be retained or if this is not possible the criteria used to determine that period (e.g. the Limitation Act 1980).**
- 4.3 The agenda, papers that support the agenda and the minutes of a meeting shall not disclose or otherwise undermine confidential information or personal data without legal justification.**
- 4.4 Councillors, staff, the Council's contractors and agents shall not disclose confidential information or personal data without legal justification.**

#### **5 DRAFT MINUTES**

- 5.1 If the draft minutes of a preceding meeting have been served on councillors with the agenda to attend the meeting at which they are due to be approved for accuracy, they shall be taken as read.
- 5.2 There shall be no discussion about the draft minutes of a preceding meeting except in relation to their accuracy. A motion to correct an inaccuracy in the draft minutes shall be moved in accordance with standing order 5.11-4)
- 5.3 The accuracy of draft minutes, including any amendment(s) made to them, shall be confirmed by resolution and shall be signed by the chairman of the meeting and stand as an accurate record of the meeting to which the minutes relate.
- 5.4 If the Town Mayor / Chairman of the meeting does not consider the minutes to be an accurate record of the meeting to which they relate, she/he shall sign the minutes and include a paragraph in the following terms or to the same effect:

*"The Town Mayor/Chairman of this meeting does not believe that the minutes of the meeting of the ( ) held on [date] in respect of ( ) were a correct record but his view was not upheld by the meeting and the minutes are confirmed as an accurate record of the proceedings."*

- 5.5 Subject to standing order 15 and following a resolution which confirms the accuracy of the minutes of a meeting, the draft minutes or recordings of the meeting for which approved minutes exist shall be destroyed

## **6 CODE OF CONDUCT AND DISPENSATIONS**

### **6.1 Councillors with voting rights shall observe the code of conduct adopted by the Council.**

- 6.2 All councillors with voting rights shall undertake training in the code of conduct within six months of the delivery of their acceptance of office form.

### **6.3 Dispensation requests shall be in writing and submitted to the Town Clerk as soon as possible before the meeting that the dispensation is required for.**

## **7 CODE OF CONDUCT COMPLAINTS**

- 7.1 Upon notification by Lancaster City Council that it is dealing with a complaint that a councillor with voting rights has breached the Council's code of conduct, the Town Clerk shall, subject to standing order 6, report this to the Council.

- 7.2 Where the notification in 9.1 relates to a complaint made by the Town Clerk, he/she shall notify the Town Mayor of this fact, and the Town Mayor shall nominate another staff member to assume the duties of the Town Clerk in relation to the complaint until it has been determined.

- 7.3 The Council may:
- provide information or evidence where such disclosure is necessary to investigate the complaint or is a legal requirement;
  - seek information relevant to the complaint from the person or body with statutory responsibility for investigation of the matter;
  - indemnify the councillor with voting rights in respect of his related legal costs and any such indemnity is subject to approval by a meeting of the Council.

## 8 TOWN CLERK

- 8.1 The Town Clerk shall be either (i) the clerk or (ii) other staff member(s) nominated by the Council to undertake the work of the Town Clerk when the Town Clerk is absent.
- 8.2 The Town Clerk shall:
- 1) **at least three clear days before a meeting of the council, a committee or a sub-committee:**
    - **serve on councillors by delivery or post at their residences a signed summons confirming the time, place and the agenda; and**
    - **provide, in a conspicuous place, public notice of the time, place and agenda (provided that the public notice with agenda of an extraordinary meeting of the Council convened by councillors is signed by them) and publish electronically notice of the time and place and, as far as reasonably practicable, any documents relating to the business to be transacted at the meeting unless they relate to business which is likely to be considered in private or if their disclosure would be contrary to any enactment.**
  - 2) subject to standing order 5.10, include on the agenda all motions in the order received unless a councillor has given written notice at least 3 days before the meeting confirming his withdrawal of it;
  - 3) **convene a meeting of Council for the election of a new Chairman of the Council, occasioned by a casual vacancy in his office;**
  - 4) **facilitate inspection of Minutes by local government electors;**
  - 5) **receive and retain copies of byelaws made by other local authorities;**
  - 6) hold acceptance of office forms from councillors;
  - 7) hold a copy of every councillor's register of interests;
  - 8) assist with responding to requests made under freedom of information legislation and rights exercisable under data protection legislation, in accordance with the Council's relevant policies and procedures;
  - 9) receive and send general correspondence and notices on behalf of the

Council except where there is a resolution to the contrary;

