



# **Lostwithiel Town Council**

## **Standing Orders & Financial Regulations 2025**

**Standing Orders last reviewed 03/06/2025 Minute reference 062/25**

**Financial Orders last reviewed 13/05/2025 Minute reference 022/25**

## **STANDING ORDERS**

1. Rules of debate at meetings
2. Disorderly conduct at meetings
3. Meetings generally
4. Filming and recording meetings
5. Committees and sub-committees
6. Ordinary Council meetings
7. Extraordinary meetings of the Council, committees and sub-committees
8. Previous resolutions
9. Voting of appointments
10. Motions for a meeting that requires written notice to be given to the Proper Officer
  
11. Motions at meetings that do not require written notice
12. Management of information
13. Draft minutes
14. Code of conduct and dispensations
15. Code of conduct complaints
16. Proper Officer
17. Responsible Financial Officer
18. Accounts and Accounting Statements
19. Financial Controls and Procurement
20. Handling Staff Matters
21. Responsibilities to Provide Information
22. Responsibilities Under Data Protection Legislations
23. Relations with Press/Media
24. Execution And Sealing Of Legal Deeds
25. Communication With District And County Or Unitary Councillors
26. Restrictions On Councillor Activities
27. Standing Orders Generally

These Standing Orders were adopted by the council at its meeting held on 03 June 2025.

## **1. Rules of debate at meetings**

- a Motions on the agenda shall be considered in the order that they appear unless the order is changed at the discretion of the Chair of the meeting.
- b A motion (including an amendment) shall not be progressed unless it has been moved and seconded.
- c A motion on the agenda that is not moved by its proposer may be treated by the Chair of the meeting as withdrawn.
- d If a motion (including an amendment) has been seconded, it may be withdrawn by the proposer only with the consent of the seconder and the meeting.
- e An amendment is a proposal to remove or add words to a motion. It shall not negate the motion.
- f If an amendment to the original motion is carried, the original motion (as amended) becomes the substantive motion upon which further amendment(s) may be moved.
- g An amendment shall not be considered unless early verbal notice of it is given at the meeting and, if requested by the Chair of the meeting, is expressed in writing to the Chair.
- h A Councillor may move an amendment to his own motion if agreed by the meeting. If a motion has already been seconded, the amendment shall be with the consent of the seconder and the meeting.
- i If there is more than one amendment to an original or substantive motion, the amendments shall be moved in the order directed by the Chair of the meeting.
- j Subject to standing order 1(k), only one amendment shall be moved and debated at a time, the order of which shall be directed by the Chair of the meeting.
- k One or more amendments may be discussed together if the Chair of the meeting considers this expedient but each amendment shall be voted upon separately.
- l A Councillor may not move more than one amendment to an original or substantive motion.
- m The mover of an amendment has no right of reply at the end of debate on it.

- n Where a series of amendments to an original motion are carried, the mover of the original motion shall have a right of reply either at the end of debate on the first amendment or at the very end of debate on the final substantive motion immediately before it is put to the vote.
- o Unless permitted by the Chair of the meeting, a Councillor may speak once in the debate on a motion except:
  - i. to speak on an amendment moved by another Councillor;
  - ii. to move or speak on another amendment if the motion has been amended since they last spoke;
  - iii. to make a point of order;
  - iv. to give a personal explanation; or
  - v. to exercise a right of reply.
- p During the debate on a motion, a Councillor may interrupt only on a point of order or a personal explanation and the Councillor who was interrupted shall stop speaking. A Councillor raising a point of order shall identify the standing order which they consider has been breached or specify the other irregularity in the proceedings of the meeting they are concerned by.
- q A point of order shall be decided by the Chair of the meeting and their decision shall be final.
- r When a motion is under debate, no other motion shall be moved except:
  - i. to amend the motion;
  - ii. to proceed to the next business;
  - iii. to adjourn the debate;
  - iv. to put the motion to a vote;
  - v. to ask a person to be no longer heard or to leave the meeting;
  - vi. to refer a motion to a committee or sub-committee for consideration;
  - vii. to exclude the public and press;

viii. to adjourn the meeting; or

ix. to suspend particular standing order(s) excepting those which reflect mandatory statutory or legal requirements.

- s Before an original or substantive motion is put to the vote, the Chair of the meeting shall be satisfied that the motion has been sufficiently debated and that the mover of the motion under debate has exercised or waived their right of reply.
- t Excluding motions moved under standing order 1(r), the contributions or speeches by a Councillor shall relate only to the motion under discussion and shall not exceed 3 minutes without the consent of the Chair of the meeting.

## **2. Disorderly conduct at meetings**

- a No person shall obstruct the transaction of business at a meeting or behave offensively or improperly. If this standing order is ignored, the Chair of the meeting shall request such person(s) to moderate or improve their conduct.
- b If person(s) disregards the request of the Chair of the meeting to moderate or improve their conduct, any Councillor or the Chair of the meeting may move that the person be no longer heard or be excluded from the meeting. The motion, if seconded, shall be put to the vote without discussion.
- c If a resolution made under standing order 2(b) is ignored, the Chair of the meeting may take further reasonable steps to restore order or to progress the meeting. This may include temporarily suspending or closing the meeting.

## **3. Meetings generally**

Full Council meetings ●

Committee meetings ●

Sub-committee meetings ●

- a **Meetings shall not take place in premises which at the time of the meeting are used for the supply of alcohol, unless no other premises are available free of charge or at a reasonable cost.**
- b **The minimum three clear days for notice of a meeting does not include the day on which notice was issued, the day of the meeting, a Sunday, a day of the Christmas break, a day of the**

**Easter break or of a bank holiday or a day appointed for public thanksgiving or mourning.**

- c **The minimum three clear days' public notice of a Committee meeting does not include the day on which the notice was issued or the day of the meeting.**

- d **Meetings shall be open to the public unless their presence is**
- **prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.**

- e Members of the public may make representations, answer questions and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda.

- f At the Chair's discretion and with the agreement of the council, a member of the public may be invited to answer questions on matters of fact relating to the item under consideration by the Council at that point on the agenda where the matter is being discussed.

- g The period of time designated for public participation at a meeting in accordance with standing order 3(e) shall not exceed 15 minutes unless directed by the Chair of the meeting.

- h Subject to standing order 3(g), a member of the public shall not speak for more than 3 minutes.

