

APPENDIX 17 FINANCIAL REGULATIONS

INTRODUCTION

This document refers to a number of supplementary guidance and procedural manuals which are available on the Authority's Intranet site.

- 1.1 The interpretation of terms shown in Contract Standing Orders (CSO 1) apply also to Financial Standing Orders.

FS02 GENERAL

- 2.1 This part of Standing Orders shall apply to all Services provided by the Council, schools and to joint arrangements where the Council is either lead or host Authority but only to the extent that they are consistent with such statutory provisions and any lawful agreements made in relation to schools and the said joint arrangements. FSO 27 deals with monies held on behalf of partnerships.
- 2.2 Reference in this part of Standing Orders to "Strategic Directors" are to all Deputy Chief Executive, Strategic Directors of the Torfaen County Borough Council and Heads of Service. References to "the Council" means the Torfaen County Borough Council (and where the context so admits) the Cabinet, a Committee or Sub Committee of the Council or the Cabinet exercising executive powers or an officer exercising his/her authority under the Council's approved Scheme of Delegation or under these regulations.
- 2.3 Strategic Directors shall immediately consult the Chief Financial Officer upon matters which are likely to materially affect the finances of the Council before any commitment is made and/or before any report is submitted to the Council, or its Committees.
- 2.4 The Chief Financial Officer shall be notified of all Government or other circulars, orders sanctioned regulations, etc affecting finance.

FS03 FINANCIAL ADMINISTRATION

- 3.1 The Chief Financial Officer shall, for purposes of Section 151 of the Local Government Act, 1972 (as extended by Sections 114-116 of the Local Government Finance Act 1998) be responsible under the general direction of the Council for the proper administration of the Council's financial affairs.
- 3.2 The Cabinet will be responsible for regulating and controlling the finances of the Council subject to those matters which are or may be reserved by law to the Council.
- 3.3 The Chief Financial Officer shall each year report to the Council with respect to the level of resources proposed to be utilised in each financial year and

shall keep the Cabinet informed with respect to the Council's finances and financial performance and he shall take steps to ensure that all Service Areas of the Council are informed of the financial implications of their activities.

- 3.4 Each Service through its Strategic Director shall be responsible to the Council for the observance of the Council's Financial Standing Orders and Financial Regulations as they relate to the Service and to partnership funds held by the Council falling within her or his area of responsibility.
- 3.5 Each Strategic Director shall be responsible for the accountability and control of staff, and the security, custody and control of all other resources appertaining to their respective Service Area and to partnership resources held by the Council falling within her or his area of responsibility.
- 3.6 The Chief Financial Officer shall report to the Council and to the Governance and Audit Committee any issues of financial irregularity, fraud or error that are of material significance to the Council.
- 3.7 The Scrutiny Committees or such other Committees of the Council which may be appointed for the purpose shall scrutinise such elements of their Service Area budgets as may be deemed appropriate from time to time.

FS04 FINANCIAL PLANNING

Preparation of Annual Estimates

- 4.1 Annual estimates of revenue and capital expenditure shall be prepared by the Chief Financial Officer in conjunction with the responsible officers of the spending Services and submitted with any necessary explanations to the Cabinet for timely consideration before the annual budget meeting of the full Council.
- 4.2 After any necessary decision by the Cabinet in particular on the distribution between services of the available resources, the Cabinet shall consider the aggregate effect of these estimates upon the Council's financial resources and submit them for approval with a recommendation of the Council Tax to be levied for the ensuing financial year to a meeting of the full Council.
- 4.3 Each member of the Council shall be provided with a copy of the proposed estimates, together with a statement by the Chief Financial Officer of their effect on the Council's finances and the Council Tax to be levied. The estimates and statement shall be provided with the summons to attend the meeting of the Council at which such matters will be considered.
- 4.4 Where any sanction of a Government Department is required to expenditure, such expenditure shall not be incurred before any such approval has been obtained.

Revenue Forward Planning

- 4.5 Revenue forward planning will be set by the Cabinet in accordance with the budget framework. The Cabinet shall subsequently settle the long term plans for Council services and the distribution between services of available resources to provide a framework within which annual budgets will be prepared.

Capital Forward Planning

- 4.6 The Chief Financial Officer shall submit a programme for capital expenditure to the Cabinet and estimates of the revenue consequences of that expenditure, and income for such future periods, in such form and by such dates as the Cabinet may from time to time require.
- 4.7 The Cabinet shall consider the aggregate effect of these programmes and estimates upon the Council's financial resources and shall recommend the programme to Council accordingly.
- 4.8 Upon the approval by the Council of a programme of capital expenditure the relevant Strategic Director shall be authorised:
- (a) to prepare a scheme and estimate including associated revenue expenditure for decision by the appropriate Service Area, within approved revenue budget and
 - (b) to take steps in conjunction with the Chief Executive or his or her authorised representative to enable land required for the purposes of the programme to be acquired in due time.

Scrutiny

- 4.9 The Overview and Scrutiny Committee shall receive such reports as are necessary to effectively scrutinise compliance with the requirements of FS04.

FS05 BUDGETARY CONTROL

- 5.1 It shall be the duty of every Service Area through its Strategic Director to monitor and regulate its financial performance during the currency of each estimate period. In order to assist with the financial monitoring the Chief Financial Officer has issued guidance entitled 'A Guide to Financial Management – A Statement of Proper Practice'.
- 5.2 A Service Area may not incur expenditure which cannot be met from the amount provided in the revenue estimates under a head of estimate (including any virement made in accordance with Standing Order 5.5 below)

to which that expenditure would be charged or would result in an overspending in the year on that head of estimate unless a supplementary estimate has been submitted to and approved by the Chief Financial Officer in consultation with the relevant Executive Member or by the Cabinet. This Standing Order shall equally apply to a reduction in income as to an increase in expenditure.