- 10) assist in the organisation of, storage of, access to, security of and destruction of information held by the Council in paper and electronic form subject to the requirements of freedom of information and data protection legislation and other legitimate requirements (e.g. the Limitation Act 1980);
- 11) arrange for legal deeds to be executed;
- 12) arrange or manage the prompt authorisation, approval, and instruction regarding any payments to be made by the Council in accordance with its financial regulations;
- 13) record every planning application notified to the Council and the Council's response to the local planning authority in a book for such purpose;
- 14) refer a planning application received by the Council to the Council within two working days of receipt to facilitate an extraordinary meeting if the nature of a planning application requires consideration before the next ordinary meeting of the Council;
- 15) manage access to information about the Council via the publication scheme; and
- 16) retain custody of the seal of the Council (if there is one) which shall not be used without a resolution to that effect.

*See also standing order 18.*

## **9 RESPONSIBLE FINANCIAL OFFICER**

- 9.1 The Council shall appoint appropriate staff member(s) to undertake the work of the Responsible Financial Officer when the Responsible Financial Officer is absent.

## **10 ACCOUNTS AND ACCOUNTING STATEMENTS**

### **See Appended Carnforth Town Council Financial Regulations**

- 10.1 "Proper practices" in standing orders refer to the most recent version of "Governance and Accountability for Local Councils in England – A Practitioners' Guide".
- 10.2 All payments by the Council shall be authorised, approved and paid in accordance with the law, proper practices and the Council's financial regulations.
- 10.3 The Responsible Financial Officer shall supply to the Town Council before or at each meeting the Council's receipts and payments (or income and expenditure);
- 10.4 As soon as possible after the financial year end at 31 March, the Responsible Financial Officer shall provide:
- 1) each councillor with a statement summarising the Council's receipts and payments (or income and expenditure) for the last quarter and the year to date for information; and
  - 2) to the Council the accounting statements for the year in the form of Section 1 of the annual governance and accountability return, as required by proper practices, for consideration and approval.
- 10.5 The year-end accounting statements shall be prepared in accordance with proper practices and apply the form of accounts determined by the Council (receipts and payments or income and expenditure) for the year to 31 March. A completed draft annual governance and accountability return shall be presented to all councillors at least 14 days prior to anticipated approval by the Council. The annual governance and accountability return of the Council, which is subject to external audit, including the annual governance statement, shall be presented to the Council for consideration and formal approval before 30 June.

## **11 FINANCIAL CONTROLS AND PROCUREMENT**

See Appended Carnforth Town Council Financial Regulations

11.1 The Council shall consider and approve financial regulations drawn up by the Responsible Financial Officer, which shall include detailed arrangements in respect of the following:

- 1) the keeping of accounting records and systems of internal controls;
- 2) the assessment and management of financial risks faced by the Council;
- 3) the work of the independent internal auditor in accordance with proper practices and the receipt of regular reports from the internal auditor, which shall be required at least annually;
- 4) the inspection and copying by councillors and local electors of the Council's accounts and/or orders of payments; and
- 5) subject to standing orders 13.5 and 13.6 whether contracts with an estimated value below £25,000 or due to special circumstances are exempt from a tendering process or procurement exercise.

11.2 Financial regulations shall be reviewed regularly and at least annually for fitness of purpose.

11.3 Subject to additional requirements in the financial regulations of the Council, the tender process for contracts for the supply of goods, materials, services or the execution of works shall include, as a minimum, the following steps:

- 1) a specification for the goods, materials, services or the execution of works shall be drawn up;
- 2) an invitation to tender shall be drawn up to confirm (i) the Council's specification (ii) the time, date and address for the submission of tenders (iii) the date of the Council's written response to the tender and (iv) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;
- 3) the invitation to tender shall be advertised in a local newspaper and in any other manner that is appropriate;

- 4) tenders are to be submitted in writing in a sealed marked envelope addressed to the Town Clerk;
- 5) tenders shall be opened by the Town Clerk in the presence of at least one councillor after the deadline for submission of tenders has passed;
- 6) tenders are to be reported to and considered by the appropriate meeting of the Council or a committee or sub-committee with delegated responsibility.

11.4 Neither the Council, nor a committee or a sub-committee with delegated responsibility for considering tenders, is bound to accept the lowest value tender.