- i In accordance with standing order 3(e), a question shall not require a response at the meeting nor start a debate on the question. The Chair of the meeting may direct that a written or oral response be given.

- j A person shall raise his hand when requesting to speak and stand when speaking (except when a person has a disability or is likely to suffer discomfort). The Chair of the meeting may at any time

permit a person to be seated when speaking.

k A person who speaks at a meeting shall direct their comments to the Chair of the meeting.

l Only one person is permitted to speak at a time. If more than one person wants to speak, the Chair of the meeting shall direct the order of speaking.

● m **The press shall be provided with reasonable facilities for the taking of their report of all or part of a meeting at which they are entitled to be present.**

● n **Subject to standing orders which indicate otherwise, anything authorised or required to be done by, to or before the Chair of the Council may in their absence be done by, to or before the Vice-Chair of the Council (if there is one).**

● o **The Chair of the Council, if present, shall preside at a meeting. If the Chair is absent from a meeting, the Vice-Chair of the Council (if there is one) if present, shall preside. If both the Chair and the Vice-Chair are absent from a meeting, a Councillor as chosen by the Councillors present at the meeting shall preside at the meeting.**

● p **Subject to a meeting being quorate, all questions at a meeting shall be decided by a majority of the Councillors and non-Councillors with voting rights present and voting.**

● q **The Chair of a meeting may give an original vote on any matter put to the vote, and in the case of an equality of votes may exercise his casting vote whether or not he gave an original vote.**

*See standing orders 6(h) and (i) for the different rules that apply in the election of the Chair of the Council at the annual meeting of the Council.*

● r **Unless standing orders provide otherwise, voting on a question shall be by a show of hands. At the request of a Councillor, the voting on any question shall be recorded so as to show whether**

**each Councillor present and voting gave his vote for or against that question.** Such a request shall be made before moving to the vote and will be taken in alphabetical order of those present at the meeting and eligible to vote.

- s The minutes of a meeting shall include an accurate record of the following:
- i) the time and place of the meeting;
  - ii) the names of Councillors who are present and the names of Councillors who are absent;
  - iii) interests that have been declared by Councillors and non-Councillors with voting rights;
  - iv) the grant of dispensations (if any) to Councillors and non-Councillors with voting rights;
  - v) whether a Councillor or non-Councillor with voting rights left the meeting when matters that they held interests in were being considered;
  - vi) if there was a public participation session; and
  - vii) the resolutions made.

- t **A Councillor or a non-Councillor with voting rights who has a**
- **disclosable pecuniary interest or another interest as set out in the**
- **Council's code of conduct in a matter being considered at a**
- meeting is subject to statutory limitations or restrictions under the**
- code on his right to participate and vote on that matter.**

- u **No business may be transacted at a meeting unless at least one-third of the whole number of members of the Council are present and in no case shall the quorum of a meeting be less than three.**

*See standing order 5d(viii) for the quorum of a committee or sub-committee meeting.*

- v **If a meeting is or becomes inquorate no business shall be**
- **transacted** and the meeting shall be closed. The business on the

- agenda for the meeting shall be adjourned to another meeting.
- w A meeting shall only exceed a period of 2 hours at the discretion of the Chair.
- x In the event of severe weather conditions or any other emergency the Clerk may, in consultation with the Chair of the Council, cancel any meeting of the Council, a committee or sub-committee, working party or steering group and shall give immediate notice of such cancellation to as many members/persons due to attend the meeting as practicable.

#### **4. Filming and recording meetings**

- a When a meeting of the Council, its committees or sub committees is open to the public, any person, if present, may :
  - i film, photograph or make an audio recording of a meeting;
  - ii use any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later;
  - iii report or comment on the proceedings in writing during or after a meeting or orally report or comment after the meeting.
- b Oral reporting, commentary or broadcasting is not permitted during any part of a meeting of the council, its committees and sub committees.
- c An individual must be present and able to use their equipment in order to film, photograph or audio record a meeting. There will be no opportunity to report on any part of the meeting where the council has resolved to exclude the press and public.
- d Disruptive behaviour
  - i No filming, photographing or audio recording of a meeting should be carried out in such a way as to disrupt the proceedings of the meeting.
  - ii If person(s) disregards the request of the chairman of the meeting to moderate or improve their behaviour, any councillor or the chairman of the meeting may move that the person be instructed to cease

filming, photographing or audio recording. The motion, if seconded, shall be put to the vote without discussion.

iii If a resolution under standing order 4 d ii) above is ignored, the chairman of the meeting may take further reasonable steps to restore order or to progress the meeting. This may include temporarily suspending or closing the meeting.

e Members of the Council recording meetings are reminded of their obligations under the Council's Code of Conduct in respect of confidential matters.

## **5. Committees and sub-committees**

a **Unless the Council determines otherwise, a committee may appoint a sub-committee whose terms of reference and members shall be determined by the committee.**

b **The members of a committee may include non-Councillors unless it is a committee which regulates and controls the finances of the Council.**

c **Unless the Council determines otherwise, all the members of an advisory committee and a sub-committee of the advisory committee may be non-Councillors.**

d The Council may appoint standing committees or other committees as may be necessary, and:

i) shall determine their terms of reference including the scheme of delegation and the role of Chair and Vice Chair as ex officio members with or without voting rights;

(Here the following has been deleted 'shall determine the number and time of the ordinary meetings of a standing committee up until the date of the next annual meeting of the Council')

ii) shall permit a committee, other than in respect of the ordinary meetings of a committee, to determine the number and time of its meetings;

iii) shall, subject to standing orders 5(b) and (c), appoint and determine the

terms of office of members of such a committee;

- iv) may, subject to standing orders 5(b) and (c), appoint and determine the terms of office of the substitute members to a committee whose role is to replace the ordinary members at a meeting of a committee if the ordinary members of the committee confirm to the Proper Officer 7 days before the meeting that they are unable to attend;
- v) shall, after it has appointed the members of a standing committee, appoint the Chair of the standing committee;
- vi) shall permit a committee other than a standing committee, to appoint its own Chair at the first meeting of the committee;
- vii) shall determine the place, notice requirements and quorum for a meeting of a committee and a sub-committee which, in both cases, shall be no less than three;
- viii) shall determine if the public may participate at a meeting of a committee;
- ix) shall determine if the public and press are permitted to attend the meetings of a sub-committee and also the advance public notice requirements, if any, required for the meetings of a sub-committee;
- x) shall determine if the public may participate at a meeting of a sub-committee that they are permitted to attend; and
- xi) may dissolve a committee or a sub-committee.

