

## 1 Introduction

The Standing Orders, Financial Regulations and Risk Schedule were considered by Council on 8<sup>th</sup> June 2020 at which it was resolved to ask the Finance Committee to review the proposed changes put forward by Councillors and the Clerk and to make recommendations for the Council to consider at meeting on July 13<sup>th</sup> 2020.

## 2 Standing Orders: Proposed Changes

### 2.1 Paragraph 1t

2.1 Paragraph 1t

Original paragraph	1t Excluding motions moved understanding order 1(r) above, the contributions or speeches by a Councillor shall relate only to the motion under discussion and shall not exceed 15 minutes without the consent of the chairman of the meeting.	
Clerk	Change	Reason
Excluding motions moved understanding order 1(r) above, the contributions or speeches by a Councillor shall relate only to the motion under discussion and shall not exceed 10 minutes without the consent of the chairman of the meeting.		Reduction in time allowed for a Councillor to speak to a motion to 10 minutes. This is to keep Council meetings to a reasonable length and allow all business to be carried out. This is also the time shown in the Model Orders.
Cllr Rees	Change	Reason
I would be happy to see a reduction in member speaking to 10 minutes if the public were allowed 3 minutes.		the reduction of speaking time for councillors to 10 minutes would seem to have no effect on the length of meetings as I don't think any of us has come close to speaking for 10 or 15 minutes.
Final recommended paragraph	1t	
1t Excluding motions moved understanding order 1(r) above, the contributions or speeches by a Councillor shall relate only to the motion under discussion and shall not exceed xxx minutes without the consent of the chairman of the meeting.		

## 2.2 Paragraph 3g

Original paragraph	3g Subject to standing order 3(f) above, an individual member of the public shall not speak for more than 2 minutes.	
Cllr Rees	Change	Reason
Increase 2 minutes to 3.		Of greater importance to me would be to raise the time members of the public had to speak from two to three minutes. Again this would encourage greater public engagement and in practice could not extend the length of a meeting by more than two or three minutes. To restrict the public to only 120 seconds to make their point does seem over restrictive and gives a poor message to the public on our values and priorities.
Final recommended paragraph		3g
Subject to standing order 3(f) above, an individual member of the public shall not speak for more than xx minutes.		

## 2.3 Paragraph 3f

Original paragraph	3f The period of time designated for public participation at a meeting in accordance with standing order 3(e) above shall not exceed 10 minutes unless directed by the chairman of the meeting.	
Clerk	Change	
Suggested that if 3g is increase to 3 minutes then 3f needs to be a multiple of 3.		
Final Recommended Paragraph		
3f The period of time designated for public participation at a meeting in accordance with standing order 3(e) above shall not exceed xx minutes unless directed by the chairman of the meeting.		

## 2.4 Paragraph 8a

Original Paragraph	8a When a Councillor vacancy occurs, it must first be advertised by Wiltshire Council. A by-election will be held, if within fourteen days a poll is claimed by ten electors. If a poll is not claimed, the vacancy may be completed by co-
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	<p>option. Council will decide how to organise the advertising and process to fill the vacancy.</p> <p>When the vacancy is available to be completed by Council co-option, the vacancy will be advertised for at least six weeks:</p> <ul style="list-style-type: none"> <li>- at least once, in one or more local papers</li> <li>- prominently in the parish council website</li> <li>- on all council notice boards</li> <li>- by any other appropriate means, agreed by council</li> </ul> <p>All proposed applicants shall be invited to meet councillors and give a short presentation on why they would like to be a councillor and what benefits they can bring to the community. Council will review and agree the acceptability of proposed applicants and by majority decision select a new Councillor. The co-opted person will complete the Declaration of Acceptance of Office and serve for the remainder of the term of the Councillor replaced.</p>	
Clerk	Change	Reason
<p>When a Councillor vacancy occurs, it must first be advertised by Wiltshire Council. A by-election will be held, if within fourteen days a poll is claimed by ten electors. If a poll is not claimed, the vacancy may be completed by co-option.</p> <p>A meeting of the Council will be called immediately it becomes known that a poll has not been demanded. As soon as practicable after the expiry of the 14 days of the date of the public advertisement Council will decide how to organise the advertising and process to fill the vacancy. Any vacancy to be completed by Council co-option, will be advertised for not less than 2 weeks:</p> <ul style="list-style-type: none"> <li>- at least once, in one or more local papers</li> <li>- prominently in the parish council website</li> <li>- on all council notice boards</li> <li>- by any other appropriate means, agreed by council</li> </ul> <p>All proposed applicants shall be invited to meet councillors and give a short presentation on why they would like to be a councillor and what benefits they can bring to the community. Council will review and agree the acceptability of proposed applicants and by majority decision select a new Councillor. The co-opted person will complete the Declaration of Acceptance of Office and serve for the remainder of the term of the Councillor replaced.</p>		<p>The Council is expected to call a meeting immediately it is known that a vacancy will be filled by co-option to discuss its co-option process. The Council had a period of not less than 6 weeks set for the advertisement of a co-option. This may be unnecessarily long, a change to not less than 2 weeks still allows a longer period but would not hold up the co option process if candidates are found quickly.</p>
Cllr Malpas	Change	Reason
<p>When a Councillor vacancy occurs, it must first be advertised by Wiltshire Council. A by-election will be held, if within fourteen working days a poll is claimed by ten</p>		