**11.5 A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £426,955 for a public service or supply contract or in excess of £5,336,937 for a public works contract (or other thresholds determined by the European Commission every two years and published in the Official Journal of the European Union (OJEU)) shall comply with the relevant procurement procedures and other requirements in the Public Contracts Regulations 2015 which include advertising the contract opportunity on the Contracts Finder website and in OJEU.**

## **12 HANDLING STAFF MATTERS**

- 12.1 A matter personal to a member of staff that is being considered by a meeting of Council or a sub-committee is subject to standing order 6.
- 12.2 Subject to the Council's policy regarding absences from work, the Town Clerk shall notify the Town Mayor of the Council or, if s/he is not available, the Deputy Town Mayor of the Council and the chair of Finance and Governance Committee of absence occasioned by illness or other reason and that person shall report such absence to the Council at its next meeting.

- 12.3 The Finance & Governance Committee shall conduct a review of the performance and annual appraisal of the work of the Town Clerk. The agreed objectives arising from the appraisal shall be reported in writing and be subject to approval by resolution by the Council. A record of the appraisal shall be retained by the Finance & Governance Chair and the Town Clerk.
- 12.4 The review of performance and annual review of all other Council staff shall be conducted by the Town Clerk. A record of these appraisals shall be retained by the Town Clerk and member of staff and a summary of the main objectives reported to the Finance and Governance Committee.
- 12.5 Subject to the Council's policy regarding the handling of grievance matters, the Town Clerk (or other members of staff) shall contact the Town Mayor or in his/her absence, the Deputy Town Mayor of the Council in respect of an informal or formal grievance matter, and this matter shall be reported back and progressed by resolution of the Council.
- 12.6 Subject to the Council's policy regarding the handling of grievance matters, if an informal or formal grievance matter raised by a member of staff relates to the Town Mayor this shall be communicated to another member of the Council, which shall be reported back and progressed by resolution of the Council.
- 12.7 Any persons responsible for all or part of the management of staff shall treat as confidential the written records of all meetings relating to their performance, capabilities, grievance or disciplinary matters.
- 12.8 In accordance with standing order 6 persons with line management responsibilities shall have access to staff records referred to in standing order 14.7.

### **13 RESPONSIBILITIES TO PROVIDE INFORMATION**

- 13.1 In accordance with freedom of information legislation, the Council shall publish information in accordance with its publication scheme and respond to requests for information held by the Council.**

### **14 RESPONSIBILITIES UNDER DATA PROTECTION LEGISLATION**



***See also standing order 6.***

**14.1 The Council may appoint a Data Protection Officer.**

**14.2 The Council shall have policies and procedures in place to respond to an individual exercising statutory rights concerning his personal data.**

**14.3 The Council shall have a written policy in place for responding to and managing a personal data breach.**

**14.4 The Council shall keep a record of all personal data breaches comprising the facts relating to the personal data breach, its effects and the remedial action taken.**

**14.5 The Council shall ensure that information communicated in its privacy notice(s) is in an easily accessible and available form and kept up to date.**

**14.6 The Council shall maintain a written record of its processing activities.**

## **15 RELATIONS WITH THE PRESS/MEDIA**

15.1 Requests from the press or other media for an oral or written comment or statement from the Council, its councillors or staff shall be handled in accordance with the Council's policy in respect of dealing with the press and/or other media.

## **16 EXECUTION AND SEALING OF LEGAL DEEDS**

16.1 A legal deed shall not be executed on behalf of the Council unless authorised by a resolution.

16.2 Subject to standing order 18.1, the Council's common seal shall alone be used for sealing a deed required by law. It shall be applied by the Town Clerk in the presence of two councillors who shall sign the deed as witnesses.]

*The above is applicable to a Council with a common seal.*

OR

16.3 Subject to standing order 18.1, any two councillors may sign, on behalf of the Council, any deed required by law and the Town Clerk shall witness their signatures.] *The above is applicable to a Council without a common seal.*

## **17 COMMUNICATING WITH CITY & COUNTY COUNCIL**

## **COUNCILLORS**

- 17.1 An invitation to attend a meeting of the Council shall be sent, together with the agenda, to the ward councillor(s) of Lancaster City Council and the County Councillor representing Lancaster Rural North. City and County Councillors may report on their work in relation to Town Council environs.
- 17.2 Unless the Council determines otherwise, a copy of each letter sent to the County Council shall be sent to the ward councillor(s) representing the area of the Council.

## **18 RESTRICTIONS ON COUNCILLOR ACTIVITIES**

- 18.1 Unless duly authorised no councillor shall:
- inspect any land and/or premises which the Council has a right or duty to inspect; or
  - issue orders, instructions or directions.