## **6. Ordinary Council meetings**

- a **In an election year, the annual meeting of the Council shall be held on or within 14 days following the day on which the Councillors elected take office.**
- b **In a year which is not an election year, the annual meeting of the Council shall be held on such day in May as the Council decides.**
- c **If no other time is fixed, the annual meeting of the Council shall take place at 6pm.**
- d **In addition to the annual meeting of the Council, at least three other ordinary meetings shall be held in each year on such dates and times as the Council**

**decides.**

- e The first business conducted at the annual meeting of the Council shall be the election of the Chair and Vice-Chair (if there is one) of the Council.**
- f The Chair of the Council, unless they have resigned or becomes disqualified, shall continue in office and preside at the annual meeting until their successor is elected at the next annual meeting of the Council.**
- g The Vice-Chair of the Council, if there is one, unless they resign or become disqualified, shall hold office until immediately after the election of the Chair of the Council at the next annual meeting of the Council.**
- h In an election year, if the current Chair of the Council has not been re-elected as a member of the Council, they shall preside at the annual meeting until a successor Chair of the Council has been elected. The current Chair of the Council shall not have an original vote in respect of the election of the new Chair of the Council but shall give a casting vote in the case of an equality of votes.**
- i In an election year, if the current Chair of the Council has been re-elected as a member of the Council, they shall preside at the annual meeting until a new Chair of the Council has been elected. They may exercise an original vote in respect of the election of the new Chair of the Council and shall give a casting vote in the case of an equality of votes.**
- J Following the election of the Chair of the Council and Vice-Chair (if there is one) of the Council at the annual meeting, the business shall include:**
  - i) In an election year, delivery by the Chair of the Council and Councillors of their acceptance of office forms unless the Council resolves for this to be done at a later date. In a year which is not an election year, delivery by the Chair of the Council of his acceptance of office form unless the Council resolves for this to be done at a later date;**
  - ii) Confirmation of the accuracy of the minutes of the last meeting of the Council;**
  - iii) Receipt of the minutes of the last meeting of a committee;**
  - iv) Consideration of the recommendations made by a committee;**

- v) Review of delegation arrangements to committees, sub-committees, staff and other local authorities;
- vi) Review of the terms of reference for committees;
- vii) Appointment of members to existing committees;
- viii) Appointment of any new committees in accordance with standing order 5;
- ix) Review and adoption of appropriate standing orders and financial regulations;
- x) Review of arrangements (including legal agreements) with other local authorities, not-for-profit bodies and businesses.
- xi) Review of representation on or work with external bodies and arrangements for reporting back;
- xii) In an election year, to make arrangements with a view to the Council becoming eligible to exercise the general power of competence in the future;
- xiii) Review of inventory of land and other assets including buildings and office equipment;
- xiv) Confirmation of arrangements for insurance cover in respect of all insurable risks;
- xv) Review of the Council's and/or staff subscriptions to other bodies;
- xvi) Review of the Council's expenditure incurred under s.137 of the Local Government Act 1972 or the general power of competence.
- xvii) Determining the time and place of ordinary meetings of the Council up to and including the next annual meeting of the Council.

## **7. Extraordinary meetings of the Council, committees and sub-committees**

- a **The Chair of the Council may convene an extraordinary meeting of the Council at any time.**
- b **If the Chair of the Council does not call an extraordinary meeting of the Council within seven days of having been requested in writing to do so by two Councillors, any two Councillors may convene an extraordinary meeting of the**

**Council. The public notice giving the time, place and agenda for such a meeting shall be signed by the two Councillors.**

- c The Chair of a committee [or a sub-committee] may convene an extraordinary meeting of the committee [or the sub-committee] at any time.
- d If the Chair of a committee [or a sub-committee] does not call an extraordinary meeting within 7 days of having been requested to do so by 2 members of the committee [or the sub-committee], any 2 members of the committee [or the sub-committee] may convene an extraordinary meeting of the committee [or a sub-committee].

## **8. Previous resolutions**

- a A resolution shall not be reversed within six months except either by a special motion, which requires written notice by at least 6 councillors to be given to the Proper Officer in accordance with standing order 10.
- b When a motion moved pursuant to standing order 8(a) has been disposed of, no similar motion may be moved for a further six months.

## **9. Voting on appointments**

- a Where more than two persons have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the Chairman of the meeting.
- b Where more than two persons have been nominated for a position to be filled by the Council, the vote will be taken by a written ballot of those members present and eligible to vote. The outcome of the vote will be reported by the Clerk.

## **10. Motions for a meeting that require written notice to be given to the Proper Officer**

- a A motion shall relate to the responsibilities of the meeting for which it is tabled and, in any event, shall relate to the performance of the Council's statutory

functions, powers and obligations or an issue which specifically affects the Council's area or its residents.

- b No motion may be moved at a meeting unless it is on the agenda and the mover has given written notice of its wording to the Proper Officer at least 7 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting.
- c The Proper Officer may, before including a motion on the agenda received in accordance with standing order 10(b), correct obvious grammatical or typographical errors in the wording of the motion.
- d If the Proper Officer considers the wording of a motion received in accordance with standing order 10(b) is not clear in meaning, the motion shall be rejected until the mover of the motion resubmits it, so that it can be understood, in writing, to the Proper Officer at least 7 clear days before the meeting.
- e If the wording or subject of a proposed motion is considered improper, the Proper Officer shall consult with the Chair of the forthcoming meeting or, as the case may be, the Councillors who have convened the meeting, to consider whether the motion shall be included in the agenda or rejected.
- f The decision of the Proper Officer as to whether or not to include the motion on the agenda shall be final.
- g Motions received shall be recorded and numbered in the order that they are received.
- h Motions rejected shall be recorded with an explanation by the Proper Officer of the reason for rejection.
- i A written notice of motion shall not be related to any matter which may be considered under the Council's Code of Conduct, Complaints Procedure or employment policies

## **11. Motions at a meeting that do not require written notice**

- a The following motions may be moved at a meeting without written notice to the Proper Officer:
  - i) to correct an inaccuracy in the draft minutes of a meeting;

- ii) to move to a vote;
- iii) to defer consideration of a motion;
- iv) to refer a motion to a particular committee or sub-committee;
- v) to appoint a person to preside at a meeting;
- vi) to change the order of business on the agenda;
- vii) to proceed to the next business on the agenda;
- viii) to require a written report;
- ix) to appoint a committee or sub-committee and their members;
- x) to extend the time limits for speaking;
- xi) to exclude the press and public from a meeting in respect of confidential or other information which is prejudicial to the public interest;
- xii) to not hear further from a Councillor or a member of the public;
- xiii) to exclude a Councillor or member of the public for disorderly conduct;
- xiv) to temporarily suspend the meeting;
- xv) to suspend a particular standing order (unless it reflects mandatory statutory or legal requirements);
- xvi) to adjourn the meeting; or
- xvii) to close the meeting.

