



Financial Regulations

This document constitutes Part 4, Appendix 2 of the Council Constitution

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1 General

1.1 These regulations should be read in addition to and not in substitution or deviation from the Council's Standing Orders.

1.2 The Head of Finance shall, for the purposes of Section 151 of the Local Government Act 1972, be responsible for the proper administration of the Council's financial affairs.

1.3 Each Chief Officer shall consult the Head of Finance with respect to any matter within their purview, which is likely to significantly affect the finances of the Council before any form of commitment is given and before reporting to the Cabinet, any Cabinet Member, or any Committee.

1.4 References in these regulations to Chief Officers will in the main relate to Heads of Service, but may also refer to the Chief Executive and or Corporate Directors. Reference to the Head of Finance will also include his/her specifically nominated representative for various aspects of these regulations.

1.5 In recognition of their separate status, separate Financial Regulations have been issued for schools.

2 Financial Control & Supervision

2.1 The Head of Finance is responsible for regulating and controlling the finances of the Council within policies laid down by the Council from time to time. The inclusion or exclusion of any specific matters in any other regulations or resolutions shall not be considered as altering in any way the scope of this regulation.

2.2 Chief Officers shall be responsible for ensuring that Standing Orders and Financial Regulations are complied with in respect of matters falling under their jurisdiction. Non-compliance may be considered a disciplinary offence.

3 Budgeting & Budgetary Control (See also Standing Order 32 & 33)

3.1 The detailed form of capital and revenue estimates shall be determined by the Head of Finance following consultation with the Cabinet Chairman and with the other Chief Officers.

3.2 Chief Officers prepare the estimates of the impact on income and expenditure of budget decisions and strategies for input for revenue account and capital account in accordance with guidelines issued by the Head of Finance.

3.3 The Head of Finance shall collate the estimates and submit them to the Cabinet Chairman for consideration and submission to the Cabinet for approval.

3.4 Chief Officers will be provided with a defined set of Budgets for which they will be personally accountable. Chief Officers shall be empowered to incur expenditure included within their approved estimates subject to compliance with the Standing Orders and Financial Regulations of the Council.

3.5 The Medium Term Capital Programme will be approved by Cabinet on an annual basis, and subject to Standing Order 31, to incur expenditure in order to:

- take steps to enable land required for the purposes of the programme to be acquired in due time and;
- prepare a scheme and estimate including associated revenue expenditure for approval by the Cabinet.

Any additions to the capital programme approved at Cabinet will be subject to a project appraisal report as in 3.6 below, and be included as an addition reported to Cabinet on a regular basis.

3.6 Any proposal involving capital expenditure shall be the subject of a project appraisal report, prepared by the relevant Chief Officer and containing the views of the Head of Finance. Any additions shall be reported to Cabinet before expenditure is incurred and will detail the capital and revenue implications of proceeding with the project. In particular the report shall contain the Head of Finance's advice about the resources to be employed and the adequacy of the budget provision.

3.7 Any proposal for capital or revenue expenditure that is not included in an approved programme and cannot be accommodated within the Chief Officer's delegated authority shall be the subject of a joint report (of the Chief Officer and Head of Finance) to the Cabinet.

3.8 The Head of Finance shall be responsible for maintaining a corporate accounting system which will provide a statement of receipts and payments under each head of approved estimate and any other such relevant information as needed. Each Chief Officer is responsible for accurately recording on the corporate accounting system all expenditure and income due to the Council irrespective of any local management systems that are maintained. Chief Officers are responsible for ensuring that staff have been adequately trained in the use of the corporate financial systems.

3.9 Chief Officers are responsible for monitoring, controlling and reporting all activities which incur expenditure or generate income against the approved budget.

3.10 Chief Officers shall have a duty to consult with the Head of Finance as a matter of urgency where it appears that the amount of any head of estimate of approved expenditure or income will substantially vary from the approved estimate.

