

FINANCIAL PROCEDURE RULES

1.0 Introduction

- 1.1 Financial Procedure Rules provide the framework for managing the authority's financial affairs and contribute to good governance. In addition, they assist with sound administration, reduce the risk of irregularities and support delivery of effective, efficient and economical services.
- 1.2 The Financial Procedure rules apply to all Officers and Members of the Council and anyone acting on behalf of the Council. It is the responsibility of Directors and their Managers to ensure that all staff in their directorates are aware of their responsibilities according to the Financial Procedure Rules and other internal regulatory documents (e.g. the Anti-Fraud and Corruption Policy) and comply with them. The financial Procedure rules are complimentary to:
- Any legislation affecting the functions of the council;
 - The standing orders of the council;
 - The codes of conduct for Members and employees;
 - Any directions agreed under any agreement where the council acts as agent for other organisations.
- 1.3 In order to assist Members and Officers, the Financial Procedure Rules are set out in self-contained sections each covering a specific area of control. Where appropriate the Financial Procedure Rules are supported by detailed procedure notes. These guidance notes, though printed under separate cover, must be treated as an integral part of the Financial Procedure Rules.
- 1.4 Officer specific positions and/or Officers are named in the Financial Procedure Rules and it is their responsibility to ensure compliance. However, if the named Officer wishes for reasons of practicality to delegate their authority to another appropriate Officer in their area this is permissible as long as it has been agreed in advance with the Chief Finance Officer and a record kept of such delegations in a form approved by the Chief Finance Officer.
- 1.5 The council is responsible for setting the overall framework and approving these financial procedure rules which govern how the council operates. The Cabinet is responsible for overseeing matters relating to the council's finances, both revenue and capital, resources. The Cabinet's duties include recommending to council policies on overall control, monitoring, planning and allocation of its financial resources.
- 1.6 All Directors, Assistant Directors and Managers are responsible for ensuring that all Officers and agents under their control are aware of the existence and extent of the Financial Procedure Rules and other regulatory documents and that they comply with them. Failure to comply with Financial Procedure Rules or Financial Guidance may result in disciplinary action.
- 1.7 Any changes to Financial Procedure Rules shall be subject to consideration by the Audit and Standards Committee which will make recommendations to Council.
- 1.8 In line with the scheme of delegation in an emergency situation the Head of Paid

service shall be able to exercise the waiving of these procedure rules, where this is possible this shall be in consultation with the Chief Finance Officer, Monitoring Officer and Leader/Deputy of the Council and or their. Following the decision, a full report will be submitted to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of emergency.

2.0 Financial Administration

- 2.1 Any major organisation requires a set of clearly understood rules and regulations for the management of its financial affairs. Section 151 of the Local Government Act (LGA) 1972 places a duty on the Council to make arrangements for the proper administration of its financial affairs, including the appointment of a Chief Finance Officer. The Director for Corporate Services is for the purposes of Section 151 of the Local Government Act 1972 the “designated” Officer responsible for the proper administration of the Council’s financial affairs.
- 2.2 The Chief Finance Officer shall make a report to the Council under the requirements of Section 114 of the Local Government Finance Act 1988, if required in accordance with the act.
- 2.3 All Members and Officers have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised and provides value for money.
- 2.4 Only the Council’s corporate systems are to be used for financial transactions. Changes may not be made to financial systems without the agreement of the Chief Finance Officer. Relevant records should be maintained and retained.
- 2.5 Consultation should take place with the Chief Finance Officer on any matter that is liable materially to affect the finances of the Council, before any commitment is incurred or a bid for external funding is made.
- 2.6 No decision should be taken without the financial implications being fully considered and this shall include any committee or delegated decision reports.

3.0 Financial Management

- 3.1 All staff and Members have a duty to abide by the highest standards of probity in dealing with financial issues. This is facilitated by ensuring everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.
- 3.2 Responsibilities of the Director for Corporate Services
- To ensure the proper administration of the financial affairs of the Council.
 - To set the financial management standards and to monitor compliance with them.
 - To ensure proper professional practices are adhered to and to act as head of profession in relation to the standards, performance and development of finance staff throughout the Council.
 - To advise on the key strategic controls necessary to secure sound financial

management.

- To ensure that financial information is available to enable accurate and timely monitoring and reporting.

3.3 Responsibilities of Directors/Assistant Directors

- To promote the financial management standards set by the Chief Finance Officer in their services and to monitor adherence to the standards and practices, liaising as necessary with the Chief Finance Officer.
- To promote sound financial practices in relation to the standards, performance and development of staff in their services.

4.0 Revenue Budget Setting and Medium Term Financial Planning

4.1 The Council is a complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. The budget is the financial expression of the Council's plans and policies.

4.2 The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and corporate priorities of the Council. Budgets (spending plans) are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement and supplementary estimates operate, the operation of cash limits and sets the level at which funds may be reallocated within budgets.

4.3 Medium-term financial planning (or a three-to-five-year planning system) involves looking forward over a given period to assess the impact of known or likely changes on the Council's financial position. As each year passes, another future year will be added to the medium-term plan. This ensures that the Council is always preparing for events in advance.

4.4 The Council shall set the council tax level and approve a budget each year by 11th March. The Cabinet will recommend a budget to Council. The recommended budget from Cabinet to Council shall, as a minimum, contain:

- The proposed council tax requirement;
- The proposed use of reserves;
- The proposed band D council tax;
- The service level budgets for each service and any growth and saving proposals;
- A forward projection of the medium term financial position;
- An analysis of financial risks that might impact on the budget; and
- The results of consultation and equalities impact assessments.

4.5 Responsibilities of the Director for Corporate Services

- To determine the format and timetable for the preparation of revenue estimates by services.
- To ensure the format complies with all legal requirements and with accounting

codes and policies.

- To provide financial advice and support to services in the preparation of revenue estimates.
- To prepare and submit reports to the Cabinet and Council on the aggregate spending plans and on the resources available to fund them, identifying, where appropriate, the implications for the level of Council Tax to be levied.
- To advise cabinet and council on the robustness of the estimates and adequate levels of reserves and balances.
- To ensure the budget is accurately recorded in the financial system.
- To advise on the medium-term financial implications of spending decisions.
- To encourage the best use of resources and value for money by working with Directors/Assistant Directors to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals in the support of the development of savings options, and in developing financial aspects of service planning.

4.6 **Responsibilities of Directors/Assistant Directors**

- Working closely with respective Portfolio holders and the Cabinet prepare draft revenue budgets which are in accordance with the corporate strategy and priorities and in a format approved by, and to a timetable specified by the Chief Finance Officer.
- To comply with accounting guidance provided by the Chief Finance Officer.
- To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.
- When drawing up draft budget requirements, to have regard to:
 - (a) spending patterns and pressures revealed through the budget monitoring process;
 - (b) legal requirements;
 - (c) policy requirements as defined by the Council in the approved policy framework;
 - (d) initiatives already under way.
- to assess the financial implications of any future service level changes which could affect the medium term financial plan and make the Chief Finance Officer aware.
- Where budget holding responsibilities are delegated, Directors/Assistant Directors retain responsibility for ensuring compliance with these procedure rules within their service.

5.0 **Managing Revenue Expenditure**

- 5.1 Expenditure needs to be managed with a degree of flexibility within the overall policy framework determined by the Council, and therefore to optimise the use of resources. Budget management ensures that once the budget has been approved by the Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.

5.2 By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. The Council itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the cash-limited budget allocated to it.

5.3 For the purposes of budgetary control by budget holders, a budget will normally be the planned income and expenditure for a service area, cost centre, project or programme of activity. However, budgetary control may take place at a more detailed level if this is required.

5.4 **Responsibilities of the Director for Corporate Services**

- To establish an appropriate framework of budgetary management and control that ensures that:
 - (a) budget management is exercised within annual cash limits unless the Council agrees otherwise;
 - (b) each director and budget holder has available timely information on receipts and payments and commitments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities;
 - (c) expenditure is committed only against an approved budget head;
 - (d) all Officers responsible for committing expenditure comply with relevant guidance, and financial procedure rules;
 - (e) each service/cost centre has a named budget and deputy budget holder, determined by the relevant Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure;
 - (f) significant variances from approved budgets are investigated and reported as deemed appropriate by budget holders regularly.
- To administer the Council's schemes for approving virements, supplementary estimates and identifying surplus monies.
- To prepare and submit reports to the Cabinet on the Council's projected income and expenditure compared with the budget on a regular basis.