## **12. Management of information**

*See also standing order 20*

- a **The Council shall have in place and keep under review, technical and organisational measures to keep secure information (including personal data) which it holds in paper and electronic form. Such arrangements shall include deciding who has access to personal data and encryption of personal data.**

- b **The Council shall have in place, and keep under review, policies for the retention and safe destruction of all information (including personal data) which it holds in paper and electronic form. The Council's retention policy shall confirm the period for which information (including personal data) shall be retained or if this is not possible the criteria used to determine that period (e.g. the Limitation Act 1980).**
- c **The agenda, papers that support the agenda and the minutes of a meeting shall not disclose or otherwise undermine confidential information or personal data without legal justification.**
- d **Councillors, staff, the Council's contractors and agents shall not disclose confidential information or personal data without legal justification.**

### **13. Draft minutes**

Full Council meetings	●
Committee meetings	●
Sub-committee meetings	●

- a If the draft minutes of a preceding meeting have been served on Councillors with the agenda to attend the meeting at which they are due to be approved for accuracy, they shall be taken as read.
- b There shall be no discussion about the draft minutes of a preceding meeting except in relation to their accuracy. A motion to correct an inaccuracy in the draft minutes shall be moved in accordance with standing order 11(a)(i).
- c The accuracy of draft minutes, including any amendment(s) made to them, shall be confirmed by resolution and shall be signed by the Chair of the meeting and stand as an accurate record of the meeting to which the minutes relate.
- d If the Chair of the meeting does not consider the minutes to be an accurate record of the meeting to which they relate, they shall sign the minutes and include a paragraph in the following terms or to the same effect:

“The Chair of this meeting does not believe that the minutes of the meeting of the Lostwithiel Town Council

held on [date] in respect of ( ) were a correct record but their view was not upheld by the meeting and the minutes are confirmed as an accurate record of the proceedings.”

- e **If the Council’s gross annual income or expenditure (whichever is**
- **higher) does not exceed £25,000, it shall publish draft minutes on**
- **a website which is publicly accessible and free of charge not later**
- **than one month after the meeting has taken place.**

- f Subject to the publication of draft minutes in accordance with standing order 13(e) and standing order 20(a) and following a resolution which confirms the accuracy of the minutes of a meeting, the draft minutes or recordings of the meeting for which approved minutes exist shall be destroyed.

## **14. Code of conduct and dispensations**

*See also standing order 3(t).*

### **General**

- a The Council has adopted the Cornwall Code of Conduct for City, Community, Parish and Town Councils which will apply to all councillors and members of the public co-opted to serve on Committees and sub Committees of the Council in respect of the entire meeting.

All interests arising from the Code of Conduct adopted by the Council will be recorded in the minutes giving the existence and nature of the interest.

- b Members must have particular regard to their obligation to record and leave the room for matters in which they have an interest as defined by the Code of Conduct or by relevant legislation.
- c The Council shall maintain for public inspection, a Register of Members' interests that is compliant with the Code of Conduct and with relevant legislation.

### **Members and the Code of Conduct**

- d All councillors and members of the public co-opted to serve on Council committees and sub committees shall observe the Code of Conduct adopted by the Council.

- e All councillors and members of the public co-opted to serve on Council committees and sub committees shall maintain a Register of Disclosable Pecuniary Interests, and must update their register by notifying the Monitoring Officer and the Clerk of any changes within 28 days.
- f All councillors shall undertake training in the code of conduct within 6 months of the delivery of their declaration of acceptance of office.
- g Unless granted a dispensation, a councillor or non-councillor with voting rights who has registered a Disclosable Pecuniary Interest in relation to any item of business being transacted at a meeting, shall leave the room whenever the item is being discussed, including any part of the meeting where the public are entitled to speak.
- H Unless granted a dispensation, a councillor or non-councillor with voting rights who has registered a non-registerable interest in relation to any item of business being transacted at a meeting, shall leave the room whenever the item is being discussed, including any part of the meeting where the public are entitled to speak.
- i Where a non-registerable interest arises from membership of an outside body as defined in 3.5a of the Council's code of conduct, a councillor may remain in the room to address the meeting, provide a short statement and answer questions for no more than three (3) minutes before leaving the room at the request of the Chair.
- j You must not accept any gifts or hospitality that could be seen by the public as likely to influence your judgement and you are responsible for declaring all gifts and hospitality received over the value of £10 from a single source in one year, either in the form of a single gift or as a cumulative total . You also must register any gifts or gifts or hospitality over £10 within 28 days of receiving either the gift or hospitality.
- k A Member of the Council may, for the purposes of his duty as a member but not otherwise, inspect any document which has been considered by a Committee or by the Council. The Proper Officer or Solicitor to the Council may decline to allow inspection of any document which is protected by other legislation or in the event of legal proceedings would be protected by privilege arising from the relationship of solicitor and client. All Minutes kept for any Committee shall be

open for the inspection of any member of the Council during office hours.