3.11 It is recognised that schools with delegated budgets under the approved Local Management of Schools Scheme (LMS) are responsible with the Governing Body for controlling their own in-year expenditure, in accordance with guidance issued by the Chief Education Officer.

3.12 Virements and Technical Adjustments

3.13 In accordance with guidance the transfer of budgets between objective codes (i.e. cost centres) shall be subject to the following authority levels, Budget adjustments are split into two categories, virements and technical adjustments.

Virements

3.14 A virement is instigated, when budget previously identified and required for a particular set of strategic objectives or purpose, is no longer required and can be redirected to achieve further different strategic objectives or purpose, requiring additional expenditure to that previously

planned. Monies are transferred to achieve different strategic objectives from that originally planned for the money.

3.15 Examples:

- transferring expenditure/income budgets to different cost centres
- transferring expenditure/income budgets to different subjective on cost centres
- creating income and associated expenditure budgets for unknown/'windfall' income streams

3.16 Under no circumstances can virements be used to:

- fund recurring expenditure from non-recurring savings
- transfer capital monies to revenue
- create an unbalanced budget

3.17 Virements (which are deemed not to be technical adjustments) are subject to the following delegated authorisation limits:

- Following appropriate consultation with Head of Finance, any Head of Service, shall have the authority to vire any budget within their control to an aggregate total of £100,000 or 5% per annum (whichever is the lower).
- The Cabinet shall have the authority to vire any budget up to an aggregate total of £2,000,000 or 15% per annum (whichever is the lower) and Council shall have the authority to vire any budget in excess of this amount.
- All virements undertaken will be reflected in budget monitoring reports to the Cabinet as presented from time to time.
- All virements require authorisation and full explanations in a form which the Head of Finance will decide, before implementation

Technical Adjustments

3.18 A number of budget adjustments take place during the year for purely technical reasons. These are not subject to the authorisation limits of budget virements and the Head of Finance or his nominated representatives can authorise these. These adjustments will include:

- Adjustments within the same cost centre and sub code area i.e. employee, premises, transport etc.
- Internal and central support recharges
- Realignment of budgets for office accommodation, provisions, insurance or capital charges
- Detailed allocation or amendments to schools delegated budgets
- Allocation of savings from Change/Efficiency Programmes (inc. cross cutting savings)
- Adjustments required to support approved Council-wide initiatives such as Total Reward, Living Wage or Pay Award
- Realignment of budgets to reflect changes in grants or external funding, provided additional contributions are not required from core budgets
- Adjustments required or arising from specific decisions approved by Council or Cabinet

- Allocation of sums to or from pooled/contingency budgets where these are within the overall budget but awaiting detailed allocation
- The movement of budgets for specific functions or areas of work either within directorates or between directorates where the changes are for purely structural or reporting purposes and there is no change in the overall purpose for which the funding was allocated.

3.19 Where a decision is required as to whether a technical adjustment will apply, advice should be sought from the Assistant Head of Finance.

4 Accounting

4.1 The Head of Finance shall be responsible for advising the Council on all financial matters and for issuing instructions for the safe and efficient receipt of monies payable to and for the issue of money by the Council.

4.2 The Head of Finance shall be responsible for keeping the principal accounting and costing records of the Council and shall exercise overall supervision and control and, where necessary, shall prescribe the form of financial records, statements and accounts kept under the control of any Chief Officer.

4.3 Each Chief Officer should ensure the following principles shall be observed in the allocation of accounting duties:

- the duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated, as completely as possible, from the duty of collecting or paying them;
- officers responsible for the examination and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.

5 Audit

5.1 A continuous internal audit, under the independent control and direction of the Head of Finance, shall be exercised over all services of the Council.

5.2 The responsibility of Internal Audit shall be to review, appraise, and report upon:

- the soundness, adequacy and application of internal controls, including the application of these regulations and Contract Standing Orders;
- the extent to which the Council's assets and interests are accounted for and safeguarded from losses of all kinds arising from:
 - fraud and other offences;
 - waste, extravagance and inefficient administration, poor value for money or other causes.
- the suitability and reliability of financial and other management data developed by the Council.