<p>electors. If a poll is not claimed, the vacancy may be filled by co-option.</p> <p>A meeting of the Council will be called immediately it becomes known that a poll has not been demanded and the Council will decide how to organise the advertising and process to fill the vacancy through co-option.</p> <p>Any vacancy to be completed by Council co-option, will be advertised for not less than fourteen working days:</p> <ul style="list-style-type: none"> <li>- at least once, in one or more local papers</li> <li>- prominently in the parish council website</li> <li>- on all council notice boards</li> <li>- by any other appropriate means, agreed by council</li> </ul> <p>All applicants shall be invited to meet councillors and give a short presentation on why they would like to be a councillor and what benefits they can bring to the community. Council will review and agree the acceptability of proposed applicants and by majority decision select a new Councillor. The co-opted person will complete the Declaration of Acceptance of Office and serve for the remainder of the term of the Councillor replaced.</p>	
Final Recommended Paragraph	8a
<p>When a Councillor vacancy occurs, it must first be advertised by Wiltshire Council. A by-election will be held, if within fourteen working days a poll is claimed by ten electors. If a poll is not claimed, the vacancy may be filled by co-option.</p> <p>A meeting of the Council will be called immediately it becomes known that a poll has not been demanded and the Council will decide how to organise the advertising and process to fill the vacancy through co-option.</p> <p>Any vacancy to be completed by Council co-option, will be advertised for not less than fourteen working days:</p> <ul style="list-style-type: none"> <li>- at least once, in one or more local papers</li> <li>- prominently in the parish council website</li> <li>- on all council notice boards</li> <li>- by any other appropriate means, agreed by council</li> </ul> <p>All applicants shall be invited to meet councillors and give a short presentation on why they would like to be a councillor and what benefits they can bring to the community. Council will review and agree the acceptability of proposed applicants and by majority decision select a new Councillor. The co-opted person will complete the Declaration of Acceptance of Office and serve for the remainder of the term of the Councillor replaced.</p>	

## 2.5 Paragraph 8b

Original Paragraph	8b Where more than two persons have been nominated for a position to be filled by the council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chairman of the meeting.	
Cllr Malpas	Change	Reason
<p>Where more than two persons have applied for a position to be filled by the council through co-option and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chairman of the meeting.</p> <p>There is no statutory requirement to give public notice of local council vacancies which remain unfilled after an ordinary election (s.21(2) Representation of the People Act 1985). The Parish Council, where such an instance does occur, will give public notice of vacancies which arise in these circumstances to encourage transparency and to attract more applicants. The co-option procedure will be as described in this document.</p>		
Final Recommended Paragraph		
<p>Where more than two persons have applied for a position to be filled by the council through co-option and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chairman of the meeting.</p> <p><u>Decide to include the following paragraph or not or alter the wording.</u></p> <p>There is no statutory requirement to give public notice of local council vacancies which remain unfilled after an ordinary election (s.21(2) Representation of the People Act 1985). The Parish Council, where such an instance does occur, will give public notice of vacancies which arise in these circumstances to encourage transparency and to attract more applicants. The co-option procedure will be as described in this document.</p>		

