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Town Council



Aimi Middlehurst
Town Clerk

FINANCIAL REGULATIONS **Adopted on 21st May 2015** **Amended on 14th April 2016** **Adopted on 12th May 2016**

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1. GENERAL

1.1 These financial regulations govern the conduct of the financial transactions of the Council and may only be amended or varied by resolution of the Council. Financial regulations are only one of the Council's three governing policy documents providing procedural guidance for members and officers. Financial Regulations must be observed in conjunction with the Council's Standing Orders and any individual financial regulations relating to contracts.

1.2 The Responsible Financial Officer (RFO), is a statutory office and shall be appointed by the Council. The Clerk has been appointed as RFO for this Council. Under the policy direction of the Council, through the Finance committee, the Clerk shall be responsible for the proper administration of the Council's affairs. The Clerk shall determine on behalf of the Council its accounting records and accounting control systems. The Clerk shall ensure that the accounting records of the Council are maintained and kept up to date in accordance with proper practices and that secure back up provision is made for all the Council's computerised financial records.

1.3 The Clerk shall be responsible for the production of financial management information.

1.4 The Clerk shall produce financial management information as required by the Finance committee and Council.

1.5 The Council shall be responsible for ensuring that the financial management is adequate and effective and that the Council has a sound system of financial internal control which facilitates the effective exercise of its functions and manages risk and facilitates the prevention and detection of fraud and corruption.

1.6 The Council shall review, at least once a year, prior to approving the Annual Return, the effectiveness of its systems of internal controls and shall produce a statement on internal control with its statement of accounts.

1.7 In these financial regulations, references to the Accounts and Audit Regulations shall mean the Regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force.

1.8 In these financial regulations the term "proper practice" or "proper practices" shall refer to guidance issued in Governance and Accountability in Local Councils in England and Wales – a Practitioners Guide which is published jointly by NALC and SLCC and updated from time to time.

1.9 The Council's accounting control systems must include measures identifying the duties of the officers.

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1.10 Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.

1.11 Members of the Council are expected to follow the instructions with these regulations and not to entice employees to breach them. Failure to follow instructions within these regulations brings the office of Councillor into disrepute.

1.12 The accounting control systems determined by the Clerk shall include -

- procedures to ensure that uncollectable amounts, including any bad debts, are not submitted to the Council for approval to be written off except with the approval of the Clerk and that the approvals are shown in the accounting records
- measures to ensure that risk is properly managed

2. ANNUAL ESTIMATES

2.1 Each Committee (if any) shall formulate and submit proposals to the Finance committee in respect of revenue, sources of funding and capital costs for the following financial year not later than the end of November each year.

2.2 Detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the year shall be prepared each year by the Clerk in the form of a budget to be considered by the Finance committee.

2.3 The Council shall review the budget not later than the end of January each year and shall fix the precept to be levied for the ensuing financial year. The Clerk shall issue the precept to the billing authority and shall supply each member with a copy of the approved budget.

2.4 The annual budgets shall form the basis of financial control for the ensuing year.

3. BUDGETARY CONTROL

3.1 Expenditure on revenue items may be incurred up to the amounts included for that class of expenditure in the approved budget.

3.2 No expenditure may be incurred which will exceed the amount provided in the revenue budget for that class of expenditure. The Clerk may, with the approval of Council, vire between subheads. During the budget year, and with the approval of Council through the Finance committee, and having considered fully the implications for public services, unspent and available amounts may be moved as a virement to other budget headings or to an earmarked reserve as appropriate.

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3.3 The Clerk shall regularly provide the Finance committee, Council and other committees, with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variance eg in excess of £100 or 15% of the budget.

3.4 The Clerk may incur expenditure on behalf of the Council which is necessary to carry out any repair, replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, as follows –

Up to £1,000 at the discretion of the Clerk: £1,001 – £20,000 at the discretion of the Clerk and two others comprising of the Chairman of the Council, vice Chairman and/or the Chair of the relevant committee. If this is not possible, and the matter is of such urgency that it cannot wait, then any two members of the Council may approve expenditure not exceeding £2,000. The Clerk shall report any such payments to the appropriate committee Chair, Chairman and vice Chairman of the Council as soon as practicable thereafter and the appropriate committee and evidenced by a Minute reference.

3.5 Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless recommended by relevant committee and approved by resolution of the Council. Credit balances will be returned to General Reserves.

3.6 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.

3.7 All capital works shall be administered in accordance with the Council's Standing Orders and Financial Regulations relating to contracts.

