

Report to: Finance Committee

Report Ref: F1916
Meeting Date: 20th April
Agenda Item: 6
Prepared By: Town Clerk



Subject: Amendments to Financial Regulations

1.0 BACKGROUND

The council's Internal Auditor undertook the interim 2019/20 audit in January and raised two issues for resolution, one of which is a formal recommendation raised in the interim report.

2.0 SUGGESTED AMENDMENTS

2.1 DELETION OF FR 11.1 (A) (II)

Financial Regulation 11.1(a) (ii) provides an exception to compliance with financial regulations for contracting specialist services such as solicitors, accountants, surveyors and planning consultants. The council's internal auditor has highlighted a recent public interest report prepared by the Welsh Audit Office which found that a town council's expenditure under this exception was *ultra vires*. NALC has updated its model financial regulations to remove this exception.

It is recommended that this exception is deleted.

2.2 ADDITION OF MONTHLY CREDIT CARD LIMIT

In the internal auditor's interim report, it has been highlighted that whilst Financial Regulations specify a single transaction limit of £1,000, there is no overall monthly limit to credit card expenditure. In practice, the card has a credit limit of £1,000 and on occasions it has been necessary to clear the credit card during the month by BACs transfer to facilitate payments.

The following amendment to FR 6.9 is recommended:

Current: Payments made using the Town Clerk's Credit card shall be limited to a maximum single transaction of £1,000.

Suggested: The Town Clerk's Credit card shall have a credit limit of £1,000, payments shall be limited to a maximum single transaction of £1,000 and there shall be a limit of £2,000 for transactions per calendar month.

2.0 DECISIONS REQUIRED

The committee should consider the approval of the suggested amendments to Financial Regulations.