5.5 **Responsibilities of Directors/Assistant Directors**

- To maintain budgetary control within their service areas ensuring that spending remains within a service's overall cash limit, and that individual budget heads are not overspent by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- To report progress on the implementation of service budgets to the Chief Finance Officer in such a manner and to such timescales specified for the purpose of financial monitoring.
- To liaise with other services where it appears that a budget proposal, including a virement or supplementary estimate proposal, may impact materially on another service area.
- to appoint and notify the Chief Finance Officer of nominated budget and deputy holders for each service who should be responsible only for income and expenditure that they can influence. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits

expenditure.

- To ensure budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities.
- To ensure budget managers follow an approved certification process for all expenditure and that all income and expenditure is properly recorded and accounted for.
- Where it cannot be accommodated within the regular budget monitoring reports or in exceptional circumstances submit a report to the Cabinet in consultation with finance where a service is unable to balance expenditure and resources within existing approved budgets under his or her control.
- To ensure that a monitoring process is in place to review performance levels/level of service in conjunction with the budget.
- To ensure prior approval by the Council or Cabinet (as appropriate) for new proposals where this cannot be met from within delegated powers and are outside the policy framework.
- To ensure compliance with the schemes for approving virements, supplementary estimates or identifying surplus monies.
- To ensure expenditure is incurred in line with financial and contract procedure rules.

6.0 **Scheme of Virement – Revenue Budgets**

- 6.1 The scheme of virement is intended to enable Directors/Assistant Directors and budget holders to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, and therefore to optimise the use of resources. It is administered by the Chief Finance Officer within guidelines set out within these financial procedure rules.
- 6.2 The overall budget is set by the Council. Budget holders are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The procedures for virements is the mechanism for moving resources between approved estimates or heads of expenditure. For the purposes of this scheme, a budget head is considered to be a line in the approved estimates, or, as a minimum, at an equivalent level to the standard service subdivision as defined by CIPFA's Service Expenditure Analysis, i.e. employees, premises etc.
- 6.3 A virement does not create additional overall budget liability and therefore should not lead to an overspend. A virement should not be used where one off savings are used to fund recurring expenditure thereby creating future commitments, including full-year effects of decisions made part way through a year, for which future resources have not been identified.
- 6.4 Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that:
- (a) the amount is used in accordance with the purposes for which it has been established;
 - (b) The Cabinet/Council has approved the basis and the terms, including financial limits, on which it will be allocated. Individual allocations in excess of the financial limits should be reported to the Cabinet/Council.
- 6.5 The movement of budgets between services as a result of changes in management

responsibility or changes in accounting policy or other changes that do not affect the amount available for service provision are not classed as virements and can be approved by the Chief Finance Officer.

- 6.6 A Virement that is likely to impact on the level of service activity of another service area should be implemented only after agreement with the relevant service.
- 6.7 No virement relating to a specific financial year should be made after 31 March in that year.
- 6.8 In all cases the overall budget position of the council will be considered and virements should not be requested by Directors/Assistant Directors or the Chief Finance Officer if underspends in some services are required to meet overspends in other areas. In all cases the competing demands and priorities as identified in the Corporate strategy will be paramount.
- 6.9 Directors/Assistant Directors may request to vire sums within service budgets without limit provided such virement does not give rise to a change of council policy or amend the permanent establishment. All such approval should be approved by the Chief Finance Officer in the format requested.
- 6.10 Directors/Assistant Directors may request to vire sums between any two service budgets within their directorate or between directorates without limit, provided such virement does not give rise to a change of council policy or amend the permanent establishment. There is an obligation to consider the corporate strategic needs prior to undertaking any virement. All such approvals should be approved by the Chief Finance Officer in the format requested. Where the amount is over £50k there must be compliance with the [access to information procedure rules](#).

6.11 **Responsibilities of the Director for Corporate Services**

- To set out the procedure for the approval of virements.
- To keep a record of all virements and ensure the finance system is updated in respect of approvals given.

6.12 **Responsibilities of Directors/Assistant Directors**

- To ensure compliance in their service areas with the procedures put in place by the Chief Finance Officer for the scheme of virements.
- To consider in consultation with the Portfolio Holder and Monitoring Officer, if necessary, if a proposed virement would give rise to a change of council policy and whether therefore Cabinet or Council approval is required

7.0 **Identification of Surplus Monies**

- 7.1 In order to maintain budget flexibility it is important to ensure surplus monies are identified at the earliest point possible during the financial year to enable budgets to be adjusted and any resulting savings to be diverted to those service areas which have been identified as high priority for additional funding or used to help contribute to future needs or deficit identified in the medium term financial strategy.

7.2 **Responsibilities of Director for Corporate Services**

- To ensure appropriate accounting procedures are in place to identify underspends against approved budgets.
- To set out the process to be followed to adjust budgets accordingly in consultation with budget holders.
- To be accountable for the balance of surplus monies held unallocated and their redistribution to support in year budget pressures.

7.3 **Responsibilities of Directors/Assistant Directors**

- To provide to the Chief Finance Officer Justifications for any underspends against approved budgets when requested.
- In calculating the underspend the standard service sub-division as defined by CIPFA's Service Expenditure Analysis, i.e. employees, premises, etc. or its equivalent will be used.
- to ensure that within their service areas any budget holders notify the Chief Finance Officer as soon as they become aware of any surplus budgets within their services and surrender these accordingly in support of the corporate strategy and priorities.

8.0 **Supplementary Estimates – Revenue Budgets**

8.1 The Budget is set on an annual basis and events do occur that require additional spending within the year. This is particularly the case where there is a statutory requirement which cannot be avoided.

8.2 Any un ring fenced grants will be allocated as agreed with the Senior Leadership Team.

8.3 Where the Council receives ring fenced grant income either through a bidding process or new burdens funding other than that identified in the approved budget, an additional budget will be created and Directors/Assistant Directors will be allowed to incur expenditure in line with the conditions of the grant. Cabinet or Council approval is not required as the Council has no discretion over how the funds are used.

8.4 **Responsibilities of the Director for Corporate Services**

- To provide budget holders with information on spending and commitments against approved budgets.
- To administer the scheme for approving supplementary estimates from surplus monies as set out within these Financial Procedure Rules.
- To support Directors/Assistant Directors with any reports to the Cabinet/Council where a request for a supplementary estimate is outside of the delegation to the Chief Finance Officer or the Chief Finance Officer chooses not to exercise his or her delegation.

8.5 **Responsibilities of Directors/Assistant Directors**

- To keep under constant review spending and commitments against approved budgets within their service areas.
- To be aware of the factors, which influence their budgets, to keep these factors under review and to adjust forecasts throughout the year to reflect their current

view of what has happened and what is forecast to happen during the remainder of the year.

- Where these forecasts result in an overspend of the total, take action to eliminate this overspend. This could be through the following mechanisms:
 - (a) Curtail/reduce expenditure within the service concerned;
 - (b) Reduce expenditure elsewhere within the service or other budgets they control;
 - (c) Vire monies from other budget heads where there is a surplus or expenditure can be curtailed;
 - (d) Look for opportunities to obtain a virement from elsewhere within the Council.
- To submit such requests in the form and the manner prescribed by the Chief Finance Officer.
- Not to incur expenditure which cannot be met from the approved budget or any supplementary estimates that has been approved for the specific purpose.

9.0 CAPITAL PROGRAMMES

- 9.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Council, such as land, buildings, and major items of plant, equipment or vehicles. The Council operates a de minimis level of £10k below which expenditure will be treated as revenue unless it is being met from a capital grant. Capital assets shape the way services are delivered in the long-term and create financial commitments for the future in the form of financing costs and revenue running costs.
- 9.2 The Government places controls on the financing capacity of the authority. This means that capital expenditure should form part of the medium-term financial planning strategy and should be carefully prioritised in order to maximise the benefit of scarce resources. Capital need should be planned and be reflected in the council's Asset Management Plan and Capital Strategy.
- 9.3 The Cabinet shall submit to the Council a programme of capital expenditure for such future periods and in such form and by such dates as the Council requires. The Council will approve expenditure as set out in the capital programme with the exception of where an item can be fully funded from an external funding source or from within the Council's renewals and repair funds, where the expenditure is in accordance with this, in which case executive approval is required.
- 9.4 Capital expenditure will follow the Project Management Appraisal Process.
- 9.5 Progress will be monitored in terms of scheme progress and expenditure in comparison with the budget in line with the reporting timetable set out by the Chief Finance Officer.
- 9.6 Directors/Assistant Directors shall be able to adjust the timing of delivery of capital projects between financial years in consultation with the portfolio holder and Chief Finance Officer.
- 9.7 No expenditure may be incurred on a scheme funded by grant or third party contributions without written confirmation of these resources.