5.3 Internal Audit must be consulted by Chief Officers at an early stage during the development of all new systems or the upgrading of existing systems to ensure that such systems provide adequate internal controls.

5.4 For the purpose of Internal Audit the Head of Finance and his/her nominated representative shall have authority to:

- enter at all reasonable times on any Council premises or land without prior notice;
- have access to all records, documents, computer programs and files and correspondence relating to any financial and related transactions of the Council;
- require and receive such explanations as are necessary concerning any matter under examination;
- require any employee of the Council to produce cash, stores or any other Council property under their control or such items in their custody as an officer of the Council which are the property of other persons;
- secure and prevent access to any equipment and records subject to an immediate report to the relevant Chief Officer.

5.5 In every case where any matter arises that could involve irregularities concerning cash, stores or other Council property or any suspected irregularity in the exercise of the functions of the Council, the relevant Chief Officer shall immediately notify the Head of Finance who shall take such steps as is considered necessary by way of investigation and report. The Chief Internal Auditor shall advise the most appropriate course of action.

5.6 The Chief Internal Auditor shall submit at least an annual audit report for consideration by the Audit Committee. In addition individual audit reports shall be prepared for Chief Officers relating to audit assignments undertaken in relation to their services.

5.7 The Council's Audit Committee will also be responsible for:

- reviewing the annual audit needs assessment and Strategic Audit Plan;
- considering major findings of Internal Audit investigations;
- reviewing implementation of Internal Audit recommendations and management responses;
- ensuring the resources available to Internal Audit are sufficient to meet the Council's needs.

5.8 All amendments to the Internal Audit Plan are to be approved by the Head of Finance and reported to the Council's Audit Committee.

5.9 Notwithstanding the responsibility of the Head of Finance for the control and direction of Internal Audit, it shall be the duty of the Chief Internal Auditor to report direct to the Chief Executive, and the Chairman of the Cabinet, on any matter in which the Head of Finance appears to be personally involved; or any other matter he/she considers appropriate.

5.10 Chief Officers having responsibility for building, engineering, other works or service contracts must supervise, monitor and control the administration of those contracts. They should ensure satisfactory delivery of the project contract and robust budgeting of costs.

5.11 In order to maintain an objective and independent position, the Internal Audit Section will not undertake work outside of the agreed Audit Plan without the authority of the Head of Finance.

5.12 Audit Reports will normally be issued in draft for up to one month to enable relevant officers to comment on the factual accuracy. Responses received, or any failure to respond, will be taken into account when the reports are submitted to the Audit Committee where applicable. All agreed recommendations are required to be implemented by Chief Officers within 6 months.

5.13 The Head of Finance will bring to the attention of the Chief Executive and the Chairman of the Cabinet any substantial matter concerning probity, which becomes the subject of an Internal Audit investigation.

6 Petty Cash & other Advance Accounts

6.1 The Head of Finance shall make such advances as is considered necessary after consultation with a Chief Officer to meet petty cash payments and for use as change floats. Such accounts will be maintained on an Imprest system.

6.2 Payments from petty cash Imprests shall be limited to a maximum value and type of expenditure as may be directed from time to time by the Head of Finance by way of Financial Instructions. This maximum shall not be exceeded without the authority of the Chief Officer in conjunction with Head of Finance and only in accordance with his/her guidance.

6.3 No income received on behalf of the Council may be paid into an Imprest account but must be banked or paid to the Council intact as provided elsewhere in these regulations.

6.4 Any officer responsible for an Imprest account shall, when requested, provide to the Head of Finance a certificate as to the state of the Imprest account.

6.5 On leaving the employment of the Council or otherwise ceasing to be responsible for an Imprest account, an officer shall account to the Head of Finance for the amount of the Imprest account.