## 2.6 Paragraph 9b

Original paragraph	9b 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 Proper Officer at least 7 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting.	
Clerk	Change	Reason
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 Proper Officer at least 7 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting <b>or any weekend or Bank Holiday.</b>		This change is intended to make it clear that weekends and bank holidays do not count as part of the 7 clear days. The Clerk is also concerned that requests made by email after the Clerk has finished work on a Friday will not be seen until the Monday morning at the earliest leaving only that day to work out any problems or to obtain clarity before the Agenda is issues the following day.
Cllr Rees	Change	Reason
Firstly the change to exclude Sunday's and bank holidays from the seven days notice required to submit a motion to a council meetings seems unnecessary as it is still recommended as part of the National model standing orders.		No reason is given for the change. Local government rules or standing orders define time periods in a number of ways, days, weeks and months are very straight forward, sometimes the term "clear days" are used and that unless otherwise stated excludes the day the notice is given and the day of the meeting. There is also one example of the notice of a parish meeting which is a legal requirement defined by parliament as 3 clear days not including Sunday and Bank holidays.  If we move to that definition for the 7 clear days for notice of a motion we have the effect of lengthening the notice required from 7 to at least 9 days and in some cases 11 days which to me is far too long a period for a councillor to get an item on an agenda. If the change is simply to

	use the same definition used for notices for meetings we should reduce the notice for motions to 5 clear days to keep the notice period equivalent or similar to the current 7 clear days although it would still be a longer notice if there was a bank holiday which I don't think is unreasonable.
Final Recommended paragraph	9b
<p><u>Decide if any change should be made</u></p> <p>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 Proper Officer at least 7 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting.</p>	

## 2.7 Paragraph 15b

Original Paragraph	<p>15 b The Proper Officer shall:</p> <p>i) provide an agenda, including a brief description of the purpose of each agenda item, published on the council website at least three business days before a meeting of the council, a committee and a sub-committee. The agenda be served on councillors a summons, by email, confirming the time, place and the agenda provided, any such email containing the electronic signature and title of the Proper Officer.</p> <p>See standing order 3(b) above for the meaning of clear days for a meeting of a full council and standing order 3(c) above for a meeting of a committee.</p> <p>ii) <b>give public notice of the time, place and agenda at least three clear days before a meeting of the council or a meeting of a committee or a sub-committee (provided that the public notice with agenda of an extraordinary meeting of the council convened by councillors is signed by them);</b></p> <p>See standing order 3(b) above for the meaning of clear days for a meeting of a full council and standing order 3(c) above for a meeting of a committee.</p> <p>iii) subject to standing order 9 above, include on the agenda all motions in the order received unless a councillor has given written notice at least 5 days before the meeting confirming his withdrawal of it;</p>
Cllr Rees Change	Reason
I propose that we adopt a new standing order to	I'd like to propose that we formalize in our standing orders the publishing of a draft agenda for each council meeting.

require a draft agenda for each regular council meeting to be published on the website (and issued to all councillors) at least two weeks before that meeting. The draft agenda would carry the usual warnings that it is a 'Draft' and items may be added or removed from the agenda up until the publication of the final agenda.	At present the agenda is usually issued as part of the notice of the meeting on the Tuesday before the council meeting on Monday. Although that meets the statutory minimum, it does seem very short notice for the public to comment, attend or speak at the meeting.  You have in the past issued to councillors and published on the website a draft agenda which represents, to the best of your knowledge at the time, what items will be discussed at the next meeting. I find that really helpful and I think it encourages the public to become more involved in community issues and engage with their local council.
Final recommended paragraph	15b
<u>Decide the wording if an additional part to the paragraph is to be suggested</u>	

## 2.8 Paragraph 18a

Original Paragraph	<p>18 a 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:</p> <ul style="list-style-type: none"> <li>i. the keeping of accounting records and systems of internal controls;</li> <li>ii. the assessment and management of financial risks faced by the council;</li> <li>iii. 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;</li> <li>iv. the inspection and copying by councillors and local electors of the council's accounts and/or orders of payments; and</li> <li>v. procurement policies (subject to standing order 18(c) below) including the setting of values for different procedures where a contract has an estimated value of less than £25,000.</li> </ul>	
Clerk change		Reason
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:		Auditor has asked the Council to review the value at which the Council will use a formal tendering process and use of Contracts Finder.