3.8 Any movements from the General Reserves or Project Funds should be with the agreement of the Full Council. Where this is not practically possible the Clerk should obtain the prior agreement of any two of the following: the Chairman of the Council, Vice Chairman or the Chair of Finance committee. Thereafter, the movement of funds is to be reported to the next Full Council meeting or the next Finance committee meeting whichever is the earliest.

3.9 General Reserves should contain the level currently recommended by National Association of Local Councils (NALC).

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4. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

4.1 All accounting procedures and financial records of the Council shall be determined by the Clerk as required by the Accounts and Audit Regulations 2003 and 2006, and any subsequent amendments thereto.

4.2 The Clerk shall be responsible for completing the annual financial statements of the Council, including the Council's Annual Return, as soon as practicable after the end of the financial year and shall submit them and report thereon to the Finance committee and the Council.

4.3 The Clerk shall be responsible for completing the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission) and for submitting the Annual Return for approval and authorisation by the Council within the timescale set by the Accounts and Audit Regulations 2003 1996 as amended, or set by the Auditor.

4.4 The Clerk shall be responsible for ensuring that there is adequate and effective system of internal audit of the Council's accounting, financial and other operations in accordance with Regulation 5 of the Accounts and Audit Regulations 2003 and 2006, and any subsequent amendments thereto.

4.5 Any officer or member of the Council shall, if the Clerk or Internal Auditor requires, make available such documents of the Council which appear to the Clerk or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the Clerk or Internal Auditor with such information and explanation as the Clerk or Internal Auditor considers necessary for that purpose.

4.6 The Council shall carry out a review of the effectiveness of internal audit on an annual basis in accordance with the Accounts and Audit Regulations 2003 and 2006, and any subsequent amendments thereto.

4.7 The Internal Auditor shall be appointed by and carry out the work required by the Clerk and the Council, in accordance with proper practices with a view to satisfactory completion of the Internal Auditor's Report section of the Annual Return as compiled annually by the Audit Commission.

4.8 The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council in writing, or in person, on a regular basis with a minimum of one written annual report in respect of each financial year.

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4.9 Internal or external auditors may not under any circumstances –

- Perform any operational duties for the council
- Initiate or approve accounting transactions
- Direct the activities of any Council employees except to the extent that such employees have been appropriately assigned to assist the internal auditor

4.10 In order to demonstrate objectivity and independence, the Internal Auditor shall be free from any conflicts of interest and have no involvement in the financial decision making, management or control of the Council.

4.11 The Clerk shall make arrangements for the exercise of electors rights in relation to the accounts including the opportunity for inspection of the accounts, books, and vouchers and for the display or publication of any Notices and statements of Accounts required by Audit Commission Act 1998 section 15 and the Accounts and Audit Regulations 2003 and 2006, and any subsequent amendments thereto.

4.12 The Clerk shall, as soon as practicable, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative nature.

4.13 On a regular basis, at least once in each quarter and at each financial year end, a member, other than the Chairman or a cheque signatory, shall be appointed to verify bank reconciliations (for all accounts) produced by the Clerk. The member shall sign the reconciliations and the original bank statements (or similar documentation) as evidence of verification. The activity shall be reported (including any exceptions) to and noted by the Finance committee.

5. BANKING ARRANGEMENTS AND CHEQUES

5.1 The Council's banking arrangements including the Bank Mandate, shall be made by the Clerk and approved by the Finance committee and the Council. They shall be regularly reviewed for efficiency.

5.2 Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.1 or in accordance with paragraph 6.6, shall be signed by two members of Council.

5.3 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories' shall each also initial the cheque counterfoil.

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6. PAYMENT OF ACCOUNTS

6.1 All payments except payments from petty cash shall be effected by cheque or other order drawn on the Council's bankers including the council's pre-paid debit card.

6.2 All invoices for payment shall be examined, verified and certified before payment and clearly initialled by the person making the check. The verifying staff member shall satisfy him/herself that the work, goods or services to which the invoice relates shall have been received, carried out, examined and approved.

6.3 Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to Council or committee shall be signed by two members of the Council and the schedule countersigned by the Clerk. If a member who is a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter with respect of which the payment is being made, that Councillor shall not authorise the payment unless a dispensation has been granted by the Finance Committee.

6.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation the signatories shall each also initial the cheque counterfoil.

6.5 The verifying staff member shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading. The Clerk shall take all steps to settle all invoices submitted, and which are in order, and report those with a net value in excess of £99 to the next available Finance Committee meeting.

6.6 If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the Clerk confirms that there is no dispute or other reason to delay payment, the Clerk may (notwithstanding para 6.5) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of the Finance Committee or Full Council whichever is the soonest.