7 Banking Arrangements

7.1 All arrangements with the Council's bankers shall be made by or under arrangements approved by the Head of Finance, who shall operate such banking accounts, including Girobank Accounts, as is considered necessary. No bank accounts with reference to the Council or an establishment will be set up without the prior approval of the Head of Finance.

7.2 All cheques, including Girobank payment forms, shall be ordered only on the authority of the Head of Finance, who shall make proper arrangements for their safe custody.

7.3 Cheques on the Council's main bank accounts, including Girobank Accounts, shall bear the facsimile signature of the Head of Finance or be signed by the Head of Finance or by such Officers designated by him/her for that purpose.

8 Contracts for Supply of Goods & Materials, Building, Constructional Maintenance or Engineering Work, etc.

8.1 Each Chief Officer shall ensure that no contract for the supply of goods or materials or for the execution of works shall be entered into unless it is in accordance with the Council's Contract Standing Orders, Procurement Strategy and associated guidance.

9 Property

9.1 The Head of Law and Regulation shall maintain a terrier of all properties owned by the Council, (except dwellings provided under the Housing Acts), recording the purpose for which held; location extent and plan reference; purchase details; particulars of nature of interest; rents payable; particulars of tenancies granted and any other information required to complete the Council's asset register.

9.2 The Head of Law and Regulation shall maintain a terrier of all Council dwellings, Council built garages and garage plots on Council housing land.

9.3 The Head of Law and Regulation shall also have custody of all title deeds under secure arrangements.

10 Income

10.1 The collection of all income due to the Council shall be undertaken in accordance with arrangements approved by the Head of Finance, and shall be receipted in every instance as directed by the Head of Finance.

10.2 All fees and charges from works/goods delivered must be taken in advance wherever possible, and if not take at point of sale or invoice raised at the earliest opportunity. Invoices must be raised within payment terms as determined by the Head of Finance and no credit terms should be made available unless agreed by Head of Finance in advance.

10.3 All money received on behalf of the Council shall at such intervals as determined by the Head of Finance be paid to the Finance Service Area, or subject to the instructions of the Head of Finance be banked in the Council's name. All such money must be paid to the Finance Service Area or be banked, as appropriate, intact without any deduction except on the specific authorisation of the Head of Finance.

10.4 All receipt forms, tickets, licences and other documents representing receipts for money, shall be in a form approved and supplied by the Head of Finance who shall be satisfied as to the arrangements for their control. In addition the use of any cash receipting equipment must be subject to the approval of the Head of Finance.

10.5 Every transfer of official money from one member of staff to another will be evidenced in the records of the service areas concerned by the signature of the officer receiving the money.

10.6 No debit in respect of an amount due to the Council once established shall be discharged otherwise than by payment in full or the written authority from the Head of Finance for the writing off of the debt.

10.7 Personal cheques shall not be cashed out of money held on behalf of the Council without the specific authority of the Head of Finance.

11 Grants

11.1 Chief Officers shall be responsible for ensuring that proper arrangements, including adherence to grant terms and conditions, are in place in respect of all grants from whatever source, which may be due to the Council.

11.2 Each Chief Officer shall ensure that whenever a grant application is being considered the Head of Finance is consulted and where necessary the proper authority obtained and suitable records are kept as specified by the Head of Finance.

11.3 All grants and associated expenditure must be accounted through the approved accounting system and budgeted and controlled to ensure appropriate compliance with grant terms and conditions.

12 Insurances

12.1 The Head of Service responsible for the Insurance area shall effect all necessary insurance cover and determine those risks that are to be covered by the Council's insurance funds.

12.2 All Chief Officers shall notify the Head of Law and Regulation of all new risks, properties or vehicles that need to be insured and of any deletions or other alterations necessary to existing insurances.

12.3 The Head of Law and Regulation should be promptly notified of any occurrence likely to lead to a claim. Unless otherwise decided by the Head of Law and Regulation, all cases involving loss or damage must be notified to the Police. If the case involves the possibility of fraud the Head of Finance must be informed.