## **19 STANDING ORDERS GENERALLY**

- 19.1 All or part of a standing order, except ones that incorporates mandatory statutory or legal requirements, may be suspended by resolution in relation to the consideration of an item on the agenda for a meeting.
- 19.2 A motion to add to or vary or revoke one or more of the Council's standing orders, except ones that incorporates mandatory statutory or legal requirements, shall be proposed by a special motion, the written notice by at least 3 councillors to be given to the Town Clerk in accordance with standing order 5.10.
- 19.3 The Town Clerk shall provide a copy of the Council's standing orders to a councillor as soon as possible.
- 19.4 The decision of the Town Mayor/Chairman of a meeting as to the application of standing orders at the meeting shall be final.

# CARNFORTH TOWN COUNCIL

## FINANCIAL REGULATIONS

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## **1. GENERAL**

- 1.1. These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. Financial regulations are one of the Council's governing policy documents providing procedural guidance for councillors and officers. Financial regulations must be observed in conjunction with the Council's standing orders and any individual financial regulations relating to contracts.
- 1.2. The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk.
- 1.3. The Council's accounting control systems must include measures:
  - for the timely production of accounts;
  - that provide for the safe and efficient safeguarding of public money;
  - to prevent and detect inaccuracy and fraud; and
  - identifying the duties of officers.
- 1.4. These financial regulations demonstrate how the Council meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7. Councillors are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute and may represent a breach in the Councillor's Code of Conduct.

- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the Council. The Town Clerk has been appointed as RFO for this Council and these regulations will apply accordingly.
- 1.9. The RFO;
- acts under the policy direction of the Council;
  - administers the Council's financial affairs in accordance with all Acts, Regulations and proper practices;
  - determines on behalf of the Council its accounting records and accounting control systems;
  - ensures the accounting control systems are observed;
  - maintains the accounting records of the Council up to date in accordance with proper practices;
  - assists the Council to secure economy, efficiency and effectiveness in the use of its resources; and
  - produces financial management information as required by the Council.
- 1.10. The accounting records determined by the RFO shall be sufficient to show and explain the Council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments comply with the Accounts and Audit Regulations and to prepare additional or management information, as the case may be, to be prepared for the Council from time to time.
- 1.11. The accounting records determined by the RFO shall in particular contain:
- entries from day to day of all sums of money received and expended by the Council and the matters to which the income and expenditure or receipts and payments account relate;
  - a record of the assets and liabilities of the Council; and;

- wherever relevant, a record of the Council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- 1.12. The accounting control systems determined by the RFO shall include:
- procedures to ensure that the financial transactions of the Council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
  - procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
  - procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the Council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records; and
  - measures to ensure that risk is properly managed.
- 1.13. The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular, any decision regarding:
- setting the final budget or the precept (Council Tax Requirement);
  - approving accounting statements;
  - approving an annual governance statement;
  - borrowing;
  - writing off bad debts;
  - addressing recommendations in any report from the internal or external auditors,
  - Annual Salary review of the Clerk shall be a matter for the full Council only.

- 1.14. In addition, the Council must:
- determine and keep under regular review the bank mandate for all Council bank accounts;
- 1.15. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the 2015 regulations or any superseding legislation, and then in force unless otherwise specified.
- 1.16. In these financial regulations, the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Local Councils - A Practitioners' Guide* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of the National Association of Local Councils and Society of Local Council Clerks as appropriate.

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

- 2.1. All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. At each meeting, the RFO shall present a summary of transactions for review and confirmation by the Finance & Governance Committee for recommendation for approval by the Town Council.
- 2.3. The RFO shall produce at each meeting of the Finance and Governance Committee a bank reconciliation demonstrating that the accounting records balance to the totals of the Council's bank account and petty cash held. The bank reconciliation will be signed by the RFO and the Finance and Governance Committee Chair.
- 2.4. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the Council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the Council within the timescales

set by the Accounts and Audit Regulations.

25. The Council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or Councillor shall make available such documents and records as are necessary for the purpose of the audit and shall, as directed by the Council, supply the RFO, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.
26. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the Council in accordance with proper practices.
27. The internal auditor shall:
  - be competent and independent of the financial operations of the Council;
  - report to Council in writing, or in person, annually;
  - demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
  - have no involvement in the financial decision making, management or control of the Council.
28. Internal or external auditors may not under any circumstances:
  - perform any operational duties for the Council;
  - initiate or approve accounting transactions; or
  - direct the activities of any Council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.
29. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.



