

REPORT TO FINANCE COMMITTEE

FINANCIAL REGULATIONS

Report Reference F-21-13
Meeting Date 28th March 2022
Agenda Item 6
Prepared by Town Clerk



1.0 BACKGROUND

The committee is required to undertake a review of Financial Regulations from time to time. The Town Clerk has undertaken a review and outlines a small number of changes which are recommended to update Financial Regulations to better match current practice and provide clarity. These are detailed in the table overleaf.

2.0 DECISIONS REQUIRED

The committee should consider the proposed amendments and determine what changes to make to Financial Regulations.

Regulation	Proposed amendment	Rationale
3.3	<p>Current:</p> <p>The RFO shall at each meeting of Town Council provide the Council with a statement of receipts and payments since the previous meeting. Each Committee shall receive reports at each meeting identifying the 'year-to-date' financial information comparing actual expenditure against that planned and a nominal ledger report for the current month.</p> <p>Proposed:</p> <p>Each Committee shall receive reports at each meeting identifying the 'year-to-date' financial information comparing actual expenditure against that planned; this shall include a commentary by the RFO to explain any significant variances.</p>	<p>Full Council has not received r/p reports so this change updates to reflect practice.</p> <p>Some committees have requested additional reporting, particularly where budget lines are overspent; this amendment would apply that to all committees.</p>
3.5	<p>Current:</p> <p>The Town Clerk may further incur expenditure in the following circumstances; subject to adequate budget provision; and for expenditure above £300 having informed the Mayor</p> <ul style="list-style-type: none"> • The purchase of routine equipment and supplies pertaining to the operations of the Council up to £300 • Civic Events • Routine maintenance at Council property <p>Proposed:</p> <p>The Town Clerk may incur expenditure for the procurement of equipment, supplies and services required for the operation, delivery and effective management of the council's services, events and assets subject to adequate budget provision and for expenditure above £1,000 having informed the Mayor.</p>	<p>The revised regulation better reflects current practice.</p>

3.7	<p>Delete:</p> <p>The Managing Agents for 60 King Street may incur expenditure on behalf of the Council which is necessary to carry out any repair replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £1,000. The Town Clerk shall report the action to the Assets and Operations Committee as soon as practicable thereafter.</p>	<p>The council no longer has a managing agent for 60 King Street.</p>
5.2	<p>Delete: "The payment schedule shall be signed by two signatories for record and presented for information to the next meeting of the Town Council."</p> <p>Add: "Approved schedules shall be presented for information to the next meeting of the Town Council"</p>	<p>This regulation will better reflect current practice since the council has moved to fully digital accounting records.</p>
5.3	<p>Current:</p> <p>Cheques and BACS transfer schedules drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4, shall be signed by any two of the signatories to the bank accounts. Council shall appoint four signatories annually.</p> <p>Proposed:</p> <p>Cheques and BACs payments drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4 shall be signed/authorised by any two of the signatories to the bank accounts. Council shall appoint four signatories annually.</p>	<p>As above.</p>
6.6	<p>Add: "Except where otherwise authorised"</p>	<p>This section outlines where the Town Clerk has delegated authority to authorise payments, addition is to provide clarity that authorisation exists in other parts of Financial Regulations.</p>
6.6	<p>Add " f) The reimbursement of out of pocket expenses for staff above £50."</p>	<p>This regulation outlines where Town Clerk has delegated authority to authorise payments outside the standard approvals process of payments schedules.</p> <p>There have been occasions where staff have incurred not insignificant out of pocket costs which the Town Clerk has authorised under a separate regulation</p>

	<p>(urgent payments), but it is felt it would be better to be covered by its own regulation.</p> <p>This ensures that staff are not out of pocket for longer than necessary. A minimum threshold is included as it is not intended for minor incidentals (which go through the standard process) but the rarer larger purchases.</p>
<p>11.1 (d) Add “or as a password protected folder via email. The password for which shall be sent to a separate designated email address”</p>	<p>This allows digital submission of formal tenders. This reduces waste paper and duplication as digital tenders are always requested regardless. The password protection (with separate issue of the password) preserves the principle of it being a sealed tender.</p>
<p>11.1 (e) Change “two members” to “one officer or member”</p>	<p>This amends the opening of sealed tenders rules to simplify the process. It preserves the recommended practice of including at least one witness to tenders being opened.</p>