12.4 All appropriate officers of the Council shall be included in a suitable fidelity guarantee insurance and, in all circumstances where the Council undertakes work on a contractual basis for a third party, professional indemnity insurance.

12.5 The Head of Law and Regulation shall annually, or at such other periods as is considered necessary, review all insurances in consultation with other Chief Officers as appropriate.

12.6 Chief Officers shall consult both the Head of Law and Regulation and the Head of Finance concerning any indemnity the Council may have to give.

13 Inventories & Asset Registers

13.1 Each Chief Officer shall maintain inventories and/or asset registers of such items, and in such format, as directed by the Head of Finance.

13.2 Each Chief Officer shall arrange for the inventories to be checked physically, on at least an annual basis, and shall certify that the records are correct. Any adjustments that may be necessary for surpluses or deficiencies shall be subject to approval by the Head of Finance.

13.3 Council property shall not be removed otherwise than in accordance with the ordinary activities of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Chief Officer concerned.

13.4 Special arrangements are contained in Financial Instructions in respect of the property of Social Services clients in residential/nursing homes.

14 Treasury Management

14.1 The Council has adopted the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code) 2011. In addition, the Welsh Government (WG) issued revised Guidance on Local Authority investments in 2010 that requires the Authority to approve a treasury management strategy before the start of each financial year.

14.2 The Council will fulfil the legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and WG guidance.

14.3 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement (TMPS), stating the policies and objectives of its treasury management activities;
- suitable treasury management practices (TMP), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

14.3 All money in the hands of the Council shall be aggregated for the purposes of Treasury Management and shall be under the control of the Head of Finance.

14.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Audit Committee and for the execution and administration of treasury management decisions to the Head of Finance who will act in accordance with the Council's policy statement and TMPs and CIPFA's Prudential Code for Capital Finance in Local Authorities.

14.5 All such borrowing, investment or financing shall be in the name of the Council.

14.6 All securities, the property of, or in the name of the Council or its nominees, in its ownership, shall be held in the custody of the Head of Finance.

14.7 The Head of Finance shall be the registrar for securities or delegate such responsibility where appropriate.

14.8 Any officer acting as a trustee by virtue of their office shall deposit the relevant securities with the Head of Finance unless the deed otherwise provides.

14.9 The Council will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year and annual report after its close, in the form prescribed in its TMPs.

15 Orders for Work, Goods & Services

15.1 Each Chief Officer shall ensure that official orders shall be:

- issued for all work, goods or services supplied to the Council unless specifically approved by the Head of Finance.
- raised where possible on the electronic procurement system by authorised requisitioner, and approved by Chief Officer's authorised signatories which shall be regularly updated as necessary, and authorised signatories removed when officer leaves the authority.
- The order raised should reflect as closely as possible the expected goods/services to be received and the estimated cost.

Orders raised outside of the electronic procurement system shall be:

- in a form approved by the Head of Finance who shall consult the Head of Law and Regulation thereon, if necessary;
- approved on behalf of each Chief Officer by persons they authorise, with approval of the Head of Finance. A list of each Chief Officer's authorised signatories for ordering goods shall be supplied to the Head of Finance and regularly updated as necessary.

15.2 Chief Officers will be responsible for orders issued from their division, and in particular, for ensuring that they conform with the Council's requirements concerning purchasing and compliance with the Procurement Gateway Process, in particular use of corporate contracts, and that the expenditure will be within the relevant annual estimates or covered by specific financial provision.

15.3 Each Chief Officer shall ensure an appropriate segregation of duties exists between the ordering, receipt, payment and accounting for the purchase of goods and services.

15.4 No employee shall purchase goods on behalf of the Council, or any client of the Council, in a manner that confers any financial or any other benefit to the purchaser (eg by the use of personal catalogues).