- 2.10. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by the Accounts and Audit Regulations.
- 2.11. The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from internal or external auditors.

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

- 3.1. The RFO must prepare a schedule in the form of a budget to be considered by the Council, showing for each budget head:
- actual income and expenditure for each of the two previous years;
  - budget and (best estimate) of predicted outturn income and expenditure for the current year;
  - estimated income and expenditure for the forthcoming year, and;
  - indicative estimated income and expenditure for each of (at least) the next three years.
- 3.2. The Council shall consider annual budget proposals in relation to the Council's three-year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.3. The Council shall fix the precept (Council tax requirement), and relevant basic amount of Council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 3.4. The approved annual budget shall form the basis of financial control for the ensuing year.

#### **4. BUDGETARY CONTROL AND AUTHORITY TO SPEND**

- 4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget.
- 4.2. Such authority is to be evidenced by a 'payment schedule' approved by Council Minutes duly signed by the Clerk.
- 4.3. Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 4.4. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Council.
- 4.5. During the budget year and with the approval of Council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.6. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.
- 4.7. The salary budgets and Clerks Salary is to be reviewed at least annually in March for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Town Mayor.
- 4.8. In cases of extreme risk to the delivery of Council services, the Town Clerk, in conjunction with an authorised signatory, may authorise revenue expenditure on behalf of the Council which in their judgement is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500. The Town Clerk shall report such action to the all Councillors as soon as possible and include an item on the Council's agenda as soon as practicable thereafter.

- 4.9. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 4.10. All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 4.11. At any stage during the financial year, where there is material variance between actual expenditure to the appropriate date against that planned as shown in the budget the RFO shall provide explanations to the Town Mayor and Chair of Finance and Governance Committee and report to the Council at the next available opportunity.
- 4.12. Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

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

- 5.1. The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council. They shall be regularly reviewed for safety and efficiency.
- 5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Finance and Governance Committee and Council meeting and present the schedule to Council. The Council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the Council. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

- 5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the Council.
- 5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available Council meeting.
- 5.5. The Clerk as RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
- a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the RFO certifies that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Council;
  - b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of Council [or Finance & Governance Committee.
- 5.6. For each financial year the Clerk as RFO shall include in the schedule of payments those which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts for which Council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered and that a list of such payments shall be submitted to the next appropriate meeting of Council .
- 5.7. Such payments shall be subject to authorisation by at least two authorised signatories.

- 5.8. In respect of grants a duly authorised committee shall approve expenditure within any limits set by Council and in accordance with any policy statement approved by Council. Any Revenue or Capital Grant in excess of £5,000 shall before payment, be subject to ratification by resolution of the Council.
- 5.9. Councillors are subject to the Code of Conduct that has been adopted by the Council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable or other interest, unless a dispensation has been granted.
- 5.10. Any changes in the recorded details of suppliers, such as bank account records, shall be actioned by the Town Clerk.

## **6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS**

- 6.1. The Council will make safe and efficient arrangements for the making of its payments.
- 6.2. Following authorisation under Financial Regulation 5 above, the Council shall appoint the Clerk, and at least two usually three members, as authorised signatories, including the Chair of the Finance & Governance Committee. All payments require authorisation by two authorised signatories.
- 6.3. All payments shall be effected by BACS (Banker's Automated Clearing System), cheque or other instructions to the Council's bankers (dual authorisation), or otherwise, in accordance with a resolution of Council.
- 6.4. BACS, cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to the Finance & Governance Committee and Council shall be authorised by two signatories, except in exceptional circumstances when authorisation will be made by the Town Clerk. A Councillor who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances,

be a signatory to the payment in question.

- 6.5. BACS, Cheques or orders for payment shall not normally be presented for signature other than at a Finance & Governance Committee and Council meeting. Any signatures obtained away from such meetings shall be reported to the Finance & Governance Committee or Council at the next convenient meeting.
- 6.6. If thought appropriate by the Council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided that the instructions are signed by two authorised signatories and any payments are reported to Council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the Council at least every two years.
- 6.7. If agreed by the Council, payment for certain items may be made by banker's standing order provided that the instructions are signed, or otherwise evidenced by two authorised signatories are retained and any payments are reported to Council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the Council at least every two years.
- 6.8. If thought appropriate by the Council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are retained and any payments are reported to Council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the Council at least every two years.
- 6.9. If thought appropriate by the Council payment for certain items may be made by internet banking transfer provided evidence is retained showing which members approved the payment.
- 6.10. No employee or Councillor shall disclose any PIN or password, relevant to the working of the Council or its bank accounts, to any person not authorised in writing by the Council or a duly delegated committee.

