

Committee: Full Council

Report of: Deputy Clerk & RFO

Date: 29th September 2025

Subject: Review of the Town Council's Financial Regulations

Purpose of Report:

1. The purpose of this report is for Members to review and adopt the proposed Financial Regulations for the Council.

Summary:

2. The draft Financial Regulations were presented to the Policy & Finance Committee for consideration on 22 September 2025. The Committee agreed to adopt the Financial Regulations subject to some final amendments. This report outlines the reasons for updating the Financial Regulations and sets out the final amendments for approval. A copy of the proposed Financial Regulations is attached at Appendix 1. A summary document setting out all the final amendments is attached at Appendix 2.

Resolution:

To adopt the proposed Haywards Heath Town Council Financial Regulations as attached to the report in Appendix 1.

Background

3. On 5 March 2025 the National Association of Local Councils ('NALC') updated their model financial regulations for English councils. The regulations were issued by their finance advisor, the Parkinson Partnership LLP.
4. The model financial regulations are for parish and town councils and are standardised to ensure the proper management and oversight of financial activities within these councils.
5. The regulations provide a framework for financial governance, helping councils maintain transparency, accountability, and efficiency in their financial operations. They are crucial for safeguarding public funds and promoting good governance practices.
6. It is proposed that the model financial regulations are adopted in order to bring the Council in line with a nationally recognised standard. Councillors may recall that the Council's Standing Orders are also based on a NALC model.
7. The model financial regulations have been amended to reflect the practices of the Council. Mr Andy Beams of Mulberry Local Authority Services Ltd ('Mulberry') prepared the updated financial regulations on the Council's behalf before the current RFOs appointment. It is worth noting that Mulberry are the Council's internal auditors and therefore understands the Council's financial practices and requirements.

8. The Policy & Finance Committee considered the initial draft Finance Regulations on 22nd September 2025. A number of amendments were requested which have been made and are shown as track changes in the proposed Finance Regulations at Appendix 1 and summarised in the Amendment Summary at Appendix 2.
9. It should be noted that the amendments to the proposed Financial Regulations includes some additional changes by officers. The main officer changes can be found at paragraphs 6.3 and 11.3.

Financial Implications

10. There are no financial implications in adopting the revised regulations.

Legal Implications

11. It is a statutory requirement for the financial regulations to be reviewed Council to review the financial regulations. This requirement is also referred to in Standing Order 18. There are no direct legal implications in adopting the revised regulations. It is worth noting that if the committee agree to adopt the revised financial regulations, the Council will be adopting a nationally recognised standard.

Deputy Clerk & RFO

Appendix 1 – Proposed HHTC Finance Regulations

Appendix 2 – Finance Regulations - Amendment Summary

HAYWARDS HEATH TOWN COUNCIL FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the council at its meeting held on **[enter date]**.

1. General

- 1.1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.
- 1.2. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.
- 1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.
- 1.4. In these Financial Regulations:
 - 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
 - "Approve" refers to an online action, allowing an electronic transaction to take place.
 - "Authorise" refers to a decision by the council, or a committee or an officer, to allow something to happen.
 - 'Proper practices' means those set out in *The Practitioners' Guide*
 - *Practitioners' Guide* refers to the guide issued by the Smaller Authorities Proper Practices Panel (SAPPP) and published by NALC in England.
 - 'Must' and **bold text** refer to a statutory obligation the council cannot change.
 - 'Shall' refers to a non-statutory instruction by the council to its members and staff.
- 1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. The RFO, acting under the policy direction of the Town Clerk and ~~Policy and Finance Committee~~Council
 - administers the council's financial affairs in accordance with all Acts, Regulations and proper practices
 - determines on behalf of the council its accounting records and control systems
 - ensures the accounting control systems are observed
 - ensures the accounting records are kept up to date
 - seeks economy, efficiency and effectiveness in the use of council resources; and
 - produces financial management information as required by the Council.

1.6. The council must not delegate any decision regarding:

- **setting the final budget or the precept (council tax requirement)**
- **the outcome of a review of the effectiveness of its internal controls**
- **approving accounting statements**
- **approving an annual governance statement**
- **borrowing**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors**

1.7. In addition, the council shall:

- **authorise any grant or single commitment of more than £10,000.**

2. Risk management and internal control

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

2.2. The **Clerk &** RFO shall prepare, for approval by the Policy and Finance Committee, a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the Policy and Finance Committee at least annually.

2.3. When considering any new activity, the **Clerk &** RFO shall prepare a draft risk assessment including risk management proposals for consideration by the council.