<p>i. the keeping of accounting records and systems of internal controls;</p> <p>ii. the assessment and management of financial risks faced by the council;</p> <p>iii. 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;</p> <p>iv. the inspection and copying by councillors and local electors of the council's accounts and/or orders of payments; and</p> <p>v. procurement policies (subject to standing order 18(c) below) including the setting of values for different procedures where a contract has an estimated value of less than £15,000.</p>		<p>The Auditors suggested figure is £15000.</p> <p>NB this must also tally with the changes made to the Council's Financial Regulations.</p>
Final Recommended paragraph	18a	
As drafted.		

## 2.9 Paragraph 18c

Original paragraph	18c Financial regulations shall confirm that a proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £25,000 shall be procured on the basis of a formal tender as summarised in standing order 18(d) below.	
Clerks Change		Reason
A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £15,000 but less than the relevant thresholds in standing order 18(f) is subject to Regulations 109-114 of the Public Contracts Regulations 2015 which include a requirement on the Council to advertise the contract opportunity on the Contracts Finder website regardless of what other means it uses to advertise the opportunity unless it proposes to use an existing list of approved suppliers (framework agreement).		Updated to current model regulations.
Final recommended paragraph	18c	
As drafted		

## 2.10 Paragraph 18f

Original paragraph	<b>18 f Where the value of a contract is likely to exceed £164,176 (or other threshold</b>
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	<p>specified by the Office of Government Commerce from time to time) the council must consider whether the Public Contracts Regulations 2006 (SI No. 5, as Regulations 2006 (SI No. 6, as amended) apply to the contract and, if either of those Regulations apply, the council must comply with EU procurement rules. 2006 Legislation has been repealed in 2015. New wording awaited (Jan 2016) See LTN 87 and Legal Briefing L05-15 amended) and the Utilities Contracts</p>	
Clerks Change		
<p><b>A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £181,302 for a public service or supply contract or in excess of £4,551,413 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.</b></p> <p><b>A public contract in connection with the supply of gas, heat, electricity, drinking water, transport services, or postal services to the public; or the provision of a port or airport; or the exploration for or extraction of gas, oil or solid fuel with an estimated value in excess of £363,424 for a supply, services or design contract; or in excess of £4,551,413 for a works contract; or £820,370 for a social and other specific services contract (or other thresholds determined by the European Commission every two years and published in OJEU) shall comply with the relevant procurement procedures and other requirements in the Utilities Contracts Regulations 2016.</b></p>		To update to the new Model regulations.
Final recommended paragraph		18f
As drafted		

#### 2.11 Paragraph 20b

Original Paragraph	<p>20 b Correspondence from, and notices served by, the Information Commissioner shall be referred by the Proper Officer to the chairman of the ( ) committee. The said committee shall have the power to do anything to facilitate compliance with the Freedom of Information Act 2000.</p>
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Clerk	Change	Reason
Correspondence from, and notices served by, the Information Commissioner shall be referred by the Proper Officer to the chairman of the Finance Committee. The said committee shall have the power to do anything to facilitate compliance with the Freedom of Information Act 2000.		Finance Committee more relevant than HR? ToR for Finance to be updated accordingly.
Final recommended paragraph	20b	
As drafted.		

### 3 Financial Regulations: Proposed changes

The changes listed below and highlighted in the attached document have all changes recommended.

#### 3.1 Clerks changes:

2.2 new paragraph inserted to comply with the model financial regulations form NALC and the fact that the Council now has a Finance Committee. Numbers of subsequent paragraphs updated.

3.1 Reference to the Council's Finance Committee's role in budget setting process.

3.2 January as a date for submission of VAT reclaim as suggested through this year's audit process.

4.3 Limit of spending allowed by the Clerk without approval £100

4.6 Addition of wording from updated Model Financial Regulations from NALC

5.1 Addition of wording from updated Model Financial Regulations from NALC

5.2 Addition of wording from updated Model Financial Regulations from NALC

5.6 Addition of wording from updated Model Financial Regulations from NALC. This is now relevant to the Council for regular contacts such as the Clerks salary and bin emptying. Number of subsequent paragraphs updated.

6.7 Addition of direct debit now that the Council has one.

6.8 Addition of paragraph on bacs payments from updated model Financial Regulations. Subsequent paragraph numbers updated.