9.8 There may be exceptional circumstances whereby it is financially beneficial to the Medium Term Financial Plan and thereby the Revenue Account to change how projects are funded (e.g. to avoid borrowing costs) if the financial context has altered when preparing the outturn. The Chief Finance Officer in preparing the outturn will seek approval of any changes from Council if changes involve using new funds are not listed in the original programme.

9.9 Some capital assets such as vehicles and equipment can be leased. All Officers must consult the Chief finance Officer before entering into any leasing arrangements.

9.10 **Responsibilities of the Director for Corporate Services**

- To prepare capital estimates jointly with Directors/Assistant Directors and to report them to the Cabinet who will make recommendations on the capital estimates and on any associated financing requirements to the Council.
- To prepare and submit reports to the Cabinet on the projected income, expenditure and resources compared with the approved estimates.
- To issue guidance concerning capital schemes and controls, for example, on project appraisal techniques or the operation of the Project Management Appraisal System. The definition of 'capital' will be determined by the Chief Finance Officer having regard to Government regulations and accounting requirements.
- To keep under review the funding sources utilised to fund the capital programme in order to maximise limited capital resources.
- To undertake financial appraisals on any lease proposals made by services and once a lease is approved enter all the information required onto the lease register.

9.11 **Responsibilities of Directors/Assistant Directors**

- To comply with guidance concerning capital schemes and controls issued by the Chief Finance Officer.
- To follow the procedure set out in the latest Project Management Appraisal System as regards the inclusion of new schemes in the Programme, in seeking funding for its programme of capital works and in reporting variations and seeking approval to changes in the work of individual services.
- To ensure that adequate records are maintained for all capital contracts.
- To proceed with projects only when there is adequate provision in the capital programme.
- To ensure there are proper arrangements within their service areas for monitoring physical and financial progress of capital schemes.
- To consult with the Portfolio Holder and Chief Finance Officer when the timing of capital expenditure is re-profiled between financial years before proceeding.
- To prepare and submit reports, jointly with the Chief Finance Officer to the Cabinet/Council of any variation in individual scheme costs greater than the approved limits.
- To ensure that credit arrangements, such as leasing arrangements, are not entered into without the prior approval of the Chief Finance Officer and, if applicable, approval of the scheme through the capital programme. In such cases Officers must collate and provide any information required by Finance in

order for a financial appraisal to be undertaken into proposed arrangements. Any lease agreement must be reviewed by Legal services before being signed.

10.0 **Treatment of Year End Balances**

10.1 Appropriate procedures need to be in place to provide for the carrying forward of under and overspendings on budget headings at the year end. Net underspends on service estimates under the control of a budget holder may be carried forward, subject to the appropriate approval following a report setting out the source of the underspending or additional income and the proposed application of those resources. The approval must be given no later than 30 April in any year. Generally requests should only be made for specific items of underspend and be for a clearly defined purpose. In some cases overspends within a budget holders control may be considered for carry forward and will form the first call on resources in the next financial year.

10.2 **Responsibilities of the Director for Corporate Services**

- To determine the process to be followed with regard to requests for carry forward of unspent budgets at the year end and coordinate the submission of requests to the Cabinet for approval.
- To ensure appropriate accounting procedures are in operation to ensure that carried-forward amounts can be identified and totals are correct.

10.3 **Responsibilities of Directors/Assistant Directors**

- To comply with the process and timescale determined by the Chief Finance Officer for the treatment of year end balances.

11.0 **Maintenance of Reserves**

11.1 The Council must decide the level of general reserves it wishes to maintain before it can decide the level of Council Tax. Reserves are maintained as a matter of prudence. They enable the Council to provide for unexpected events and thereby protect it from overspending, should such events occur. Reserves for specific purposes may also be maintained, such as the purchase or renewal of capital items.

11.2 Reserves must be maintained in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC) and agreed accounting policies. For each reserve established, the purpose, usage and basis of transactions should be clearly identified along with the authorisation process for the use of each reserve.

11.3 Cabinet is authorised to approve transfers from earmarked reserves without limit provided the basis of the use of the reserve is consistent with its original purpose.

11.4 **Responsibilities of the Director for Corporate Services**

- To advise the Cabinet and/or the Council on prudent levels of reserves for the Council, and to take account of agreed accounting policies and the advice of the external auditor in this matter.
- To maintain a record of reserves in accordance with required codes of practice.

11.5 **Responsibilities of Directors/Assistant Directors**

- To ensure that resources are used only for the purpose for which they were intended.

12.0 **Accounting Policies**

12.1 The Chief Finance Officer is responsible for the preparation of the Council's statement of accounts, in accordance with proper practices as set out in the format required by the Code of Practice on Local Authority Accounting in the United Kingdom (CIPFA/LASAAC), for each financial year ending 31 March. A system of internal control should be in place to ensure that financial transactions are lawful.

12.2 **Responsibilities of the Director for Corporate Services**

- To select suitable accounting policies and to ensure that they are applied consistently.
- To ensure financial statements are prepared which present fairly the financial position of the Council and its expenditure and income.

12.3 **Responsibilities of Directors and Assistant Directors**

- To adhere to the accounting policies and guidelines approved by the Chief Finance Officer.

13.0 **Accounting Records and Returns**

13.1 Maintaining proper accounting records is one of the ways in which the Council discharges its responsibility for stewardship of public resources. The Council has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year. These are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of the Council's resources.

13.2 **Responsibilities of the Director for Corporate Services**

- To determine the accounting procedures and records for the Council. Where these are maintained outside the Finance team, the Chief Finance Officer should consult the Director/Assistant Director concerned.
- To arrange for the compilation of all accounts and accounting records under his or her direction.
- When allocating accounting duties, separating the responsibilities of providing information about sums due to or from the Council and calculating, checking and recording these sums from the responsibility for collecting or disbursing them.
- Ensuring employees with the duty of examining or checking the accounts of cash transactions are not themselves engaged in these transactions.
- To ensure that all claims for corporate funds including grants are made by the due date.
- To ensure the proper retention of financial documents in accordance with best

practice and any statutory requirements.

- Ensure all finance staff operate within the required accounting standards and timetables.
- Ensuring all the financial transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis.
- To ensure that a complete audit trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.
- To incorporate appropriate controls to ensure that, where relevant all input is genuine, complete, accurate, timely and not previously processed, all processing is carried out in an accurate, complete and timely manner and output from the system is complete, accurate and timely.
- Ensuring reconciliation procedures are carried out to ensure transactions are correctly recorded.
- Ensuring prime documents are retained in accordance with legislative and other requirements.
- To ensure that accounting records are properly maintained and held securely.
- Ensuring procedures are in place to enable accounting records to be reconstituted in the event of systems failure.

13.3 Responsibilities of Directors/Assistant Directors

- To consult and obtain the approval of the Chief Finance Officer before making any changes to accounting records and procedures.
- To ensure all Officers within their service area operate within the required accounting standards and timetables.
- When allocating accounting duties, separating the responsibilities of providing information about sums due to or from the Council and calculating, checking and recording these sums from the responsibility for collecting or disbursing them.
- To ensure employees with the duty of examining or checking the accounts of cash transactions are not themselves engaged in these transactions.
- To maintain adequate records to provide an audit trail leading from the source of income/expenditure through to the accounting statements.
- To ensure prime documents are retained in accordance with legislative and other requirements and that vouchers and documents with financial implications are not destroyed, except in accordance with arrangements approved by the Chief Finance Officer.
- To ensure all the Council's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis.
- To ensure reconciliations within their directorate are carried out to ensure transaction are correctly recorded.

14.0 The Annual Statement of Accounts

- 14.1 The Council has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. To this end the Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its Officers has the responsibility for the administration of these affairs. In this Council, that Officer is the Director for Corporate Services.

14.2 The Council's statement of accounts must be prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) (CIPFA/LASAAC) and in line with the statutory timetable and make these available to the public.

14.3 **Responsibilities of the Director for Corporate Services**

- To select suitable accounting policies and to apply them consistently.
- To make judgements and estimates that are reasonable and prudent.
- To comply with the all relevant codes financial standards.
- To prepare and publish the audited accounts of the Council for each financial year, in accordance with the statutory timetable.
- To sign and date the statement of accounts, stating that it presents fairly the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March.
- To draw up the timetable for final accounts preparation and to advise staff and external audit accordingly.
- To make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit Regulations 2015.