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

2.5. The accounting control systems determined by the RFO must include measures to:

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

- 2.6. At least once in each quarter, and at each financial year end, a member of the Policy and Finance Committee (other than the Chair) shall be appointed to verify bank reconciliations for all accounts produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Policy and Finance Committee.
- 2.7. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

3. Accounts and audit

- 3.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.
- 3.2. **The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonable accuracy at any time. In particular, they must contain:**
 - **day-to-day entries of all sums of money received and expended by the council and the matters to which they relate**
 - **a record of the assets and liabilities of the council**
- 3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.
- 3.4. The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them (with any related documents) to the council, within the timescales required by the Accounts and Audit Regulations.
- 3.5. **The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.**
- 3.6. **Any officer or member of the council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit** and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary.

- 3.7. The appointment of the internal auditor shall be ratified by the council following the recommendation of the Policy and Finance Committee and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.
- 3.8. The council shall ensure that the internal auditor:
- is competent and independent of the financial operations of the council
 - reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year
 - can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
 - has no involvement in the management or control of the council
- 3.9. Internal or external auditors may not under any circumstances:
- perform any operational duties for the council
 - initiate or approve accounting transactions
 - direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor
- 3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in the Practitioners Guide.
- 3.11. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts, including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.
- 3.12. The RFO shall, without undue delay, bring to the attention of the Policy and Finance Committee any correspondence or report from internal or external auditors.

4. Budget and precept

- 4.1. **Before setting a precept, the council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**
- 4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the Policy and Finance Committee at least annually for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Town Clerk and the Chair of the Policy and Finance Committee.

- 4.3. No later than January each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year along with a forecast for the following three financial years, taking account of the lifespan of assets and cost implications of repair or replacement.
- 4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the Policy and Finance Committee. Ward budgets may also be carried forward with the approval of the Policy & Finance Committee.
- 4.5. Each committee shall review its draft budget and submit any proposed amendments to the Policy and Finance Committee not later than the end of December each year.
- 4.6. The draft budget with any committee proposals and three-year forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the Policy and Finance Committee and a recommendation made to the council.
- 4.7. Having considered the proposed budget and three-year forecast, the council shall determine its council tax requirement. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.
- 4.8. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.**
- 4.9. The RFO and/or Town Clerk shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of the agreed annual budget.
- 4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.11. Any addition to, or withdrawal from, any earmarked reserve up to £10,000 shall be agreed by the Town Clerk. Any addition to, or withdrawal from, any earmarked reserve exceeding £10,000 shall be agreed by the Policy and Finance Committee.

5. Procurement

- 5.1. **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.
- 5.2. The RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.

- 5.3. Every contract shall comply with the council's Standing Orders and these Financial Regulations, and no exceptions shall be made, except in an emergency.
- 5.4. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Procurement Act 2023 and The Procurement Regulations 2024 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**
- 5.5. Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 5.12) obtain prices as follows:
- 5.6. For contracts estimated to exceed £60,000 including VAT, the RFO shall advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.
- 5.7. For contracts estimated to be between £10,000 and £60,000 excluding VAT, the RFO shall seek at least 4 fixed price quotes.
- 5.8. **For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation regarding the publication of invitations and notices.**
- 5.9. Where the value is between £5,000 and £10,000 excluding VAT, the RFO shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.
- 5.10. For purchases below £5,000, the RFO shall seek to achieve value for money.
- 5.11. **Contracts must not be split to avoid compliance with these rules.**
- 5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:
- i. specialist services, such as legal professionals acting in disputes
 - ii. repairs to, or parts for, existing machinery or equipment
 - iii. works, goods or services that constitute an extension of an existing contract
 - iv. goods/services that are only available from one supplier or sold at a fixed price.
- 5.13. When applications are made to waive this Financial Regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the Policy and Finance Committee. Avoidance of competition is not a valid reason.
- 5.14. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- 5.15. Individual purchases within the agreed budget for that type of expenditure may be authorised by the Town Clerk or the Deputy Town Clerk.
- 5.16. No individual member, or informal group of members may issue an official order or make any contract on behalf of the council.
- 5.17. Expenditure may be incurred which cannot be met from the amount provided within the net revenue budget by authorisation of the Town Clerk by a maximum of £1,000 in

writing to the RFO with the Committee Chairman copied in, with all authorisations being reported to the next meeting of the Policy and Finance Committee

- 5.18. In cases of serious risk to the delivery of council services or to public safety on council premises, the clerk may authorise expenditure of up to £5,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair of the Policy and Finance Committee as soon as possible, and to the Policy and Finance Committee as soon as practicable thereafter.
- 5.19. No expenditure shall be authorised, no contract entered into, or tender accepted in relation to any major project, unless the RFO is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.
- 5.20. An official order or letter shall be issued for all work, goods and services above £500 excluding VAT unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.