- 6.11. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question.
- 6.12. The Council, and any Councillors using computers for the Council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security, is used.
- 6.13. Where internet banking arrangements are made with any bank, the Clerk as RFO shall be appointed as the Service Administrator. The bank mandate approved by the Council shall identify the Councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the Service Administrator and authorised signatory.
- 6.14. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for Council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.15. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier. A programme of regular checks of standing data with suppliers will be followed.
- 6.16. The Council will maintain any cash float of £40. All cash received must be banked intact. Any payments made in cash by the Clerk as RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **7. PAYMENT OF SALARIES**

- 7.1. As an employer, the Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council.
- 7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available Council meeting, as set out in these regulations above.
- 7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Council.
- 7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by any Councillor who can demonstrate a need to know;
  - b) by the internal auditor;
  - c) by the external auditor; or
  - d) by any person authorised under the Accounts & Audit Regulations or any superseding legislation.
- 7.5. The total of such payments in each calendar month shall be reported with all other payments as required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.



- 7.6. Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 7.7. Before employing interim staff the Council must consider a full business case.

## **8. LOANS AND INVESTMENTS**

- 8.1. All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full Council.
- 8.2. Any financial arrangement shall be subject to approval by the Council. In each case a report in writing shall be provided to Council in respect of value for money for the proposed transaction.
- 8.3. All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.
- 8.4. The Council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually.
- 8.5. All investments of money under the control of the Council shall be in the name of the Council.
- 8.6. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.7. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## **9. INCOME**

- 9.1. The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.
- 9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council and the RFO shall be responsible for the collection of all accounts due to the Council.
- 9.3. Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.
- 9.4. All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.
- 9.5. The origin of each receipt shall be entered on the paying-in slip and the accounting system.
- 9.6. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.7. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made, when appropriate, coinciding with the financial year end.

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

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2. Order books, if used, shall be controlled by the RFO.
- 10.3. All councillors and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11.1 below.

- 10.4. A councillor may not issue an official order or make any contract on behalf of the Council.
- 10.5. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used. The power used will be recorded in the accounting system.

## **11. CONTRACTS**

- 11.1. Procedures as to contracts are laid down as follows:
- 1) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (a) to (e) below:
    - a) for the supply of gas, electricity, water, sewerage and telephone services;
    - b) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
    - c) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
    - d) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
    - e) for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price;
  - 2) The full requirements of The Public Contracts Regulations 2015 ("the Regulations"), as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The

Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)<sup>1</sup>;

- 3) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council;
- 4) Such 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. The invitation shall in addition state that tenders must be addressed to the Town Clerk and sent by post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract;
- 5) All sealed tenders shall be opened at the same time on the prescribed date by the Town Clerk in the presence of at least one member of Council;
- 6) Any invitation to tender issued under this regulation shall be subject to Standing Orders and shall refer to the terms of the Bribery Act 2010;
- 7) When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in 11.1 the RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £100 the RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply;
- 8) The Council shall not be obliged to accept the lowest or any tender, quote or estimate;

- 9) Should it occur that 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, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.
- 11.2. The Town Clerk shall maintain a register of personal interests, in respect of both Councillors and staff.
  - 1) Councillors and staff should not, so far as is practicable, be involved in the award of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not;
  - 2) Members and staff should not, so far as is practicable, be involved in the making or authorising payments in respect of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.

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

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

- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by the Council and RFO to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.]

**13. ASSETS, PROPERTIES AND ESTATES**

- 13.1. The RFO shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council. The RFO shall ensure a record is maintained of all properties held by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with the Accounts and Audit Regulations.
- 13.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £100.
- 13.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law. In each case a report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 13.4. No real property (interests in land) shall be purchased or acquired without the authority of the full Council. In each case a report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

- 13.5. Subject only to the limit set in Reg. 13.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council. In each case a report in writing shall be provided to Council with a full business case.
- 13.6. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

#### **14. INSURANCE**

- 14.1. Following the annual risk assessment (per Financial Regulation 15), the RFO shall effect all insurances and negotiate all claims on the Council's insurers.
- 14.2. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 14.3. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim and shall report these to Council at the next available meeting.
- 14.4. All appropriate members and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the Council.

#### **15. RISK MANAGEMENT**

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

- 15.2. When considering any new activity, the RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

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

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