6.17 Allows the Clerk to reclaim petty cash expenditure quarterly.

#### Section 8

Addition as the Council now has investments and an Investment Strategy. Following sections renumbered accordingly.

11. h This figure is reduced from £25,000 on the advice of the Auditor and needs to be debated and agreed.

12.2 This figure needs to be confirmed, can be lowered.

14.2 Addition of requirement for Risk Assessment for new activities.

#### 3.2 Cllr Malpas' Changes

1.5 Delete "wilful"

1.7 insert "the Responsible Financial Officer"

1.13 add “Applications for grants and financial commitments shall be submitted, assessed and considered in accordance with the Council’s policy for such funding requests.” **We could footnote the policy or provide link**

5.7 Amend to read “Applications for grants shall be submitted, assessed and considered in accordance with the Council’s policy for such funding requests. Any Revenue or Capital Grant [in excess of £5000] shall, before payment, be subject to ratification by resolution the council.” *Comment from Cllr Malpas: Given the limited scope of our funds and budget, £5000 seems high, this seems to imply expenditure below this level does not require a full council vote, or does 1.13 cover this? Clerks response: Agree that the £5000 is too high but as no Committee has any delegated spending power all payments are approved by Council.*

## **Recommended final text of the Financial Regulations:**

### **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 members 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** Deliberate or ~~wilful~~ breach of these Regulations may give rise to disciplinary proceedings.
- 1.6** Members of Council are expected to follow the instructions within these Regulations. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.
- 1.7** The Clerk has been appointed as the **Responsible Financial Officer** for this council and these regulations will apply accordingly
- 1.8** The RFO acts under the policy direction of the council;  
administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;

determines on behalf of the council its accounting records and accounting control systems;  
ensures the accounting control systems are observed;  
maintains the accounting records of the council are up to date in accordance with proper practices;  
assists the council to secure economy, efficiency and effectiveness in the use of its resources;  
produces financial management information as required by the council.

- 1.9** The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

- 1.10** 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;  
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.

- 1.11** 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;  
identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;

procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with approval of the RFO and that the approvals are shown in the accounting records; and measures to ensure that risk is properly managed.

- 1.12** 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;
  - declaring eligibility for the General Power of Competence; and
  - addressing recommendations in any report from the internal or external auditors,
- shall be a matter for the full council only.

- 1.13** In addition, the council must:
- determine and keep under regular review the bank mandate for all council bank accounts;
  - approve any grant or a single commitment and in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference.

Applications for grants and financial commitments shall be submitted, assessed and considered in accordance with the Council's policy for such funding requests.

- 1.14** In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

In these financial regulations the term 'proper practice' or 'proper practices' shall

refer to guidance issued in Governance and Accountability for Local Councils

- a

Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group

(JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

## **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** On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman [or a cheque signatory] shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the Finance Committee.
- 2.3** The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return as 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.
- 2.4** The council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be necessary for the purpose of the audit and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary for that purpose.
- 2.5** The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.
- 2.6** The internal auditor shall:  
be competent and independent of the financial operations of the council;  
  
report to council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;  
  
to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships;

have no involvement in the financial decision making, management or control of the council.

**2.7** Internal or external auditors may not under any circumstances:  
perform any operational duties for the council;  
initiate or approve accounting transactions; or  
direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

**2.8** For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.

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

**2.10** The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

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

**3.1** The RFO must each year, by no later than November, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the **Finance Committee**.

**3.2** 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.

**3.3** 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.
- Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chairman.
- Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 4.2** The salary budgets are to be reviewed at least annually in November for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Chairman of Council. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.
- 4.3** In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £100. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.
- 4.4** 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.
- 4.5** All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.
- 4.6** The Clerk shall regularly provide the council with a statement of receipts and payments, these statements shall show explanations of material variance. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of £100.
- 4.7** Changes in earmarked reserves shall be approved by council as part of the budgetary control process.

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

**5.1** The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency. [The council shall seek credit references in respect of members or employees who act as signatories.]

**5.2** The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council, who 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, at the next available council meeting.

**5.5** The Clerk and 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 Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance commitments

b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council or

c) Fund transfers within the councils banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council.