16 Payment of Accounts

16.1 Apart from petty cash Imprest and other payments from advance accounts the normal method of payment of money due from the Council shall be from the Council's Banking Account in a form directed by the Head of Finance.

16.2 Chief Officers or their senior delegated officers will be responsible for checking, examining and certifying the goods receipted on the electronic procurement system and the invoices received to ensure correct and timely payments of accounts. All other invoices or other payment vouchers or accounts arising in their service area, will require the same level of checking, examining, certifying and prompt delivery to the payments section.

16.3 The above certification of payment vouchers will be in a form approved by the Head of Finance.

16.4 Each Chief Officer shall supply to the Head of Finance, for approval, names and specimen signatures and initials of officers they propose shall sign such vouchers.

16.5 Before the receipting of goods on the electronic procurement system or the certifying of voucher for payment, the certifying officer shall satisfy themselves that:

- the goods, work or service to which the order/voucher relates have been received, carried out, examined and approved;
- the prices, extensions, calculations, discounts, other allowances, credits and V.A.T. are correct;
- the relevant expenditure has been properly incurred;
- appropriate entries have been made in inventories, stores or stock records;
- the order/voucher has not been previously passed for payment, and is properly payable by the Council.

16.6 Duly invoices/certified vouchers shall be passed without delay to the Head of Finance and/or input into the Council's accounts payable system, who shall examine them as is considered necessary and where appropriate will be entitled to make enquiries and to receive such information and explanations as is required.

16.7 Each Chief Officer shall, not later than a date, as specified each year by the Head of Finance, notify the Head of Finance of any outstanding expenditure relating to the previous financial year.

17 Salaries & Wages

17.1 The payment of all salaries, wages, gratuities, compensation and other emoluments to all employees or former employees of the Council shall be made by, or under arrangements approved and controlled by, the Head of Service responsible for payroll administration.

17.2 Each Chief Officer, as appropriate, shall notify the Head of Service responsible for payroll administration by paper or electronic means including input to the Council's corporate personnel system, of all matters affecting the payment of salaries, wages and other emoluments and in particular:

- appointments, resignations, dismissals and suspensions;
- absences from duty for sickness or other reasons, apart from annual leave;
- changes in remunerations, other than normal increments and pay awards and agreements of general applications;
- information necessary to maintain records of service for superannuation, income tax, national insurance and similar purposes.

17.3 With particular regard to resignations or dismissals of staff, each Chief Officer shall notify the Head of Service responsible for payroll administration immediately it becomes known that an employee's employment is to terminate, for whatever reason. At the same time the Chief Officer shall notify the Head of Service responsible for payroll administration of any outstanding amounts that may have to be recovered from the employee, for example, in respect of post entry training costs, aids to recruitment costs or outstanding car loans.

17.4 Any report concerning the early retirement of an employee, for any reason, shall include the views of the Head of People and Transformation and a calculation of the costs in a form approved by the Head of Service responsible for payroll administration.

17.5 All time records and other pay documents shall be in a format approved by the Head of Service responsible for payroll administration and shall be certified in writing, or as otherwise directed, by or on behalf of the relevant Chief Officer.

17.6 All Chief Officers shall supply to the Head of Service responsible for payroll administration, and regularly update where necessary, the names of the officers they authorise to sign such documents or input such data, together with the officer's specimen signatures and / or computer identification codes.

17.7 Appointments of all employees shall be made in accordance with the Standing Orders of the Council within the approved establishments, grades and rates of pay.

18 Security

18.1 All Chief Officers are responsible for maintaining proper security, at all times, of the buildings, stocks, furniture, equipment, cash and assets under their control. No Council property shall be sold or otherwise disposed of without the approval of the appropriate Chief Officer in consultation with the Head of Finance. Any such disposal must be in accordance with Standing Orders.

18.2 The Head of Finance shall issue instructions concerning the limits of cash holdings, and in no circumstances should these be exceeded without the Chief Officer's express authority.