### **Dispensations**

- l Dispensation requests shall be in writing and submitted to the Proper Officer as soon as possible before the meeting, or failing that, at the start of the meeting for which the dispensation is required.
- m A decision as to whether to grant a dispensation shall be made by a meeting of the council, or committee or sub-committee for which the dispensation is required and that decision is final.
- n A dispensation request shall confirm:
  - i. the description and the nature of the disclosable pecuniary interest or other interest to which the request for the dispensation relates;
  - ii. whether the dispensation is required to participate at a meeting in a discussion only or a discussion and a vote;
  - iii. the date of the meeting or the period (not exceeding four years) for which the dispensation is sought; and
  - iv. an explanation as to why the dispensation is sought.
- o This policy shall apply to all meetings of the Council, its committees and sub-committees.
- p No dispensation will be awarded for any meeting where there are no minutes of the proceedings.
- q A dispensation may be granted in accordance with standing order 14(m) above if having regard to all relevant circumstances the following applies:
  - i. without the dispensation the number of persons prohibited from participating in the particular business would be so great a proportion of the meeting transacting the business as to impede the transaction of the business or
  - ii. granting the dispensation is in the interests of persons living in the council's area or
  - iii. it is otherwise appropriate to grant a dispensation.

## **15. Code of conduct complaints**

- a Notification of any complaint shall remain confidential to the Proper Officer of the Council until such time as the matter has been concluded, when the outcome of the complaint shall be reported to a meeting of full council.
- b Where the notification relates to a complaint made by the Proper Officer, the Proper Officer shall notify the Chair or Vice Chair of that fact, who, upon receipt of such notification, shall nominate a person to assume the duties of the Proper Officer set out in this standing order, and who shall continue to act in respect of that matter as such until the complaint is resolved.
- c Where a notification relates to a complaint made by an employee (not being the Proper Officer) the Proper Officer shall ensure that the employee in question does not deal with any aspect of the complaint
- d The council may:
  - i. provide information or evidence where such disclosure is necessary to progress an investigation of the complaint or is required by law;
  - ii. seek information relevant to the complaint from the person or body with statutory responsibility for investigation of the matter;
- e References to a notification shall be taken to refer to a communication of any kind which relates to a breach or an alleged breach of the code of conduct by a councillor.
- f Upon notification by the Cornwall Council that a councillor or non-councillor with voting rights has breached the council's code of conduct, the council shall consider any recommendations and what, if any, action to take against him. Such action excludes disqualification or suspension from office and shall be limited to those sanctions recommended by the Monitoring Officer as part of the Decision Notice.

## **16. Proper Officer**

- a The Proper Officer shall be either (i) the clerk or (ii) other staff member(s) nominated by the Council to undertake the work of the Proper Officer when the Proper Officer is absent.
- b The Proper Officer shall:

- i) **at least three clear days before a meeting of the Council, a committee or a sub-committee,**
- **serve on Councillors by delivery or post at their residences or by email authenticated in such manner as the Proper Officer thinks fit, a signed summons confirming the time, place and the agenda (provided the Councillor has consented to service by email), and**
  - **Provide, in a conspicuous place, public notice of the time, place and agenda (provided that the public notice with agenda of an extraordinary meeting of the Council convened by Councillors is signed by them).**

*See standing order 3(b) for the meaning of clear days for a meeting of a full Council and standing order 3(c) for the meaning of clear days for a meeting of a committee;*

- ii) subject to standing order 10, include on the agenda all motions in the order received unless a Councillor has given written notice at least 7 days before the meeting confirming his withdrawal of it;
- iii) **convene a meeting of the Council for the election of a new Chair of the Council, occasioned by a casual vacancy in his office;**
- iv) **facilitate inspection of the minute book by local government electors;**
- v) **receive and retain copies of byelaws made by other local authorities;**
- vi) hold acceptance of office forms from Councillors;
- vii) hold a copy of every Councillor's register of interests;
- viii) assist with responding to requests made under freedom of information legislation and rights exercisable under data protection legislation, in accordance with the Council's relevant policies and procedures;
- ix) liaise, as appropriate, with the Council's Data Protection Officer (if there is one);
- x) receive and send general correspondence and notices on behalf of the Council except where there is a resolution to the contrary;
- xi) assist in the organisation of, storage of, access to, security of and destruction

of information held by the Council in paper and electronic form subject to the requirements of data protection and freedom of information legislation and other legitimate requirements (e.g. the Limitation Act 1980);

- xii) arrange for legal deeds to be executed;  
(*see also standing order 24*);
- xiii) arrange or manage the prompt authorisation, approval, and instruction regarding any payments to be made by the Council in accordance with its financial regulations;
- xiv) record every planning application notified to the Council and the Council's response to the local planning authority on a spreadsheet for such purpose;
- xv) When the Town Council is asked to consider a planning application under Cornwall Council's 5 Day protocol contact those members of the Council present at the meeting when the planning application was considered.  
(Lostwithiel Town Council – Local Council Planning Protocol Policy)
- xvi) manage access to information about the Council via the publication scheme;  
and
- xvii) retain custody of the seal of the Council (if there is one) which shall not be used without a resolution to that effect.  
(*see also standing order 24*).

## **17. Responsible Financial Officer**

- a When the responsible Financial Officer is absent, the Council will appoint an alternative appropriate staff member(s) to undertake the work of the Responsible Financial Officer or appoint a Council member to an unpaid post to undertake the work of the Responsible Officer if required until a temporary/locum clerk can be appointed.

## **18. Accounts and accounting statements**

- a "Proper practices" in standing orders refer to the most recent version of "Governance and Accountability for Local Councils – a Practitioners' Guide".
- b All payments by the Council shall be authorised, approved and paid in accordance with the law, Proper practices and the Council's Financial Regulations.

- c The Responsible Financial Officer shall supply to each Councillor as soon as practicable after 30 June, 30 September and 31 December in each year a statement to summarise:
  - i) the Council's receipts and payments (or income and expenditure) for each quarter;
  - ii) the Council's aggregate receipts and payments (or income and expenditure) for the year to date;
  - iii) the balances held at the end of the quarter being reportedwhich includes a comparison with the budget for the financial year and highlights any actual or potential overspends.
- d As soon as possible after the financial year end at 31 March, the Responsible Financial Officer shall provide:
  - i) each Councillor with a statement summarising the Council's receipts and payments (or income and expenditure) for the last quarter and the year to date for information; and
  - ii) to the Council the accounting statements for the year in the form of Section 2 of the annual governance and accountability return, as required by Proper practices, for consideration and approval.
- e The year-end accounting statements shall be prepared in accordance with Proper practices and apply the form of accounts determined by the Council (receipts and payments, or income and expenditure) for the year to 31 March. A completed draft annual governance and accountability return shall be presented to all Councillors at least 14 days prior to anticipated approval by the Council. The annual governance and accountability return of the Council, which is subject to external audit, including the annual governance statement, shall be presented to the Council for consideration and formal approval before 30 June.