14.4 **Responsibilities of Directors/Assistant Directors**

- To comply with accounting guidance provided by the Chief Finance Officer.
- To supply information required to enable the statement of accounts to be completed in accordance with guidelines issued by the Chief Finance Officer.

15.0 **Financial Systems and Procedures**

15.1 Departments have many systems and procedures relating to the control of the Council's assets, including purchasing, costing and management systems. Departments are reliant on digital technology for their financial management information. The information must therefore be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly. On an annual basis as part of the Annual Governance Statement completion Directors/Assistant Directors will be asked to confirm the effective operation of finance systems in their service areas.

15.2 The Chief Finance Officer has a professional responsibility to ensure that the Council's financial systems are sound and should therefore be notified of any new developments or changes.

15.3 Systems should as a minimum ensure basic data exists to enable the Council's objectives, targets, budgets and plans to be formulated and performance to be communicated to the appropriate managers on an accurate, complete and timely basis. Exception reporting should be in place to ensure an early warning is provided of deviations from target, plans and budgets that require management attention.

15.4 Systems and procedures need to be secure to protect the council's data.

15.5 **Responsibilities of the Director for Corporate Services**

- To determine the accounting systems, form of accounts and supporting financial records.
- To provide a corporate systems for the preparation of the accounts and monitoring income and expenditure.
- To approve any new financial systems to be introduced.
- To approve any changes to be made to existing financial systems.
- To ensure there is a documented and tested disaster recovery plan in place for centralised financial systems to allow information system processing to resume quickly in the event of an interruption.
- To ensure that systems are documented and staff trained in operations.
- To maintain lists of authorised Officers, with specimen signatures and delegated limits as provided by Directors/Assistant Directors.

15.6 Responsibilities of Directors/Assistant Directors

- To utilise the corporate financial system to accurately record the financial transactions of their services and comply with any guidance issued by the Chief Finance Officer.
- To maintain any subsidiary information and records as necessary to effectively monitor expenditure, income and expenditure and support and returns and accounts.
- Prior to their introduction agree with the Chief Finance Officer any new financial systems or amendments to existing financial systems.
- To ensure there is a documented and tested disaster recovery plan in place for financial systems within their services to allow information system processing to resume quickly in the event of an interruption.
- To ensure that systems are documented and staff trained in operations.
- To identify Officers authorised to act upon the Directors/Assistant Directors behalf in respect of payments, income collection and placing orders, including variations and showing the limits of their authority.
- To supply lists of authorised Officers, with specimen signatures and delegated limits, to the Chief Finance Officer together with any subsequent variations.
- To ensure compliance with data protection and other information legislation and that staff are aware of their responsibilities under the legislation.

16.0 Income Identification and Collection

- 16.1 Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cash flow and also avoids the time and cost of administering debts.
- 16.2 Scales of charges for services, except where fixed by statute, must be reviewed annually, or more frequently if required, by the relevant Director/Assistant Director and agreed with the Chief Finance Officer before being approved under delegated authority or submitted to Cabinet for approval. Directors must ensure that reviews of fees charges is undertaken in conjunction with any legislation and that the basis of any charge, e.g. cost recovery, is set out in any report/record of delegation. Consideration should be given to the Council's commercial strategy and the

establishment of fees and charges in the context of prevailing market conditions.

- 16.3 An Officer may, on no account, borrow any money temporarily for their own use, nor should they, except in the case of expenses they incur whilst travelling on Council business, make payments on behalf of the Council from their own pocket.
- 16.4 An Officer is responsible for the safe custody of any money she or he has received until it has been balanced and banked or handed over to another Officer for banking. If the money is handed over to another Officer, a receipt should be obtained from the Officer receiving it. If the money is in a sealed container, the Officer should obtain a receipt for the container.
- 16.5 Whilst money is in their custody, Officers should, at no time, leave it unattended unless it is locked in a safe place, to which the Officer alone has access, and which fulfils insurance requirements.
- 16.6 Cash received by Officers on behalf of the Council shall not be used to cash postal orders, personal or other cheques.
- 16.7 Debts may be written off as follows:
- (a) By the Revenues and Benefits Manager for debts up to £100;
 - (b) By the Chief Finance Officer in consultation with the Director for People and Communities for debts up to £2,500 in consultation with the Portfolio holder;
 - (c) Debts above £2,500 will be required to be submitted to Cabinet for approval.

When considering the value of debts, where there are multiple debts for any one debtor, these shall be considered in aggregate in order to determine the value. Debts shall not be written off at different times in order to circumvent approval limits.

16.8 **Responsibilities of the Director for Corporate Services**

- To agree arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.
- To agree the system for the supply to services of all receipt forms, books or tickets and similar items and to satisfy himself or herself regarding the arrangements for their control.
- To approve a corporate invoicing system to be used by all services.
- To ensure all appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule.
- To ensure money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.
- To maintain records/identification procedures if there is a suspicion of money laundering or a payment of more than 15,000 Euros in one or more linked transactions.
- To refer without delay to Legal Services all debts which a Director/Assistant Director has been unable to recover at reasonable effort and expense and for which normal recovery processes have been exhausted.
- To write-off bad debts up to an approved limit in each case and to adhere to the requirements of the Accounts and Audit Regulations 2003.
- To refer the matter to Internal audit in the event that there is reason to believe

that the cause of any debt being irrecoverable is attributable to fraud, theft, irregularity or the negligence of an employee. The debt shall not be written off until any necessary investigative or other action has been agreed by the Director/Assistant director and the Head of Internal audit.

- To ensure that appropriate accounting adjustments are made following write-off action.
- To approve all systems for the processing of payments by debit, credit and top up payment cards.
- To authorise the setting up and controls to operate with regard to a PayPal account for the collection of income from specific website transactions within services.
- To regularly review, update and communicate the corporate charging policy.
- To set out and communicate the process for the annual/ad hoc review of fees and charges.

16.9 Responsibilities of Directors/Assistant Directors

- To establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and to review it regularly, in line with corporate policies.
- To ensure all income due to the Council is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed.
- To ensure all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery and any VAT correctly accounted for.
- To use the approved corporate invoicing system for all credit income except in accordance with other arrangements specifically approved by the Chief Finance Officer. In giving such approval, the Chief Finance Officer shall ensure that the alternative arrangements provide for effective financial control and meet with the requirements of the appropriate taxation authorities.
- To ensure all money received by an Officer on behalf of the Council is paid without delay to the Chief Finance Officer or, as he or she directs, to the Council's nominated account properly recorded.
- To separate the responsibility for identifying amounts due, the responsibility for collection and reconciling the amount due to the amount received as far as is practicable.
- To collect amounts due in advance of providing services wherever possible. Where this is not possible to ensure credit checks are run for all commercial debtors in excess of £10,000. Debtor invoices will not be raised for amounts below £10, unless there is a legal requirement to recover e.g. ground rents, as below this amount it is not cost-effective to collect.
- To issue official receipts or to maintain other documentation for income collection.
- To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.
- To hold securely receipts, tickets and other records of income for the appropriate period.
- To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.
- To ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Money collected and

deposited must be reconciled to the bank account on a regular basis.

- To ensure income is not used to cash personal cheques or other payments, conversely to ensure Officers do not use personal payment arrangements to make payments on behalf of customers in return for reimbursement.
- To supply the Chief Finance Officer with details relating to work done, goods supplied, services rendered or other amounts due, to enable to ensure accounts are sent out promptly where these are invoiced centrally
Directors/Assistant Directors have a responsibility to assist in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf.
- To ensure effective action is taken to pursue non-payment within defined timescales.
- To write-off debts in line with limits set out under delegated authority and in a timely manner. Once raised, no bona fide debt may be cancelled, except by full payment or by its formal writing-off. A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt.
- To request the Chief Finance Officer to set up a PayPal account for their service if required and to nominate a PayPal administrator who will be responsible for the operation of the account in line with the required procedures.
- To ensure all appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule.
- to maintain records/identification procedures if there is a suspicion of money laundering or a payment of more than 15,000 Euros in one or more linked transactions.

17.0 **Ordering and Paying for Work, Goods and Services**

- 17.1 Public money should be spent with demonstrable probity and in accordance with the Council's policies. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Council's Contract Procedure Rules.
- 17.2 Every Officer and Member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council, in accordance with appropriate codes of conduct.
- 17.3 Official orders must be in a form approved by the Chief Finance Officer. Official orders must be issued for all work, goods or services to be supplied to the authority, except for supplies of utilities, periodic payments such as rent or rates where a payment register or other methods of recording/monitoring payments is more appropriate than an order, petty cash purchases or use of imprest accounts or other exceptions specified by the Chief Finance Officer for which an exemption list is maintained
- 17.4 Purchase orders shall only be raised and approved by authorised Officers. Budget provision must exist for all Purchase orders.