18.3 Instructions will also be issued by the Head of Finance with regard to the frequency of banking and deposits with the bank, Girobank or the Finance Division Revenue Section/Council Tax Offices.

18.4 All Chief Officers shall make sufficient arrangements for the security, custody and availability of keys to safes and similar receptacles in their Service Area. Any loss of such keys shall be reported to the Head of Finance as soon as possible.

18.5 In cases of burglary and break-in the Chief Officer shall notify the Police immediately. The Head of Finance should then be informed of all such incidents including details of losses incurred as soon as possible.

18.6 The Head of Service responsible for IT shall be responsible for maintaining proper security and privacy with regards to information held in the corporate computer installation and all its systems, and for their use, including Internet.

18.7 Each Chief Officer shall be responsible for maintaining proper security and privacy in respect of information held in other computer equipment and related systems within their Service Area.

18.8 The Chief Executive shall be responsible for ensuring all aspects of the Data Protection Act 1998 are complied with by the Council.

18.9 Officers who have Internet access, or other I.T facilities, should restrict their use to work related matters other than with the express approval of their Chief Officer. Members who have Internet access, or other I.T facilities or equipment provided by the Council should ensure that they are properly used for the purposes of their role as a Councillor.

19 Stocks & Stores

- 19.1 Each Chief Officer shall be responsible for the care and custody of the stocks and stores in their service area.
- 19.2 All stores records shall be in a format approved by the Head of Finance.
- 19.3 Stocks shall not be in excess of normal requirements, as determined by the Chief Officer in consultation with the Head of Finance, except in special circumstances after consultation with the Head of Finance.
- 19.4 Where stocks and stores are held the Chief Officer shall arrange for a system of continuous stock taking to be undertaken and shall ensure that all stocks are checked at least once a year.
- 19.5 Chief Officers shall be required to submit to the Head of Finance, where appropriate, a certificate indicating the value of stocks, stores and work in progress at 31 March each year. Such certificates shall be provided to the Head of Finance by the end of April each year.
- 19.6 The Head of Finance shall be entitled to examine and check stores and records, and be supplied with such information relating thereto as may be required for the accounting, costing and financial records of the Council.

20 Financial Instructions & Procedures

- 20.1 From time to time the Head of Finance or the Chief Officer in consultation with the Head of Finance, shall issue Financial Instructions as is deemed necessary for the guidance of all employees of the Council who handle cash or deal with financial matters during the course of their duties. All such instructions will be deemed to have the same authority as if they were specifically referred to in Financial Regulations.
- 20.2 It will be the responsibility of each Chief Officer to ensure that every such employee in their division has access to a copy and complies with all Financial Instructions relevant to their duties.

21 Leasing

- 21.1 The Head of Finance shall be responsible for obtaining quotations from Finance Houses providing lease arrangements for the acquisition of buildings, plant, vehicles and equipment in accordance with European Union directives.
- 21.2 No leasing arrangements should be entered into as a means of acquiring assets unless agreed with Head of Service and with consultation of the capital accountant as the most efficient means of acquiring the asset.
- 21.3 Provision within Service estimates to cover the annual costs of leasing should be made only following consultation with the Head of Finance.
- 21.4 Sale/Lease-back and operating leasing arrangements also come within this regulation.

22 Officers' Fees, Travelling & Subsistence Allowances & Incidental Expenses

22.1 All claims for payment of fees, car allowances, subsistence allowances and travelling and other expenses shall be submitted and/or input to the corporate Payroll system, duly certified, in a format approved by the Head of Service responsible for payroll, to the payroll team as soon as possible following the end of the monthly period in which they are incurred.

22.2 All subsistence claims will be reimbursed in accordance with guidelines issued by the Head of Service. Claims will only be reimbursed if supported by a valid VAT receipt.