6. Banking and payments

- 6.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the council. Banking arrangements shall not be delegated to a committee. The arrangements shall be reviewed periodically for security and efficiency.
- 6.2. The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation. Even where a purchase has been authorised, the payment must also be authorised, and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.
- 6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO. ~~Where the certification of invoices is done as a batch, this shall include a statement by the RFO that all invoices listed have been 'examined, verified and certified' by the RFO.~~
- 6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.
- 6.5. All payments shall be made by online banking, in accordance with a resolution of the Policy and Finance Committee or a delegated decision by an officer, unless the council resolves to use a different payment method.

- 6.6. For each financial year, the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Policy and Finance Committee may authorise in advance for the year.
- 6.7. A copy of this schedule of regular payments shall be signed by two members on each occasion when payment is made - to reduce the risk of duplicate payments.
- 6.8. A list of such payments shall be reported to the next appropriate meeting of the Policy and Finance Committee for information only.
- 6.9. The Town Clerk and Deputy Town Clerk shall have delegated authority to authorise payments in the following circumstances:
- i. any payments within an agreed budget.
 - ii. payments exceeding the net revenue budget up to a maximum of £1,000.
 - iii. payments of up to £5,000 excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.
 - iv. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms where the Town Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of the Policy and Finance Committee.
 - v. Fund transfers within the councils banking arrangements up to the sum of £10,000, provided that a list of such transfers shall be submitted to the next appropriate meeting of the Policy and Finance Committee.
- 6.10. The RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, together with the relevant invoices, to the Policy and Finance Committee. The committee shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

7. Electronic payments

- 7.1. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process. The Town Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.

- 7.2. All authorised signatories shall have access to view the council's bank accounts online.
- 7.3. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the Town Clerk or the Chair of the Policy and Finance Committee.
- 7.4. The Service Administrator or Administration Officer shall set up all items due for payment online. A list of payments for approval, shall be sent to the relevant authorised signatories within the Council's electronic banking system. All payments shall be checked against the relevant invoice prior to authorisation.
- 7.5. In the prolonged absence of the Service Administrator, the Administration Officer or an authorised signatory shall set up any payments due before the return of the Service Administrator.
- 7.6. Two councillors who are authorised signatories shall check the payment details against the invoices.
- 7.7. Evidence shall be retained showing which members approved the payment online.
- 7.8. A full list of all payments made in a month shall be provided to the next Policy and Finance Committee Meeting and appended to the minutes.
- 7.9. With the approval of the Policy and Finance Committee in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed/approved online by two authorised members. The approval of the use of each variable direct debit shall be reviewed by the Policy and Finance Committee at least every two years.
- 7.10. Payment may be made by BACS or CHAPS by a resolution of the Policy and Finance Committee or a delegated decision by an officer delegated decision provided that each payment is approved online by two authorised bank signatories, evidence is retained, and any payments are reported to the Policy and Finance Committee at the next meeting. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.
- 7.11. If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed or approved online by two members, evidence of this is retained and any payments are reported to the Policy and Finance Committee at its next meeting. The approval of the use of a banker's standing order shall be reviewed by the Policy and Finance Committee at least every two years.
- 7.12. Account details for suppliers may only be changed upon written notification by the supplier verified by the RFO. This is a potential area for fraud and the individuals involved should ensure that any change is genuine.

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

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

8. Cheque payments

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

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

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

8.4. Cheques or orders for payment shall not normally be presented for signature other than at, or immediately before or after a council or committee meeting. Any signatures obtained away from council meetings shall be reported to the Policy and Finance Committee at the next meeting.

9. Payment cards

9.1. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Town Clerk, the RFO and the Assistant to the Town Clerk and any balance shall be paid in full each month. This will also be restricted to a single transaction maximum value of £1,000 unless authorised by the Policy and Finance Committee in writing before any order is placed.

9.2. Personal credit or debit cards of members or staff shall not be used except for expenses of up to £100 including VAT, incurred in accordance with council policy.

10. Petty Cash

10.1. The council will not maintain any form of cash float. All cash received must be banked intact **within two working days of receipt**. Any payments made in cash by an officer (for example for postage or minor stationery items) shall be refunded through expenses claims at least quarterly, which will be authorised by the Town Clerk or RFO.

11. Payment of salaries and allowances

11.1. **As an employer, the council must arrange to comply with the statutory requirements of PAYE legislation.**

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

~~11.3. Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the Town Clerk, or if relating to the Town Clerk's salary, this requires the prior consent of the council.~~

~~11.4.~~11.3. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

~~11.5.~~11.4. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

~~11.6.~~11.5. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the Policy and Finance Committee to ensure that the correct payments have been made.

~~11.7.~~11.6. Any termination payments shall be supported by a report to the council, setting out a clear business case. Termination payments shall only be authorised by the full council.

~~11.8.~~11.7. Before employing interim staff, the council must consider a full business case.