Purchase orders should only be raised and approved if the Contract Procedure Rules have been complied with.

[Insert CPR hyperlink](#)

If the Contract Procedure Rules have been complied the following authorisation levels are as follows:

Authorised Officer	Amount
Budget Holders	up to £10,000
Directors (including Assistant Director for Strategic Planning and Regulatory Services)	up to £500,000
Corporate Services Manager	up to £1,000,000
Director for Corporate Services	up to £1,000,000
Deputy Chief Executive	up to £1,000,000
Chief Executive	up to £3,000,000

17.5 Orders shall be raised with approved suppliers only. Officers shall notify Finance of new suppliers using a form specified by the Chief Finance Officer. Finance will maintain supplier accounts including processing changes of supplier details on receipt of authorised information received from suppliers. Finance will undertake checks on supplier information as specified by the Chief Finance Officer.

17.6 Apart from petty cash the normal method of payment from the Council shall be BACS, or cheque if that is not possible, or other instrument or approved method, drawn on the Council's bank account by the Chief Finance Officer. The use of direct debit shall require the prior agreement of the Chief Finance Officer.

17.7 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts.

17.8 **Responsibilities of the Director for Corporate Services**

- To approve the form of official orders and associated terms and conditions in consultation with the Director for Law and Governance.
- To set up suppliers and undertake any and all checks as appropriate to ensure payments are only made to approved suppliers.
- To make payments from the Council's funds on the Directors' authorisation, or on the authorisation of a person appointed by the Director to act on his/her behalf, that the expenditure has been duly incurred in accordance with financial procedure rules.
- To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a Court order.
- To make payments to contractors on the certificate of the appropriate Director/Assistant Director, which must include details of the value of work, retention money, amounts previously certified and amounts now certified in a form which satisfies VAT regulations.
- To maintain an exemption list setting out those supplies where an official order is not required to be used.
- To provide advice and encouragement on making payments by the most

economical means.

- To ensure that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.
- To ensure all tax including VAT and construction industry is correctly accounted for.

17.9 Responsibilities of Directors/Assistant Directors

- To ensure that official orders are used for all goods and services, other than the exceptions approved by the Chief Finance Officer.
- To ensure that orders are only used for goods and services for the provision of Council's services. Individuals must not use official orders to obtain goods or services for their private use.
- To ensure that only those staff authorised to do so sign orders, contracts and invoices or any other payment commitment and authorisation in line with that notified to the Chief Finance Officer. Arrangements for approved Officers should be consistent with the budgetary control framework for their area in order to ensure that budget Holders ability to manage their budgets is safeguarded.
- To provide details to finance of all new suppliers in the format prescribed in order for the appropriate checks to be undertaken by finance.
- To ensure that those authorising payments do so only when satisfied that the goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained or tenders have been obtained if necessary. Value for money should always be achieved.
- To ensure that where urgent orders are given orally that these are confirmed immediately by an official order.
- To ensure that goods and services are checked on receipt to verify that they are in accordance with the order. This check should, where possible, be carried out by a different Officer from the person who authorised the order. Appropriate entries should then be made in inventories, periodical payment record or stores records.
- To ensure payment is only be made on receipt of bona fide invoices, a goods received note duly certified, for payment in appropriate cases prepared and certified by Directors/Assistant Directors or such other Officers as delegated by them in a form which satisfies VAT regulations. The certification of an amount on an invoice by or on behalf of the Director/Assistant Director of a service shall mean:
 - (a) that the materials have been supplied, the work performed or the services rendered and that they are satisfactory as to quality and correct as to quantity;
 - (b) that the price is in accordance with the quotation, contract, agreement or current market value, whichever is applicable;
 - (c) that the account is allocated to the correct expenditure heading and is within the amount provided for that purpose;
 - (d) that the expenditure has been properly incurred and that where necessary Member approval has been obtained;
 - (e) that the price, extensions, calculations, trade discounts, other allowances, credits and tax are correct;

(f) that the account has not been previously passed for payment and is a proper liability of the Council.

- To ensure that all payments related to contracts are recorded as appropriate in the Contracts Register in line with procedures issued by the Monitoring Officer.
- To ensure that expenditure has been properly incurred and that where necessary formal approval has been obtained.
- To ensure that the service area maintains and reviews periodically a list of staff approved to authorise invoices. Names of authorising Officers together with specimen signatures and details of the limits of their authority shall be forwarded to the Chief Finance Officer.
- To ensure that payments are not made on a photocopied statement or other document other than the formal invoice. Any instances of these being rendered will be subject to scrutiny.
- To encourage suppliers of goods and services to receive payment by the most economical means for the Council. It is essential, however, that payments made by direct debit have the prior approval of the Chief Finance Officer.
- To ensure that services obtain value for money from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality, which are in line with the Contract Procedure Rules as applicable.
- To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Chief Finance Officer. This is to protect the Council against entering into unapproved credit arrangements and to ensure that value for money is being obtained.
- To notify the Chief Finance Officer immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- To ensure that all appropriate payment records are retained and stored for the defined period, in accordance with good practice and any statutory requirements.
- To ensure all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the good practice and any statutory requirements.

18.0 **Use of Credit and Procurement Cards**

18.1 The following will apply to all cards issued:

- (a) The account will be in the name of Melton Borough Council with the authorised Member of staff as the named user.
- (b) All authorised staff must complete and sign a card agreement to confirm that they accept the terms and conditions of the use, prior to using the card.
- (c) All cards must have an agreed spending limit and a set expiry date
- (d) Records and receipts must be retained to support all transactions.
- (e) Statements must be requested on a monthly basis, reconciled to a record of purchases made and submitted to Financial Services within 14 days of receipt.

18.2 **Responsibility of the Director for Corporate Services**

- To act as the Credit/Procurement Card Controller.
- To liaise with the relevant Officer to determine an upper spending limit for the card.

- To maintain a log of the following details of all cards:
 - (a) Card number
 - (b) Authorised user
 - (c) Valid/expiry dates of the card
 - (d) Card limits
 - (e) Copy of signed agreement.
- To forward monthly cardholder statements to cardholders, for assessment, coding and authorisation on receipt.
- To verify accuracy and completeness of reconciliation of monthly statements to receipts as submitted by the authorised Officer.
- To request investigation into any significant issues that has a financial implication for the Council.
- To establish a system for reviewing limits on cards, up or down or cancelling a card where the limit has been exceeded on more than one occasion. All changes to card limits etc. must be authorised.
- To request/implement a spending freeze on all lost or stolen cards.

18.3 Responsibilities of Directors/Assistant Directors

- To obtain approval for all staff in their service areas to use a credit or procurement card.
- To ensure authorised Officers within their service areas:
 - (a) Maintain a record of all card purchases;
 - (b) Obtain a VAT receipt to support all purchases;
 - (c) On receipt of monthly statement verify and authorise all entries against invoices, receipts and supplier statements showing any VAT separately, complete a payment slip detailing the appropriate general ledger codes to be used for processing;
 - (d) Reconcile the monthly statement to the purchase record;
 - (e) Attach copies of the statement and reconciliation to the purchase record and forward for certification to the authorised Officer in the service area;
 - (f) Ensure safe custody of the card at all times;
 - (g) Ensure via close monitoring that spending does not exceed the card's agreed limit;
 - (h) Sign a card agreement accepting to adhere to the Council's terms and conditions of use;
 - (i) Notify the Chief Finance Officer in writing immediately the card is lost or stolen;
 - (j) Forward all relevant paperwork to accompany Card statements should to Finance Services within 14 days of receipt, for posting to the Financial Management System.

19.0 Payments to Employees and Members

- 19.1 Staff costs are the largest item of expenditure for most Council services. It is therefore important that payments are accurate, timely, made only where they are due for services to the Council and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Members' allowances are authorised in accordance with the scheme adopted by the Council.

19.2 It is important that there are proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to starters, leavers and variations and enhancements and that payments are made in accordance with contracts of employment and where applicable on the basis of timesheets or claims.