22.3 Each Chief Officer shall supply to the Head of Service, for approval, names, designations and specimen signatures of officers they propose shall sign such claims. Where approval is carried out on-line then names, designations and computer identification codes shall be submitted to the Head of Service.

22.4 The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, properly and necessarily incurred and the fees and allowances are properly payable by the Council.

22.5 Claims submitted more than three months after fees were earned or the expenses incurred must be accompanied by an explanatory letter of the delay and will only be paid on the express approval of the Head of Service and only when the reasons for delay are exceptional.

22.6 All payments of incidental expenses such as removal, lodging and disturbance allowances and training course fees, etc. shall be made in accordance with the appropriate scheme approved by the Council.

22.7 Payments to members of the Council or its Committees who are entitled to claim travelling or other allowances, will be made by the Head of Service on receipt of the prescribed form duly completed. All claims for a financial year are to be submitted within one month of 31 March. Details of payments made to members will be retained by the Head of Service and made available for public inspection when appropriate.

23 Protection of Private Property

23.1 The Head of Regeneration, Investment & Housing or any other Chief Officer where appropriate, shall notify the Head of Finance promptly of any cases where it is considered necessary to take into the possession of the Council or that officer any moveable property belonging to a third party in order to prevent or mitigate loss or damage to such property. In such cases the appropriate Chief Officer shall arrange for the preparation in the presence of two officers of an itemised inventory of all such property. The appropriate Chief Officer must make arrangements for each such inventory to be kept securely.

23.2 All valuables such as jewellery, watches and other small articles of a similar nature and documents of title belonging to a third party shall be held in safe custody and in a secure environment as is approved by the Head of Finance.

23.3 Any such items taken into the possession of the Council shall not be disposed of without the written approval of the Head of Finance.

24 Purchasing Cards

24.1 The purchasing card system is designed to support the current Purchase 2 Pay purchasing and invoicing process and should not be considered as a replacement mechanism to bypass the formal requisition and approval process.

24.2 A Purchasing Card is provided to nominated staff to purchase low value goods and services that would normally require a Purchase Order. Purchasing Card transactions do not require a Purchase Order. The Purchasing Card transactional and card monthly spend limits are set out below.

24.3 The Purchasing Card shall only be used for the following requirements unless specifically authorised by the Purchasing Card Administrator:

- The purchase would result in a low value (sub £100) order being processed.
- There is a valid and urgent requirement to purchase goods or services.
- Traditional order methods cannot be used (e.g. internet only services).

24.4 Purchasing Cards should not be considered for use where it would result in the bypassing of Corporate Procurement rules.

24.5 Card Holder Supervisors will be responsible for carefully checking the transactions on Barclaycard Spend Management and ensure that the purchases are appropriate and that all of the Council's procedures have been observed. It is expected that supervisors will check transactions against physical receipts provided. If the Supervisor is not willing to approve a purchase made on the card by the cardholder then they should notify the Purchasing Card Administrator immediately who will then escalate to Internal Audit.

Cardholder Responsibilities

24.6 The cardholder is responsible for:-

- Ensuring that the monthly Card Provider Purchasing Card statements are reconciled, approved on the system by the Cardholder
- Ensuring that all relevant receipt documentation is received from suppliers to ensure reconciliation of card spend meets HMRC requirements by providing tax (e.g. VAT) receipts (original physical copies must be retained).
- Ensuring that the card and PIN is kept safe and secure at all times.

- Ensuring that the card is only used to purchase goods and services on behalf of the Council.
- Ensuring that lost or stolen cards must be reported to the Card Provider and the Purchasing Card Administrator immediately. The card will be cancelled, a replacement card will normally be despatched within seven (7) days. If the lost or stolen card is subsequently found, the card must be destroyed.
- Notifying the Purchasing Card Administrator of any changes to personal details e.g. change of name, home address, location, position within the company. If the Cardholder leaves the Council their card must be returned to the Purchasing Card Administrator where it will be cancelled and destroyed.
- Ensuring that expired or cancelled cards are destroyed.