6.7 The Clerk shall maintain as petty cash a float not exceeding £500 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment and verified by a second staff member prior to the cash float being replenished.

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6.8 Income received must not be paid into the petty cash float but must be banked separately, as provided elsewhere in these regulations.

6.9 Payments to maintain the petty cash float shall be shown separately on the schedule of payments maintained by the Council.

6.10 The Clerk may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments shall be forwarded to the Clerk. Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to Council under 5.2 above.

6.11 If thought appropriate by the Council, payment for utility (energy, telephone and water) and other regular supplies or services may be made by variable Direct Debit provided that the instructions are signed by two members and any payments are reported to Council as made. The approval of the use of a variable Direct Debit shall be renewed by resolution of the Council at least every two years.

6.12 If thought appropriate by the Council payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed or otherwise evidenced by two authorised bank signatories are retained and any payments are reported to Council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the Council at least every two years.

6.13 If thought appropriate by the Council payment for certain items may be made by internet banking transfer provided evidence is retained showing which members approved the payment.

6.14 Where a computer requires use of a personal identification number (PIN) or other password(s) for access to the Council's records on that computer, a note shall be made of the PIN and password(s) and shall be handed to and retained by the Chairman of the Council in a sealed dated envelope and kept off site. This envelope may not be opened other than in the presence of two other Councillors. After the envelope has been opened, in any circumstances, the PIN and/or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the Council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.

6.15 No employee or Councillors shall disclose any PIN or password relevant to the working of the Council or its bank accounts to any person not authorised in writing by the Council or a duly delegated committee.

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6.16 Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question and preferably off site.

6.17 The Council, and any members using computers for the Council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security is used.

6.18 Where internet banking arrangements are made with any bank, the Clerk shall be appointed as the Service Administrator. The Bank Mandate approved by the Council shall identify a number of Councillors who will be authorised to approve transactions on those accounts. The Bank Mandate will state clearly the amounts of payment that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.

6.19 Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites") and not through a search engine or email link. Remembered or saved passwords facilities must not be used on any computer used for Council banking work. Breach of this Regulation will be treated as a very serious matter.

6.20 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by the Clerk and a member.

6.21 A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Finance committee. Transactions and purchases made will be reported to the Finance committee and authority for topping up shall be at the discretion of the Town Clerk.

6.22 Personal credit or debit cards of members of staff shall not be used under any circumstances.

7. PAYMENT OF SALARIES

7.1 The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance legislation currently operating and salary rates shall be as agreed by Council.

7.2 Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, may be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to, and ratified by, the next available Council Meeting.

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7.3 All time sheets shall be certified by the Clerk, or a member of staff nominated to carry out this duty, as to their accuracy in terms of duties and hours recorded.

7.4 An effective system of personal performance management should be maintained for the senior officers.

7.5 Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by the Council.

7.6 Before employing interim staff the Council must consider a full business case.

8. LOANS AND INVESTMENTS

8.1 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.

8.2 All borrowings shall be effected in the name of the Council after obtaining any necessary approval. Any application for borrowing approval shall be approved by the Council as to terms and purpose. The application for borrowing approval and subsequent arrangements for the loan shall only be approved by Full Council.

8.3 Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with these Regulations.

8.4 The Council shall consider the need for an Investment Policy which, if drawn up, shall be in accordance with the Trustee Act 2000, proper practices and guidance. Any policy shall be reviewed on a regular basis (at least annually).

8.5 All investments of money under the control of the Council shall be in the name of the Council.

8.6 All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The terms and conditions of borrowing shall be reviewed at least annually.

8.7 All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk.

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9. INCOME

9.1 The collection of all sums due to the Council shall be the responsibility of, and under the supervision of, the Clerk.

9.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council, notified to the Clerk and the Clerk shall be responsible for the collection of all accounts due to the Council.

9.3 The Council, through the Finance committee, will review all fees and charges annually, following a report of the Clerk.

9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council through the Finance committee and shall be written off in the year.

9.5 All sums received on behalf of the Council shall be banked intact as directed by the Clerk. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the Clerk considers necessary.

9.6 The origin of each receipt shall be entered on the paying-in slip.

9.7 Personal cheques shall not be cashed out of money held on behalf of the Council.

9.8 The Clerk shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least quarterly.

9.9 Where any significant sums of cash are regularly received by the Council, the Clerk shall take such steps as are agreed by the Council to 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 such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10. ORDERS FOR WORK, GOODS AND SERVICES

10.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained in accordance with the relevant NALC Legal Topic Note on the retention of Documents and Records.

10.2 Order books, where used, shall be controlled by the Clerk.

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10.3 All members and Officers are responsible for obtaining value for money at all times. An officer issuing an official order is to ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11 (l) below.