19.3 Whilst it is the Council's responsibility to ensure that salaries are correctly paid and that any deductions are appropriate, staff Members have a responsibility to check that the salary they receive is correct and to report back any errors or queries. If it is identified that any under or over payments have been made, the Council will seek to make good any under payments or recover overpayments irrespective of whether these have been authorised. In the event that overpayments have been made, staff Members may be subject to disciplinary action if it is identified that overpayments should have been.

19.4 **Responsibilities of the Director for Corporate Services**

- To arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, in accordance with procedure prescribed by him or her, on the due date.
- To record and make arrangements for the accurate and timely payment of tax, superannuation and other deductions.
- To make arrangements for payment of all travel and subsistence claims. To approve the payment of urgent/emergency out of pocket expenses to staff where deemed appropriate. Where evidence is not provided by the service area within 1 week of the employee's return to work to consider if this should be recovered through the payroll system until such evidence is provided.
- To make arrangements for paying Members' travel and other allowances upon receiving the prescribed form duly completed and authorised.
- To ensure that there are adequate arrangements for administering superannuation matters on a day-to-day basis.
- To ensure frequent reconciliation of payroll expenditure against approved budget and bank account.
- To ensure all appropriate payroll documents are retained and stored for the defined period in accordance with good practice and any statutory requirements.
- To ensure that Inland Revenue regulations are complied with.

19.5 **Responsibilities of Directors/Assistant Directors**

- To ensure appointments are made in accordance with the regulations of the Council and approved establishments, grades and scale of pay and that adequate budget provision is available.
- To use the corporate payment system for all payments to employees.
- To ensure that adequate and effective systems and procedures are operated, so that:
 - (a) payments are only authorised to bona fide employees;
 - (b) payments are only made where there is a valid entitlement;
 - (c) conditions and contracts of employment are correctly applied;
 - (d) employees' names listed on the payroll are checked at regular intervals to

verify accuracy and completeness.

- To make arrangements for data supplied to be verified and authorised by an authorised Officer. In particular the following shall be notified:
 - (a) appointments, resignations, dismissals, suspensions, secondments and transfers;
 - (b) changes to standing data held on the payroll system;
 - (c) absences from duty for sickness or other reason, apart from approved leave;
 - (d) changes in remuneration, other than normal increments, pay awards and any agreements generally reached, and notified separately to the Chief Finance Officer; and
 - (e) information necessary to maintain records of service for superannuation, Income Tax, National Insurance and related purposes.
- To maintain and provide the Chief Finance Officer with an up-to-date list of the names of Officers (together with specimen signatures) authorised to sign timesheets and other personnel documents.
- To ensure that payroll transactions are processed only through the payroll system. Careful consideration should be given to the employment status of individuals employed on a self-employed consultant or subcontract basis. The Inland Revenue applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Chief Finance Officer. Where payments are made for services in which the relevant taxation authorities deem that a contractor is “employed” by the Council, Directors/Assistant Directors are responsible for ensuring that National Insurance, Income Tax and any other such liabilities are properly determined and deductions due are made and properly accounted for.
- To certify travel and subsistence claims and other allowances that are submitted in a timely manner. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and that the Chief Finance Officer is consulted where appropriate.
- To ensure any urgent/emergency payments approved by the Chief Finance Officer are evidenced and certified within one week of an employees return to work.
- To ensure that the Chief Finance Officer is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the best practice and any statutory requirements.

20.0 **Taxation**

20.1 Like all organisations, the Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all Officers to be aware of their role.

20.2 **Responsibilities of the Director for Corporate Services**

- To complete all Inland Revenue returns including PAYE.
- To complete a monthly return of VAT inputs and outputs to HM Customs and Excise.
- To provide details to the Inland Revenue regarding the construction industry tax deduction scheme.
- To maintain up-to-date guidance for Council employees on taxation issues in the budget and VAT manuals.

20.3 **Responsibilities of Directors/Assistant Directors**

- To ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Customs and Excise regulations.
- To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- To ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised employment agency.
- To ensure adequate records are maintained of all taxable transactions are identified, properly carried out and accounted for within stipulated timescales.
- To follow the guidance on taxation issued by the Chief Finance Officer.

21.0 **Risk Management and Insurance**

21.1 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation management and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being of the organisation. In essence it is, therefore, an integral part of good business practice. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then recommending the action the organisation needs to take to control these risks effectively.

21.2 Good procedures should be in place to identify, assess, prevent or contain material known risks, and these procedures need to operate effectively throughout the Council. When acceptable levels of risk are determined insurance should be considered where appropriate.

21.3 It is essential that the Council has identified business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

21.4 **Responsibilities of the Director for Corporate Services**

- To prepare and promote the Council's Risk Management Policy and ensure a monitoring process is in place to review regularly the risk identified and the effectiveness of risk reduction strategies and associated action plans.

- To effect appropriate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other Officers, where necessary.
- To ensure procedures are in place to investigate insurance claims within required timescales.

21.5 **Responsibilities of Directors/Assistant Directors**

- To take responsibility for risk management, in line with the Risk Management Policy, having regard to advice from the Chief Finance Officer and other specialist Officers (e.g. crime prevention, fire prevention, health and safety).
- To ensure that there are regular reviews of risk within their service areas utilising the corporate template for risk registers and action plans.
- To notify the Chief Finance Officer promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- To consult the Chief Finance Officer and the Director for Law and Governance on the terms of any indemnity that the Council is requested to give.
- To ensure that Officers, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.
- To notify the Chief finance Officer immediately of any loss, liability or damage that may lead to a claim against the Council, together with any information or explanation required by the Chief Finance Officer or the Council's insurers.
- To support the development and maintenance of business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

22.0 **Audit Requirements**

Internal Audit

- 22.1 The requirement for an internal audit function for local authorities is implied by section 151 of the Local Government Act 1972, which requires that authorities "make arrangements for the proper administration of their financial affairs". The Accounts and Audit Regulations (2015) requires every local authority to maintain an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes taking into account public sector internal auditing standards or guidance.
- 22.2 Accordingly, internal audit is an independent and objective appraisal function established by the Council for reviewing the system of internal control. It examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources and the management of risk. Internal Audit also advises on, carries out and directly supports investigations into suspicions of fraud or financial irregularity.
- 22.3 For the purposes of carrying out an audit or investigation, Internal Auditors and the Chief Finance Officer are authorised to:
- (a) have access at all times to any Council premises and property;

- (b) have access to all data, records, documents and correspondence relating to any financial or any other activity of the Council;
- (c) have access to any assets of the council;
- (d) Require from any Member, employee, agent, partner, contractor or other person engaged in Council business any necessary information and explanation;

These rights of access include access to relevant records (whether electronic or otherwise) held by service providers. They apply to Council services provided under contracts and partnership arrangements of all kinds including joint and pooled arrangements.

- 22.4 This right of access shall be incorporated within all relevant contract or service agreement documents involving Council services provided other than internally. It applies to all internal auditors legitimately engaged on Council Internal Audit business, whether they are employees of Internal Audit or are provided under an authorised agency or other contract or partnership.
- 22.5 Internal Audit shall remain at all times free from undue influence or other pressure affecting its actions and reporting.
- 22.6 Internal Audit shall report in its own name to the Chief Finance Officer. The Council's Head of Audit Consortium shall have direct access and the right of report to the Chief Executive, Directors, the Monitoring Officer, the External Auditor, the Audit and standards committee the appropriate Scrutiny Panel and the Cabinet, where appropriate if, in his/her opinion, there are matters of concern that could place the Council in a position where the risks it faces are unacceptable.
- 22.7 Irrespective of its means of delivery, every process, service and activity falling within the Council's responsibility shall be subject to the Council's system of internal audit.
- 22.8 With regard to fraud and corruption the council operates a zero tolerance policy and will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Council. The Council's expectation of propriety and accountability is that Members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices. The Council also expects that individuals and organisations (e.g. suppliers, contractors, service providers) with whom it comes into contact will act towards the Council with integrity and without thought or actions involving fraud and corruption.
- 22.9 **Responsibilities of the Director for Corporate**
 - To assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.
 - To ensure the provision of an effective and efficient internal audit function.
 - To ensure internal audit I prepare and agree an Annual Audit Plan which will set out the intended work of Internal Audit over the coming year. The plan shall be based on an objective assessment of need arising from an analysis of risk and shall be approved and directed, by the Audit and Standards Committee.
 - To ensure internal audit consult with Directors/Assistant Directors about which

activities are to be included in the plan as being in need of audit.