## **19. Financial controls and procurement**

The Council has established Financial Regulations for the governance and management of its finances and to meet the requirements of the audit and accountability regime in place at the time. These are attached as Part II of these Standing Orders.

- a) All payments by the Council shall be authorised, approved and paid in accordance with the law, Proper practices and the Council's financial regulations.
- b) The Council's Proper practices will be in accordance with the most recent JPAG guidance.

## **20. Handling staff matters**

- a A matter personal to a member of staff that is being considered by a meeting of Council or the Staffing Committee is subject to standing order 12.
- b Subject to the Council's policies regarding the handling of performance, capability and disciplinary matters, the Council's most senior staff member (or other member of staff) shall contact the Chair of the Staffing Committee or in their absence the Vice Chair of the Staffing Committee in respect of an informal or formal matter and this shall be reported back and progressed by resolution of the Staffing Committee in accordance with its terms of reference.
- c The Chair of Staffing Committee or in their absence, the Vice-Chair shall upon a resolution conduct a review of the performance and annual appraisal of the work of the town clerk. The reviews and appraisal shall be reported in writing and are subject to approval by resolution by the Staffing Committee.
- d Subject to the Council's policy regarding the handling of grievance matters, the Council's most senior member of staff shall contact the Chair of the Staffing Committee or in their absence, the Vice-Chair of the Staffing Committee in respect of an informal or formal grievance matter, and this matter shall be reported back and progressed by resolution of the Staffing Committee in accordance with its terms of reference.
- e Subject to the Council's policies regarding the handling of grievance matters, if an informal or formal grievance matter raised by the Clerk/RFO relates to the Chair or Vice-Chair of the Staffing Committee, this shall be communicated to another member of the Staffing committee, which shall be reported back and progressed by resolution of the Staffing Committee in accordance with its terms of reference
- f Any persons responsible for all or part of the management of staff shall treat as confidential the written records of all meetings relating to their performance,

capabilities, grievance or disciplinary matters.

- g In accordance with standing order 12(a), the Council will identify two persons with line management responsibilities who may have access to staff records referred to in standing order 20(f)

## **21. Responsibilities to provide information**

*See also standing order 12 & 22*

- a **In accordance with freedom of information legislation, the Council shall publish information in accordance with its publication scheme and respond to requests for information held by the Council.**
- b **The Council, shall publish information in accordance with the requirements of the Local Government (Transparency Requirements) (England) Regulations 2015.**

## **22. Responsibilities under data protection legislation**

(Below is not an exclusive list).

*See also standing order 12 & 21*

- a **The Council may appoint a Data Protection Officer.**
- b **The Council shall have policies and procedures in place to respond to an individual exercising statutory rights concerning his personal data.**
- c **The Council shall have a written policy in place for responding to and managing a personal data breach.**
- d **The Council shall keep a record of all personal data breaches comprising the facts relating to the personal data breach, its effects and the remedial action taken.**
- e **The Council shall ensure that information communicated in its privacy notice(s) is in an easily accessible and available form and kept up to date.**
- f **The Council shall maintain a written record of its processing activities.**

## **23. Relations with the press/media**

- a Requests from the press or other media for an oral or written comment or statement from the Council, its Councillors or staff shall be handled in accordance

with the Council's policy in respect of dealing with the press and/or other media.

## **24. Execution and sealing of legal deeds**

*See also standing orders 16(b)(xii) and (xvii).*

- a A legal deed shall not be executed on behalf of the Council unless authorised by a resolution.
- b **Subject to standing order 24(a), the Council's common seal shall alone be used for sealing a deed required by law. It shall be applied by the Proper Officer in the presence of three Councillors who shall sign the deed as witnesses.**

*The above is applicable to a Council with a common seal.*

## **25. Communicating with district and county or unitary Councillors**

- a An invitation to attend a meeting of the Council shall be sent, together with the agenda, to the ward Councillor(s) of the Unitary Council representing the area of the Council.
- b Unless the Council determines otherwise, a copy of relevant correspondence sent to the unitary authority shall be sent to the divisional councillors(s) representing the area of the Council.
- c At the Chair's discretion and with the approval of the council, a divisional member may be invited to speak during any item on the agenda to make a short statement and answer any questions.

## **26. Restrictions on Councillor activities**

- a. Unless duly authorised no Councillor shall:
  - i) inspect any land and/or premises which the Council has a right or duty to inspect; or
  - ii) issue orders, instructions or directions.
  - iii) incur any expenditure on behalf of the council or issue an instruction to incur expenditure.

## **27. Standing orders generally**

- a All or part of a standing order, except one that incorporates mandatory statutory or legal requirements, may be suspended by resolution in relation to the consideration of an item on the agenda for a meeting.
- b A motion to add to or vary or revoke one or more of the Council's standing orders, except one that incorporates mandatory statutory or legal requirements, shall be proposed by a special motion, the written notice by at least 6 Councillors to be given to the Proper Officer in accordance with standing order 8.
- c The Proper Officer shall provide a copy of the Council's standing orders to a Councillor as soon as possible.
- d The decision of the Chair of a meeting as to the application of standing orders at the meeting shall be final.

## FINANCIAL REGULATIONS

1. General .....	29
2. Risk management and internal control .....	31
3. Accounts and audit.....	32
4. Budget and precept.....	34
5. Procurement .....	35
6. Banking and payments .....	38
7. Electronic payments.....	40
8. Cheque payments .....	42
9. Payment cards.....	42
10. Petty Cash .....	43
11. Payment of salaries and allowances .....	43
12. Loans and investments.....	44
13. Income .....	45
14. Payments under contracts for building or other construction works .	45
15. Stores and equipment.....	46
16. Assets, properties and estates .....	46
17. Insurance .....	47
18. Suspension and revision of Financial Regulations.....	47
Appendix 1 - Tender process .....	49

These Financial Regulations were adopted by the council at its meeting held on 3<sup>rd</sup> September 2024.