10.4 A member may not issue an official order or make any contract on behalf of the Council.

10.5 The lawful nature of any proposed purchase shall be verified before the issue of any order, and in the case of new or infrequent purchases or payments and where the purchase or payment is subject to statutory regulation, the Clerk shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

11. CONTRACTS

11.1 The Council holds a Preferred Contractor list for goods and services for a value not exceeding £25,000 which are regularly required. These contractors will have supplied the Council with copies of relevant Insurance cover, method statements and risk assessments.

11.2 Procedures as to contracts are laid down as follows:

(a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that these regulations shall not apply to contracts which relate to items (i) to (vi) below:

- (i) for the supply of gas, electricity, water, sewerage and telephone services;
- (ii) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
- (iii) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
- (iv) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
- (v) for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk / RFO shall act after consultation with the chairman and vice chairman of the Council)

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- (vi) for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at fixed price
- (b) Where it is intended to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("The Regulations") which is valued at £25,000 or more the Council shall comply with the relevant requirements of the Regulations.
- (c) The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public work contract which exceeds thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time).
- (d) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council.
- (e) Such 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. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. 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.
- (f) 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.
- (g) Any invitation to tender issued under this regulation shall contain a statement to the effect of Standing Orders 18 a v and shall refer to the terms of the Bribery Act 2010.
- (h) Where it is intended to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as excepted as set out in paragraph 18 a v and 18 c the Clerk / RFO shall obtain 3 quotations (priced descriptions of the proposed supply) where the value is below £2,000 and above £100 the Clerk / RFO shall strive to obtain 3 estimates.

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(i) The Council shall not be obliged to accept the lowest of any tender, quote or estimate.

(j) Should it occur that 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, provided that the specification does not change, 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.

12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

12.1 Payments on account of the contract sum shall be made within the time specified in the contract by the Clerk upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).

12.2 Where contracts provide for payment by instalments the Clerk shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the next meeting of the Finance Committee or Full Council.

12.3 Any variation to a contract, or addition to, or omission from, a contract must be approved by the Council and Clerk to the Contractor in writing before any work has begun, the Council being informed where the final cost is likely to exceed the financial provision.

13. STORES AND EQUIPMENT

13.1 Employees shall be responsible for the care and custody of stores and equipment in their control.

13.2 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.

13.3 Stocks shall be kept at the minimum levels consistent with operational requirements.

13.4 The Clerk shall be responsible for ensuring that periodic checks of stocks and stores are made at least annually in accordance with a schedule prepared by the Clerk to reflect the value and vulnerability of the Council's various stock and stores.

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14. ASSETS, PROPERTIES AND ESTATES

14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The Clerk shall ensure a record is maintained of all properties owned by the Council, recording the 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.

14.2 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, save where the estimated value of any one item of tangible movable property does not exceed £500. In each case a report in writing shall be provided to Council with a full business case.

14.3 The Clerk shall ensure that an appropriate and accurate Register of Asset and Investments is kept up to date. 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.

14.4 No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law. In each case a report in writing 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 property business case (including an adequate level of consultation with the electorate).

15. INSURANCE

15.1 Following an annual risk assessment (as per Financial Regulation 17.3) the Clerk shall effect all insurances and negotiate all claims on the Council's insurers

15.2 The Clerk shall give prompt notification to the Council's Insurers of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

15.3 The Clerk shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.

15.4 The Clerk shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Council at the next available meeting.

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15.5 All appropriate members and employees of the Council shall be included in a suitable form of fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the Council.

16. CHARITIES

16.1 Where the Council is sole trustee of a Charitable body the Clerk shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

17. RISK MANAGEMENT

17.1 The Council is responsible for putting in place arrangements for the management of financial risk. The Clerk shall prepare for approval by the Council risk management policy statements in respect of all activities of the Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Council at least annually.

17.2 When considering any new activity the Clerk shall prepare in conjunction with the Council's consultants a draft Risk Management policy for the activity and shall bring a draft addressing the legal and financial liabilities and Risk Management issues that arise to Council for consideration and, if thought appropriate, adoption.

17.3 The Council shall carry out a Financial Risk Assessment on an annual basis in accordance with the Accounts and Audit Regulations 2003 and 2006, and any subsequent amendments thereto. The minutes shall record such review of the financial risks.

18. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

18.1 It shall be the duty of the Finance Committee to review the Financial Regulations of the Council annually. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these financial regulations.

18.2 The Council may, by resolution of the Council duly notified prior to the relevant meeting of the 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 drawn up and presented in advance to all members of the Council.