**5.6** For each financial year the Clerk and RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council [or a duly authorised committee,] may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council [or Finance Committee]. A record of regular payments made under 5.6 above shall be drawn up and be signed by two members on each and every occasion when payment is authorised - thus controlling the risk of duplicated payments being authorised and / or made.

**5.7** 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. Applications for grants shall be submitted, assessed and considered in accordance with the Council's policy for such funding requests. Any Revenue or Capital Grant in excess of £5,000 shall before payment, be subject to ratification by resolution of the council.

**5.8** Members are subject to the Code of Conduct that has been adopted by the council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.

## **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, the Clerk or RFO shall give instruction that a payment shall be made.

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

**6.4** Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council shall be signed by two members of council in accordance with a resolution instructing that payment. A member 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** To indicate agreement of the details shown on the cheque or order for payment with the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 6.6** Cheques or orders for payment shall not normally be presented for signature other than at a council meeting. Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.
- 6.7** If thought appropriate by the Parish Council, payment for certain items (principally salaries) may be made by banker's standing order/ **direct debit** provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to Parish Council as made. The approval of the use of a banker's standing order/ **direct debit** shall be renewed by resolution of the Parish 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 signed, or otherwise evidenced, by two authorised bank signatories, 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 Parish Council payment for certain items may be made by internet banking transfer provided evidence is retained showing which members approved the payment.
- 6.10** Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the Parish Council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Parish Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other Parish Councillors. After the envelope has been opened, in any circumstances, the PIN and/or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the Parish Council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.
- 6.11** No employee or Parish Councillor shall disclose any PIN or password, relevant to the working of the Parish Council or its bank accounts, to any person not authorised in writing by the Parish Council or a duly delegated committee.
- 6.12** Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question.

- 6.13** The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used.
- 6.14** Where internet banking arrangements are made with any bank, the Clerk shall be appointed as the Service Administrator. The bank mandate approved by the Parish Council shall identify a number of Parish Councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals
- 6.15** Access to any internet banking accounts will be directly to the access page (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 Parish Council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.16** Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by the Clerk. A programme of regular checks of standing data with suppliers will be followed.
- 6.17** Any payments made in cash by the Clerk (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, or duly delegated committee.

- 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

7.4 conditions of employment without the prior consent of the council.  
Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded.  
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 Audit Commission Act 1998, or any superseding legislation.

## **8 LOANS AND INVESTMENTS**

8.1 The council will arrange with the council's banks and investment providers for the sending of a copy of each statement of account to the Chairman of the council at the same time as one is issued to the Clerk or RFO

8.2 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

8.3 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.

8.4 All investments of money under the control of the council shall be in the name of the council.

8.5 Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## **9 INCOME**

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

9.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the council.

9.3 The council will review all fees and charges at least annually, following a report of the Clerk.

9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year.

9.5 All sums received on behalf of the council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.

- 9.6** The origin of each receipt shall be entered on the paying-in slip.
- 9.7** Personal cheques shall not be cashed out of money held on behalf of the council.
- 9.8** The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.9** Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

## **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 shall be controlled by the RFO.
- 10.3** All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below.
- 10.4** A member may not issue an official order or make any contract on behalf of the council.
- 10.5** The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

## **11 CONTRACTS**

- 11.1** **a** Procedures as to contracts are laid down as follows:

Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:

- i. for the supply of gas, electricity, water, sewerage and telephone services;
- ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
- iii. for work to be executed or goods or materials to be supplied which consist of

repairs to or parts for existing machinery or equipment or plant;

iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;

v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk shall act after consultation with the Chairman and Vice Chairman of council); and

vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.

- b** Where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("the Regulations") which is valued at £15,000 or more, the council shall comply with the relevant requirements of the Regulations.

The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts.

- c** The full requirements of 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).

Thresholds currently applicable are:

- a. For public supply and public service contracts 209,000 Euros (£164,176)  
b. For public works contracts 5,225,000 Euros (£4,104,394)

- d** 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.

- e** Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

- f** All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.

- g** Any invitation to tender issued under this regulation shall be subject to the council's relevant standing order and shall refer to the terms of the Bribery Act 2010.

- h** When it is to enter into a contract of less than **£15,000** in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £100 the Clerk or RFO shall strive to obtain 3 estimates.

- i** The council shall not be obliged to accept the lowest or any tender, quote or



estimate.

- j 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.