## 1. General

- 1.1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.
- 1.2. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.
- 1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.
- 1.4. In these Financial Regulations:
  - 'Accounts and Audit Regulations' means the regulations issued under
  - Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
  - "Approve" refers to an online action, allowing an electronic transaction to take place.
  - "Authorise" refers to a decision by the council, or a committee or an officer, to allow something to happen.
  - 'Proper practices' means those set out in *The Practitioners' Guide*
  - *Practitioners' Guide* refers to the guide issued by the Joint Panel on Accountability and Governance (JPAG) and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Clerks in Wales.
  - 'Must' and **bold text** refer to a statutory obligation the council cannot change.
  - 'Shall' refers to a non-statutory instruction by the council to its members and staff.

1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. The Clerk has been appointed as RFO and these regulations apply accordingly. The RFO;

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and control systems;
- ensures the accounting control systems are observed;
- ensures the accounting records are kept up to date;
- seeks economy, efficiency and effectiveness in the use of council resources; and
- produces financial management information as required by the council.

1.6. **The council must not delegate any decision regarding:**

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

1.7. In addition, the council shall:

- determine and regularly review the bank mandate for all council bank accounts;
- authorise any grant or single commitment in excess of £5,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference.

## **2. Risk management and internal control**

- 2.1. The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**
- 2.2. The Clerk shall prepare, for approval by the council, a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.
- 2.3. When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration by the council.
- 2.4. At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**
- 2.5. The accounting control systems determined by the RFO must include measures to:**
- **ensure that risk is appropriately managed;**
  - **ensure the prompt, accurate recording of financial transactions;**
  - **prevent and detect inaccuracy or fraud; and**
  - **allow the reconstitution of any lost records;**
  - **identify the duties of officers dealing with transactions and**
  - **ensure division of responsibilities.**
- 2.6. At least once in each quarter, and at each financial year end, a member other than the Chair or a cheque signatory shall be appointed to verify bank reconciliations for all accounts produced by the RFO. The member shall sign and date the reconciliations and the original bank statements or similar document as evidence of this. This activity, including any exceptions, shall be reported to and noted by the council.

- 2.7. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

### **3. Accounts and audit**

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

council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary.

3.7. The internal auditor shall be appointed by the council and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

3.8. The council shall ensure that the internal auditor:

- is competent and independent of the financial operations of the council;
- reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
  - can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
  - has no involvement in the management or control of the council

3.9. Internal or external auditors may not under any circumstances:

- perform any operational duties for the council;
- initiate or approve accounting transactions;
- provide financial, legal or other advice including in relation to any future transactions; or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.

3.11. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts, including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

3.12. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

#### **4. Budget and precept**

**4.1. Before setting a precept, the council must calculate its council tax (England) requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**

4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the Staffing Committee at least annually in October for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the Staffing Committee. The RFO will inform committees of any salary implications before they consider their draft their budgets.

4.3. No later than November each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year along with a forecast for the following three financial years, taking account of the lifespan of assets and cost implications of repair or replacement.

4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward (by placing them in an earmarked reserve) with the formal approval of the full council.

4.5. Each committee shall review its draft budget and submit any proposed amendments to the council not later than the end of October each year.

- 4.6. The draft budget with any committee proposals and three-year forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the council.
- 4.7. Having considered the proposed budget and three-year forecast, the council shall determine its council tax (England) requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.
- 4.8. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must and must disclose at the start of the meeting that Section 106 applies to them.**
- 4.9. The RFO shall **issue the precept to the billing authority no later than the end of January** and supply each member with a copy of the agreed annual budget.
- 4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the council.

## **5. Procurement**

- 5.1. **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.
- 5.2. The RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.
- 5.3. Every contract shall comply with these the council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.

- 5.4. For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation (“the Legislation”), must be followed in respect of the tendering, award and notification of that contract.**
- 5.5. Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 6.12) obtain prices as follows:
- 5.6. For contracts estimated to exceed £21,000 including VAT, the Clerk shall advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.
- 5.7. For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation<sup>1</sup> regarding the advertising of contract opportunities and the publication of notices about the award of contracts.**
- 5.8. For contracts greater than £7,000 excluding VAT the Clerk shall seek at least 3 fixed-price quotes;
- 5.9. where the value is between £3,000 and £7,000 excluding VAT, the Clerk shall try to obtain 3 estimates {which might include evidence of online prices, or recent prices from regular suppliers.}
- 5.10. For smaller purchases, the clerk shall seek to achieve value for money.
- 5.11. Contracts must not be split into smaller lots to avoid compliance with these rules.**
- 5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:
- i. specialist services, such as legal professionals acting in disputes;
  - ii. repairs to, or parts for, existing machinery or equipment;
  - iii. works, goods or services that constitute an extension of an existing contract;
  - iv. goods or services that are only available from one supplier or are sold at a fixed price.

- 5.13. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the council or relevant committee. Avoidance of competition is not a valid reason.
- 5.14. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- 5.15. Individual purchases within an agreed budget for that type of expenditure may be authorised by:
- under delegated authority, for any items below £500 excluding VAT.
  - the Clerk, in consultation with the Chair of the Council {or Chair of the appropriate committee}, for any items below £3,000 excluding VAT.
  - a duly delegated committee of the council for all items of expenditure within their delegated budgets for items under £5,000 excluding VAT
  - in respect of grants, a duly authorised committee within any limits set by council and in accordance with any policy statement agreed by the council.
  - the council for all items over £5,000;

Such authorisation must be supported by a minute (in the case of council or committee decisions) or other auditable evidence trail.

- 5.16. No individual member, or informal group of members may issue an official order or make any contract on behalf of the council.
- 5.17. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the council or a duly delegated committee acting within its Terms of Reference except in an emergency.
- 5.18. In cases of serious risk to the delivery of council services or to public safety on council premises, the clerk may authorise expenditure of up to £3,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair as soon as possible and to the council as soon as practicable thereafter.

- 5.19. No expenditure shall be authorised, no contract entered into or tender accepted in relation to any major project, unless the council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.
- 5.20. An official order or letter shall be issued for all work, goods and services above £500 excluding VAT unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.
- 5.21. Any ordering system can be misused and access to them shall be controlled by the RFO.

<sup>1</sup> The Regulations require councils to use the Contracts Finder website if they advertise contract opportunities and also to publicise the award of contracts over £30,000 including VAT, regardless of whether they were advertised.