- To ensure Internal Audit at all times conduct its work in accordance with relevant Internal Audit standards and any other protocols agreed with the Chief Finance Officer.
- To ensure internal audit provide regular reports to the Audit and standards Committee on progress made in delivering the Internal Audit Plan.
- To ensure the Council has an effective anti-fraud and corruption policy.
- To ensure that effective procedures are in place to investigate promptly any fraud or irregularity in compliance with the Council's Anti Fraud and Corruption Policy.

22.10 Responsibilities of Directors/Assistant Directors

- To manage processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- To review existing controls in the light of changes affecting the Council and to establish and implement new ones in line with guidance from the Chief Finance Officer. Directors/Assistant Directors should also be responsible for removing controls that are unnecessary or not cost or risk effective – for example, because of duplication.
- To ensure staff have a clear understanding of the consequences of lack of control.
- To maintain proper financial controls in financial systems operated within their area of responsibility be responsible for the prevention, detection and resolution of fraud and irregularities.
- To notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources in line with the Council's Fraud and Corruption Policy. Pending investigation and reporting, the Director/Assistant Director should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- To instigate the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.
- To provide the appropriate support and assistance to internal audit in the delivery of the audit plan.
- To liaise with the Chief Finance Officer where work is commissioned from internal audit outside of the approved annual plan.
- To ensure that new systems, are discussed with and agreed by Internal Audit prior to implementation.
- To ensure appropriate action is taken in accordance with agreed internal audit recommendations and be accountable to the Audit and Standards Committee for action taken.
- To ensure the auditors right of access is incorporated into all relevant contracts/agreements involving council services provided other than internally.

23.0 External Audit

- 23.1 Responsibility for preparing and issuing Codes of Audit Practice and guidance to auditors, and a power to carry out examinations into the economy, efficiency and effectiveness with which relevant authorities have used their resources, is held by the Comptroller and Auditor General. Data matching powers and the National Fraud

Initiative are responsibilities held by the Cabinet Office. The counter-fraud function is held by a public sector 'Counter Fraud Centre' established by the Chartered Institute of Public Finance and Accountancy (CIPFA).

23.2 The Code of Audit Practice sets out what local auditors of relevant local public bodies are required to do to fulfill their statutory responsibilities under the Local Audit and Accountability Act 2014. The external auditor has rights of access to all documents and information necessary for audit purposes.

23.3 The Council's accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts 'presents fairly' the financial position of the Council and its income and expenditure for the year in question and complies with the legal requirements.

23.4 **Responsibilities of the Director for Corporate Services**

- To ensure that External Auditors are given access at all reasonable times to premises, personnel, documents and assets that the External Auditors consider necessary for the purposes of their work.
- In conjunction with Internal Audit to ensure there is effective liaison between External and Internal Audit.
- To work with the External Auditor and advise the Council, Cabinet and Audit and Standards Committee, Directors/Assistant Directors on their responsibilities in relation to external audit.

23.5 **Responsibilities of Directors/Heads of Service**

- To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purposes of their work.
- To ensure that all records and systems are up to date and available for inspection.

24.0 **Assets and Inventories**

24.1 The Council holds assets in the form of property, vehicles, equipment, furniture and other items worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

24.2 Assets should only be used for the purposes of the Council and should be properly accounted for. When they become surplus they should be disposed of in accordance with the law and the regulations of the Council so as to maximise benefits.

24.3 An asset register should be maintained for the Council, with assets recorded when they are acquired by the Council and this record is updated as changes occur with respect to the location and condition of the asset. Any individual items of plant, machinery, equipment and other assets that are capitalised will be included in the asset register.

24.4 The function of the asset register is to provide the Council with information about fixed assets so that they are safeguarded; used efficiently and effectively and adequately maintained.

24.5 Assets included in the inventory are generally those of a relatively low value, are moveable and have not been included in the Asset Register. Inventories are maintained in the prescribed format with acquisitions and disposals recorded at the time the event occurs.

24.6 All ICT equipment is considered to be the responsibility of the IT service.

24.7 **Responsibilities of the Director for Corporate Services**

- To ensure that an asset register is maintained in accordance with good practice for all fixed assets.
- To receive the information required for accounting, costing and financial records from each Director/Assistant Director.
- To ensure that assets are valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC).
- To set out the format to be followed by Directors/Assistant Directors for the maintenance of inventories.
- To ensure items are included on the Council's insurance policies where appropriate.

24.8 **Responsibilities of Directors/Assistant Directors**

- To ensure a property database (asset register) is maintained in a form approved by the Chief Finance Officer for all properties, plant and machinery and moveable assets currently owned or used by the Council. Any use of property by a department or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- To ensure that lessees and other prospective occupiers of Council land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Director/Assistant Director in consultation with the Director for Law and Governance has been established as appropriate.
- To ensure the proper security of all buildings and other assets under their control.
- Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a report by the Director/Assistant Director to the Cabinet subject to appropriate statutory requirements after consultation with the Chief Finance Officer and the Director for Law and Governance.
- To pass Title Deeds to the Director for Law and Governance who is responsible for custody of all Title Deeds.
- To ensure that no Council asset is subject to personal use by an employee without proper authority.
- To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Council.
- To ensure cash holdings on premises are kept to a minimum.
- To ensure that keys to safes and similar receptacles are securely held by those responsible at all times; loss of any such keys must be reported to the Chief Finance Officer as soon as possible.

- To record all disposal or part exchange of assets that should normally be by competitive tender or public auction, unless, following consultation with the Chief Finance Officer, the Cabinet agrees otherwise.
- To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Chief Finance Officer.
- To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Council in some way.
- To ensure all Officers in their service area are aware of their responsibilities with regard to safeguarding the Council's assets and information, including the requirements of the Data Protection Act and software copyright legislation.
- To ensure all Officers in their service area are aware of their responsibilities with regard to safeguarding the security of the Council's computer systems, including maintaining restricted access to the information held on them and compliance with the Council's computer and internet security policies.
- To maintain an inventory in the form prescribed by the Chief Finance Officer and record an adequate description of furniture, fittings, equipment, plant and machinery above £100 in value for any single item.
- To carry out an annual check of all items on the inventory in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Council.

25.0 **Stocks and Stores**

25.1 Stocks and stores which are held by the Council should only be used for the purpose of providing Council services, and they should be adequately safeguarded from theft or misappropriate and be maintained at reasonable levels.

25.2 **Responsibilities of Director for Corporate Services**

- To provide the format and method for maintaining records of stocks and stores.
- To maintain appropriate accounting records and to obtain at the year end a certificate from the responsible Officer of the value of stock held.

25.3 **Responsibilities of Directors/Assistant Directors**

- To account for the receipt, custody and issue of stock items for their services and for maintaining suitable records which comply with any guidance given by the Chief Finance Officer.
- To ensure that stock items are effectively safeguarded from loss, theft or damage and that adequate physical security is in place.
- To arrange for a periodic stock-take to be undertaken for any stock held in excess of £1,000 independently of the employees responsible for the custody of those stocks, such that the existence and value of all items are checked at least once a year. All discrepancies should be investigated and pursued to a satisfactory conclusion.
- To ensure the value of stocks held at 31st March each year to be certified by an

authorised Officer and supplied to the Chief Finance Officer in such form and at such time as may be decided by the Chief Finance Officer.

- To investigate and remove from the Council's records (i.e. write-off) discrepancies and redundant stocks and equipment as necessary, or to obtain approval if they are in excess of £1,000.
- To authorise or write-off disposal of redundant stocks and equipment. Procedures for disposal of such stocks and equipment should be by competitive quotations or auction, unless, following consultation with the Chief Finance Officer, the Senior Leadership Team decides otherwise in a particular case.

26.0 **Intellectual Property**

26.1 Intellectual property is a generic term that includes inventions and writing. If these are created by the employee during the course of employment, then, as a general rule, they belong to the employer, not the employee. Various acts of Parliament cover different types of intellectual property.

26.2 Certain activities undertaken within the Council may give rise to items that may be patentable, for example, software development. These items are collectively known as intellectual property.

26.3 **Responsibilities of Directors/Assistant Directors**

- To ensure that controls are in place to ensure that staff do not carry out private work in Council time and that staff are aware of an employer's rights with regard to intellectual property.

27.0 **Asset Disposal**

27.1 It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the regulations of the Council.

27.2 Assets for disposal should be identified and disposed of at the most appropriate time, and only when it is in the best interests of the Council, and best price is obtained, bearing in mind other factors, such as environmental issues. For items of significant value, disposal should be by competitive tender or public auction. Any disposals of land should be in line with the Land Acquisition & Disposal Policy. Procedures protect staff involved in the disposal from accusations of personal gain.