12. Loans and investments

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

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

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

- 12.4. All investment of money under the control of the council shall be in the name of the council.
- 12.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

13. Income

- 13.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO, who shall make and maintain adequate arrangements for prompt and proper accounting for all receipts of monies, including its collection, custody, control and deposit.
- 13.2. The council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the RFO.
- 13.3. Any sums found to be irrecoverable, and any bad debts shall be reported to the Policy and Finance Committee by the RFO and shall be written off in the year. The committee's approval shall be recorded in the minutes of the meeting where the write-off amount was agreed.
- 13.4. All sums received on behalf of the council shall be deposited intact with the council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.
- 13.5. Personal cheques shall not be cashed out of money held on behalf of the council.
- 13.6. The RFO shall ensure that VAT is correctly recorded in the council's accounting software and that any VAT Return required is submitted by the due date.

~~13.7.~~ Where ~~significant sums of~~ cash ~~sums of £50 or more~~ are ~~regularly~~ received by the council, the RFO shall 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 record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.

~~13.7.~~13.8. Any income in relation to the Mayors chosen charity shall be paid into the Council bank account and recorded as a liability under nominal code 565, this is to demonstrate that this income is not shown as an asset in the Council's accounts but is owed to the charity.

14. Payments under contracts for building or other construction works

- 14.1. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.
- 14.2. Any variation of, addition to or omission from a contract must be authorised by the Town Clerk to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and equipment

- 15.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 15.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.
- 15.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 15.4. The RFO shall be responsible for periodic checks of stocks and stores, at least annually.

16. Assets, properties and estates

- 16.1. The Town Clerk shall make arrange for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.
- 16.2. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.
- 16.3. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.
- 16.4. No interest in land shall be purchased or otherwise acquired, sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a written report shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).
- 16.5. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, except where the estimated value of any one item does not

exceed £500. In each case a written report shall be provided to council with a full business case.

17. Insurance

- 17.1. The RFO shall keep a record of all insurances effected by the council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the council's review of risk management.
- 17.2. All members of staff with line responsibility are responsible for giving prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 17.3. All members of staff with line responsibility are responsible for notifying any loss, liability, damage or event likely to lead to a claim to the RFO. The RFO shall report these to the Policy and Finance Committee at the next available meeting. The RFO shall negotiate all claims on the council's insurers in consultation with the Town Clerk.
- 17.4. 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 by the Policy and Finance Committee.

18. Suspension and revision of Financial Regulations

- 18.1. The council shall ratify any changes to the Financial Regulations based on the recommendations of the Policy and Finance Committee, who shall review these Financial Regulations annually and following any change of the Town Clerk or RFO. The Town Clerk and RFO shall monitor changes in legislation or proper practices and advise the Policy and Finance Committee of any need to amend these Financial Regulations.
- 18.2. The council may, by resolution 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 presented to all members. Suspension does not disapply any legislation or permit the council to act unlawfully.
- 18.3. The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

Appendix 1 - Tender process

- 1) Any invitation to tender shall state the general nature of the intended contract and the Town Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases.
- 2) The invitation shall in addition state that tenders must be addressed to the Town Clerk in the ordinary course of post, unless an electronic tendering process has been agreed by the council.
- 3) Where a postal process is used, each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract. All sealed tenders shall be opened at the same time on the prescribed date by the Town Clerk in the presence of at least one member of the Policy and Finance Committee.
- 4) Where an electronic tendering process is used, the council shall use a specific email address that will be monitored by the RFO to ensure that nobody accesses any tender before the expiry of the deadline for submission.
- 5) Any invitation to tender issued under this regulation shall be subject to the council's adopted Standing Orders and shall refer to the terms of the Bribery Act 2010.
- 6) Where the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

HHTC Financial Regulations – Amendment Summary

Paragraph	Original Wording Removed	Revised or Additional Wording
1.5	Policy and Finance Committee	Council
1.5	None – additional wording to 6 th bullet point	by the Council
2.2	None – additional wording only	Clerk &
2.3	None – additional wording only	Clerk &
4.4	None – additional wording only	Ward budgets may also be carried forward with the approval of the Policy & Finance Committee.
4.9	None – additional wording only	and/or Town Clerk
5.15	None – additional wording only	And/or the Deputy Town Clerk
6.3	Where the certification of invoices is done as a batch, this shall include a statement by the RFO that all invoices listed have been ‘examined, verified and certified’ by the RFO.	None.
6.9	None – additional wording only	And Deputy Town Clerk
11.3	Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee’s gross pay, emoluments, or terms and conditions of employment without the prior consent of the Town Clerk, or if relating to the Town Clerk’s salary, this requires the prior consent of the council.	None.
13.8	None – additional wording only	Any income in relation to the Mayors chosen charity shall be paid into the Council bank account and recorded as a liability under a unique nominal code. This is to demonstrate that this income is not shown as an asset in the Council’s accounts but is owed to the charity.