## **6. Banking and payments**

- 6.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the council; banking arrangements shall not be delegated to a committee. The council has resolved to bank with Unity Bank. The arrangements shall be reviewed every two years for security and efficiency.
- 6.2. The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. More than one person should always be involved in any payment, for example by dual online authorisation or dual cheque signing. Currently payments from the bank account are authorised by three Councillors with Standing Orders and Direct Debits being authorised by a resolution at Full Council. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.
- 6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO. Where the certification of invoices is done as a batch, this

shall include a statement by the RFO that all invoices listed have been 'examined, verified and certified' by the RFO.

- 6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.
- 6.5. All payments shall be made by online banking or cheque, in accordance with a resolution of the council or duly delegated committee or a delegated decision by an officer, unless the council resolves to use a different payment method.
- 6.6. For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the council or a duly delegated committee may authorise in advance for the year.
- 6.7. A copy of this schedule of regular payments shall be signed by three members on each and every occasion when payment is made - to reduce the risk of duplicate payments.
- 6.8. A list of such payments shall be reported to the next appropriate meeting of the council or Finance Committee for information only.
- 6.9. The Clerk shall have delegated authority to authorise payments only in the following circumstances:
  - i. any payments of up to £500 excluding VAT, within an agreed budget.
  - ii. payments of up to £3,000 excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.
  - iii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the council, where the Clerk certifies that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance committee.

- iv. Fund transfers within the councils banking arrangements up to the sum of £50,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance committee.

6.10. The RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, together with the relevant invoices, to the council or finance committee. The council or committee shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

## **7. Electronic payments**

- 7.1. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts and a minimum of three people will be involved in any online approval process.
- 7.2. All authorised signatories shall have access to view the council's bank accounts online.
- 7.3. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council or a duly delegated committee.
- 7.4. The Service Administrator shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent by email to three authorised signatories.
- 7.5. In the prolonged absence of the Service Administrator an authorised signatory shall set up any payments due before the return of the Service Administrator.

- 7.6. Three councillors who are authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system.
- 7.7. Evidence shall be retained showing which members approved the payment online, the invoice should be annotated with the date of the payment and payment method in order that the audit trail back to the bank account can be quickly established.
- 7.8. A full list of all payments made in a month shall be provided to the next council meeting and published on the Council's website.
- 7.9. In each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit. The approval of the use of each variable direct debit shall be reviewed by the council at least every two years.
- 7.10. Payment may be made by BACS or CHAPS by resolution of the council provided that each payment is approved online by three authorised bank signatories, evidence is retained and any payments are reported to the council at the next meeting. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.
- 7.11. If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed by three members, evidence of this is retained and any payments are reported to council when made. The approval of the use of a banker's standing order shall be reviewed by the council at least every two years.
- 7.12. Account details for suppliers may only be changed upon written notification by the supplier verified by the Clerk and a bank account signatory. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.
- 7.13. Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.

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

## **8. Cheque payments**

- 8.1. Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by three members and countersigned by the Clerk.
- 8.2. A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.
- 8.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.
- 8.4. Cheques or orders for payment shall not normally be presented for signature other than at, or immediately before or after a council or committee meeting. Any signatures obtained away from council meetings shall be reported to the council or Finance Committee at the next convenient meeting.

## **9. Payment cards**

- 9.1. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £1,000 unless authorised by council or finance committee in writing before any order is placed.
- 9.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council.

9.3. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk and any balance shall be paid in full each month.

9.4. Personal credit or debit cards of members or staff shall not be used except for expenses of up to £500 including VAT, incurred in accordance with council policy.

## **10. Petty Cash**

10.1.1 The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **11. Payment of salaries and allowances**

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

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

11.3. Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the council or relevant committee.

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

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

11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded

in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the staffing committee to ensure that the correct payments have been made.

- 11.7. Any termination payments shall be supported by a report to the council, setting out a clear business case. Termination payments shall only be authorised by the full council.
- 11.8. Before employing interim staff, the council must consider a full business case.

## **12. Loans and investments**

- 12.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full council and recorded in the minutes. All borrowing shall be in the name of the council, after obtaining any necessary approval.
- 12.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase, Leasing of tangible assets or loans to be repaid within the financial year) must be authorised by the full council, following a written report on the value for money of the proposed transaction.
- 12.3. The council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 12.4. All investment of money under the control of the council shall be in the name of the council.
- 12.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

### **13. Income**

- 13.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
- 13.2. The council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report from the Clerk. The RFO shall be responsible for the collection of all amounts due to the council.
- 13.3. Any sums found to be irrecoverable and any bad debts shall be reported to the council by the clerk and shall be written off in the year. The council's approval shall be shown in the accounting records.
- 13.4. All sums received on behalf of the council shall be deposited intact with the council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.
- 13.5. Personal cheques shall not be cashed out of money held on behalf of the council.
- 13.6. The RFO shall ensure that VAT is correctly recorded in the council's accounting software and that any VAT Return required is submitted from the software by the due date.
- 13.7. Where significant sums of cash are regularly received by the council, the RFO shall ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.

### **14. Payments under contracts for building or other construction works**

- 14.1. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.
- 14.2. Any variation of, addition to or omission from a contract must be authorised by the Clerk to the contractor in writing, with the council

being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

**15. Stores and equipment**

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

**16. Assets, properties and estates**

- 16.1. The Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.
- 16.2. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.
- 16.3. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.
- 16.4. No interest in land shall be purchased or otherwise acquired, sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a written report shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).

No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, except where the estimated value of any one item does not exceed £500. In each case a written report shall be provided to council with a full business case.

## **17. Insurance**

- 17.1. The RFO shall keep a record of all insurances effected by the council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the council's review of risk management.
- 17.2. The Clerk shall give prompt notification of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 17.3. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the council at the next available meeting. The RFO shall negotiate all claims on the council's insurers.
- 17.4. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the council, or duly delegated committee.

## **18. Suspension and revision of Financial Regulations**

- 18.1. The council shall review these Financial Regulations every two years and following any change of clerk or RFO. The Clerk shall monitor changes in legislation or proper practices and advise the council of any need to amend these Financial Regulations.
- 18.2. The council may, by resolution duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations, provided that reasons for the suspension are recorded and that an assessment of the risks arising has been presented to all members. Suspension does not disapply any legislation or permit the council to act unlawfully.

- 18.3. The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

## **Appendix 1 - Tender process**

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