## **12**

### **ASSETS, PROPERTY**

#### **12.1**

The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.

#### **12.2**

No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed **£250**

#### **12.3**

Subject only to the limit set in Regulation 12.2 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.

#### **12.4**

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.

## **13**

### **INSURANCE**

#### **13.1**

Following the annual risk assessment (per Regulation 17), the RFO shall effect all insurances and negotiate all claims on the council's insurers.

#### **13.2**

The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.

#### **13.3**

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.

#### **13.4**

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.

## **14**

### **RISK MANAGEMENT**

**14.1** The council is responsible for putting in place arrangements for the management of risk. The Clerk shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk

management arrangements shall be reviewed by the council at quarterly.

**14.2** When considering any new activity, the Clerk [with the RFO] shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

## **15 SUSPENSION AND REVISION OF FINANCIAL REGULATIONS**

**15.1** It shall be the duty of the council to review the Financial Regulations of the council from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these Financial Regulations.

**15.2** 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.

## **4 Risk Schedule: Proposed Changes**

The following in *italics* and highlighted green includes all suggested changes for discussion:

<b>MANAGEMENT</b>					
<b>Subject</b>	<b>Risk(s) Identified</b>	<b>Probability H/M/L</b>	<b>Management/Control of Risk</b>	<b>Review/Assess/Revise</b>	<b>Impact H/M/L</b>
Business Continuity/Loss of Clerk	Council not being able to continue its business due to an unexpected circumstance	L	All files and records are kept at the Clerks home. The Clerk makes a monthly back up of all files. Vice Chairman holds copies of historic electronic files. Standing Orders identify the necessary procedures to be followed by the council for its effective	Ensure Standing Orders and established procedures are complied with. Standing Orders reviewed at least annually. Procedures subject to an annual review by the council and adherence to	L

			operation in the absence of the clerk.	procedures and Standing Orders subject to annual external audit.	
Business continuity/ Inability to conduct meetings	<p>If due to national or local restrictions gatherings of people are not allowed or impose an unacceptable risk to those involved.</p> <p>Management of virtual meetings involving discussion of sensitive or confidential matters</p>	H	<p>In extremis, and for a limited period, the council has identified an approach to delegated decision making and executive action for urgent business.</p> <p>The Council has demonstrated the ability to meet virtually in numbers in excess of the required quorate (5 members); reliable broadband connectivity has limited some participation.</p> <p>Council business is on the most part public and security in terms of personal data is kept to a minimum.</p> <p>Conduct of confidential business will rely on the Clerk and all Councillors ensuring that matters cannot be overheard or recorded in their home setting and public access to the discussion is restricted.</p>	<p>Standing Orders to be revised to reflect conduct of business when restrictions in place that prevent gatherings.</p> <p>Procedures adopted to take due account of public accessibility but also the need to maintain security of personal data and, where appropriate, any discussion of confidential issues.</p> <p>The Council should continue to review the use of virtual software and the capability to manage participation. All users should make updates when prompted by the supplier.</p>	L
Meeting Location	Adequacy and community access.	M	Meetings are held in Lansdowne Hall, Derry Hill	Review yearly to ensure facilities meet council and community access requirements. The Council will need to reassess the hall's capability to provide a safe meeting place for public meetings in light of any	M

				<i>emerging government guidance for the conduct of public meetings.</i>	
Meeting Location	Health and Safety	L	Premises and facilities are maintained by Lansdowne Hall	Room hired for each meeting. <i>The Council will need to reassess the hall's capability to provide a safe meeting place for public meetings in light of any emerging government guidance for the conduct of public meetings.</i>	L
Council Records	Loss through theft, fire, damage	L	Only legal imposed documents are stored in the Clerk house. All documents since 1996 are also stored electronically. Documents older than 6 years are stored in the Wiltshire Council archives.	Damage or theft is unlikely as storage is in <i>secure?</i> storage boxes within the Clerks property.	L
Council Records Electronic	Loss through damage, fire, corruption of computer	M	The Parish Council electronic records are stored on the Clerks computer. Regular backups are taken, <i>checked and stored separately.</i> Adequate anti-virus protection is in place.	Back up copy of all documents stored on a remote hard drive, <i>stored separately.</i> Copies of transparency documents and Minutes are also on the website, <i>maintained on a seperate server.</i>	L