27.3 Any disposal, appropriation or exchange of property or other fixed assets shall ensure that the Council obtains value for money from the transaction. Terms of disposal should not be finalised without the benefit of a current valuation undertaken by a suitable firm of valuers appointed under arrangements approved by that Director. The terms of disposal must also take account of the taxation implications to the Council of the disposal.

27.4 All devices that could contain data (e.g. PCs, laptops, mobile phones, hand held communication devices, memory sticks etc.) must be disposed of through ICT.

27.5 **Responsibilities of the Director for Corporate Services**

- To issue guidelines representing best practice for disposal of assets.
- To ensure appropriate accounting entries are made to remove the value of disposed assets from the Council's records and to include the sale proceeds if appropriate.

27.6 Responsibilities of Directors/Assistant Directors

- To seek advice on the disposal of surplus or obsolete materials, stores or equipment as necessary.
- To dispose of surplus assets in accordance with any guidelines on best practice issued by the Chief Finance Officer.
- To ensure that income received for the disposal of an asset is properly banked and coded.
- To ensure that the Asset Register or inventory is updated following a disposal.

28.0 Banking and Treasury Management

28.1 Many millions of pounds pass through Councils books each year. This led to the establishment of Codes of Practice. These aim to provide assurances that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's capital sum.

28.2 All cheques drawn on the Council's main bank accounts shall bear the pre- printed signature of the Chief Finance Officer or, in the case of imprest cheques, be signed by the Chief Finance Officer or signatory authorised by him or her. Cheques drawn on any other Council bank accounts should be signed by an authorised Officer.

28.3 Responsibilities of the Director for Corporate Services

- For the operation of the council's bank accounts ensuring regular and complete reconciliations are carried out of balances held to financial records maintained.
- To ensure all cheques (except imprest account cheques) for the Council's main bank accounts shall be produced directly from the finance system in a format approved by the Chief Finance Officer, who shall make proper arrangements for the preparation and despatch of the cheques, and for the custody of blank cheques.
- To provide Officers of the Council with cash, bank imprest or credit card accounts to meet minor expenditure on behalf of the Council and to prescribe rules for operating these accounts. Minor items of expenditure should not exceed the prescribed amount.
- To determine the imprest account limits and to ensure records of all transactions on imprest accounts are maintained and periodically to review the arrangements for the safe custody and control of these imprest accounts.
- To reimburse imprest holders as often as is necessary to restore the imprests, but normally not more than monthly.
- To ensure that all payments made from the main bank accounts by way of Clearing House Automated Payments (CHAPs) and Bankers Automated Credits (BACs) transactions are properly controlled and suitably authorised.
- To have the overall management of the authority's investment, borrowing and other capital financing arrangements but may delegate day to day treasury management activity to other Officers. All borrowing shall be undertaken by the

Chief Finance Officer. Directors do not have authority to borrow money.

- To maintain records of all borrowings and lending of money by the Council.
- To ensure at the beginning of each year and prior to the approval of the Council's budget, to report to the Cabinet a Treasury Management Strategy for the year. The Strategy, which shall comply with the approved policy, shall identify the Authority's strategy for borrowing and lending during the financial year and set out its policy for minimum revenue provision. The Cabinet shall recommend the Strategy to Council for approval.
- To report the performance of the Treasury Management function to the Cabinet not less than twice in each financial year on the activities of the Treasury Management operations and the exercise of the delegated Treasury Management powers. Such reports shall include an annual report on Treasury Management activity for each financial year for presentation by 30 September of the succeeding financial year, a mid-year Treasury Management activity report and an annual strategy and plan in advance of the start of each financial year.
- To manage and report on the Council's Treasury Management Operations in accordance with the CIPFA "Code for Treasury Management in Local Authorities", and the Council's approved Treasury Management Strategy.
- To make arrangements for the investment and management of all of the Authority's cash balances in the name of the Authority unless otherwise agreed by Council in respect of any specific investments.
- To ensure that all securities that are the property of the Council or its nominees and the Title Deeds of all property in the Council's ownership are held in the custody of the Director for Law and Governance.
- To effect all borrowing in the name of the Council and to ensure borrowing meets the needs of the Authority on the most economic terms. All borrowing shall comply with the Council's Treasury Strategy.
- To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council.
- To ensure that the authority's borrowings and investments comply with the CIPFA *Code of Practice on Treasury Management*, with the Council's Treasury Policy Statement and Treasury Management Practices.
- To operate bank accounts as are considered necessary.

28.4 **Responsibilities of Directors/Assistant Directors**

- To ensure that employees operating an imprest account:
 - (a) obtain and retain vouchers to support each payment from the imprest account. Where appropriate, an official receipted VAT invoice must be obtained
 - (b) make adequate arrangements for the safe custody of the account
 - (c) produce upon demand by the Chief Finance Officer cash, cheques and all vouchers to the total value of the imprest account
 - (d) record transactions promptly
 - (e) reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the imprest holder
 - (f) provide the Chief Finance Officer with a certificate of the value of the account held at 31 March each year
 - (g) ensure that the imprest is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the imprest and change relating to purchases where an

- advance has been made
- (h) on leaving the Council's employment or otherwise ceasing to be entitled to hold an imprest advance, an employee shall account to the Chief Finance Officer for the amount advanced to him or her.

- To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Cabinet following consultation with the Chief Finance Officer.
- To follow the instructions on banking issued by the Chief Finance Officer.
- To arrange for all trust funds to be held, wherever possible, in the name of the Council. All Officers acting as trustees by virtue of their official position shall deposit securities, etc. relating to the trust with the Director for Law and Governance unless the deed otherwise provides.
- To arrange, where funds are held on behalf of third parties, for their secure administration, such arrangements to be approved by the Chief Finance Officer and to maintain written records of all transactions.
- To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

29.0 **Grants and other External Funding**

29.1 External funding is a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the Council. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers. Funds from external provide additional resources to enable the Council to deliver services to the local community. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the Council's overall plan.

29.2 **Responsibilities of the Director for Corporate Services**

- To maintain a grants register for all funding submissions notified by Directors/Assistant Directors.
- To certify grant claims based on adequate supporting documentation provide by Directors/Assistant Directors
- To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- To ensure that the match-funding requirements are clearly understood and are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.
- To ensure that audit requirements are met.

29.3 **Responsibilities of Directors/Assistant Directors**

- To submit expressions of interest for funding (which does not commit the Council to formally bid for funding) in consultation with the relevant Portfolio Holder.
- To ensure any applications for grant funding or other external funding above £50,000 is approved by the Chief Finance Officer and then Cabinet unless the timetable for bidding will not allow. In these cases the Leader, Portfolio Holder

Finance and Chief Finance Officer must approve any bids. The report to Cabinet shall set out:

- (a) the purpose and objective of the project;
- (b) how projects fit in with the Council's objectives;
- (c) details of funding/grant being sought;
- (d) any financial contribution required from the Council either in terms of match funding or other costs;
- (e) any ongoing revenue or capital implications;
- (f) any known conditions of funding;
- (g) key dates and milestones.

- To ensure all applications for grant income/external funding below £50,000 is signed by a Director/Assistant Director and the Chief Finance Officer and undertaken with relevant Portfolio Holder approval.
- To ensure the certification of expenditure in support of a grant claim is authorised by the Chief Finance Officer or his/her nominee.
- To ensure that all claims for funds are made by the due date.
- To ensure that the externally funded projects progress in accordance with the agreed project plan and that all expenditure is properly incurred and recorded.
- To ensure that key conditions of funding and ant statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.
- To ensure that funds are acquired only to meet the priorities approved in the policy framework by the Council.
- To ensure that any match-funding requirements are clearly understood and are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements.

30.0 **Work for Third Parties**

30.1 Current legislation enables the Council to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is intra vires.

30.2 **Responsibilities of the Director for Corporate Services**

- To provide financial advice and support to services to enable them to adequately cost and price work to third parties.

30.3 **Responsibilities of Directors/Assistant Directors**

- To ensure that proposals are costed properly in accordance with any guidance provided by the Chief finance Officer.
- To ensure that contracts are drawn up using any guidance provided by the Director for Law and Governance and that formal approval is sought when amounts are significant.
- To maintain proper financial records of all transactions with third parties.
- To ensure that, wherever possible, payment is received in advance of the delivery of the service.
- To ensure that the service has the appropriate expertise to undertake the

contract.

- To ensure that such contracts do not impact adversely upon the services provided for the Council.
- To provide appropriate information to the Chief Finance Officer to enable a note to be entered into the statement of accounts.