- 5.3 Where a Service Area proposes to adopt or to recommend to the Council a policy which, if implemented, will involve the Council in expenditure not already specifically approved by the Council, or for which provision has not been made in the appropriate estimates, it shall first obtain from the relevant Strategic Director and Chief Financial Officer, an estimate of the cost. It shall then forward to the Cabinet such an estimate of the cost as will enable that Service Area to report to the Cabinet upon the immediate and prospective financial effects of the proposal. No liability shall be incurred by the Service Area without the consent of the Cabinet or the Chief Financial Officer under the Council's approved Scheme of Delegation.
- 5.4 Amounts provided under the approved annual revenue estimates may be diverted to other purposes by the Service Area concerned in accordance with the approved virement scheme operating within that Service Area, which has been previously approved by the Chief Financial Officer but may not be diverted otherwise than strictly in accordance with such scheme.
- 5.5 Subject to paragraph 5.7, Strategic Directors may not normally vire capital expenditure without consent of the Cabinet or the Chief Financial Officer. Only Council can increase the overall capital programme where additional resources become available from any source and authorise the use of revenue for capital purpose on the recommendation of Cabinet.
- 5.6 Strategic Directors may incur expenditure which is essential to meet any immediate needs related by a sudden emergency or which is referable to Section 138 of the Local Government Act 1972 subject to this action being reported to the Cabinet, as soon as practicable.
- 5.7 The inclusion of items in approved revenue estimates or capital programmes, shall, subject to any Government sanction, constitute authority to incur such expenditure save to the extent to which the Cabinet or the Council shall have placed reservation on any such item or items. Expenditure on any such reserved items may be incurred only when and to the extent that such reservation has been removed.
- 5.8 The Cabinet shall from time to time keep the Council informed as to the state of the Council's finances and shall report on the accounts of each financial year as soon as practicable.
- 5.9 The relevant Overview and Scrutiny Committee shall receive such reports as are necessary to effectively scrutinise the requirements of FS05.

FS06 ACCOUNTING

- 6.1 The Chief Financial Officer shall be responsible to the Council for the whole of the accounting records of the Council and Strategic Directors shall obtain the approval of the Chief Financial Officer before introducing any books, forms, computer systems or procedure relating to cash, stores or other accounts of the Council and it shall be the duty of the Chief Financial Officer to see that uniform systems shall, as far as practicable, be adopted throughout the Service Areas of the Council.
- 6.2 The following principles shall be observed in the allocation of accounting duties:-
- (a) The duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them.
 - (b) Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these functions.

FS07 IMPREST ACCOUNTS AND ADVANCES

- 7.1 The Chief Financial Officer shall provide such imprest accounts as he considers appropriate for such officers of the Council as may need them to meet petty disbursements which shall be supported by receipted vouchers to the extent that the Chief Financial Officer may require.
- 7.2 Petty disbursements shall not include payments to employees, sums due to any tradesman with whom the County Borough Council normally trade, nor any account for goods exceeding a sum fixed from time to time by the Chief Financial Officer, unless as otherwise agreed, nor travelling and subsistence expenses other than those of a casual nature.
- 7.3 Where he considers it appropriate, the Chief Financial Officer shall open an account with the Council's bankers or National Giro for use by the imprest holder who shall not cause such account to be overdrawn. It shall be a standing instruction to the Council's bankers that the amount of any overdrawn balance on an imprest holder's banking account shall forthwith be reported to the Chief Financial Officer.
- 7.4 No income received on behalf of the Council may be paid into an advance or imprest account but must be banked or paid to the Council as provided in Section 12(6) of Financial Standing Orders unless specifically agreed with the Chief Financial Officer.

7.5 An officer responsible for an advance or imprest account shall, if so requested, give to the Chief Financial Officer a certificate as to the state of his or her advance or imprest account.

7.6 On leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest advance, an officer shall account to the Chief Financial Officer for the amount advanced.

FS08 AUDIT

8.1 A continuous internal audit, under the independent control and direction of the Chief Financial Officer, shall be arranged to carry out an examination of accounting, financial and other operations of the Council.

8.2 The Chief Financial Officer shall have the responsibility to independently review, appraise and report to the Governance and Audit Committee and the Council upon the internal controls and procedures in operation as a contribution to the efficient, effective and economic use of resources. This includes:

(i) The soundness, adequacy and application of internal control.

(ii) The extent to which the Council's assets and interest are properly accounted for and safeguarded.

(iii) The suitability and reliability of financial and related management information, and

(iv) That value for money is being obtained.

8.3 The Chief Financial Officer or his representative duly authorised by him shall have authority to:-

(a) enter at all reasonable times on any Council premises or land

(b) have access to all records, documents, computer programmes and files and correspondence relating to any financial and other transactions of the Council

(c) require and receive such explanations as are necessary concerning any matter under examination, and

(d) require any employee of the Council to produce cash, stores or any other Council property under his or her control.

8.4 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Council or any suspected irregularity in the exercise of the functions of the Council, the Strategic Director concerned shall forthwith notify the Chief Executive and the Chief Financial Officer who shall take such steps as are necessary by way of investigation and report.

- 8.5 The Chief Internal Auditor shall liaise with the Council's external auditors and Monitoring Officer where appropriate to maximise the efficient use of audit resources.

FS09 BANKING ARRANGEMENTS AND CHEQUES

- 9.1 All arrangements with the Council's bankers shall be made by or under arrangements approved by the Chief Financial Officer, who shall be authorised to operate such banking accounts, including National Giro Accounts, as he may consider necessary.
- 9.2 All cheques, but excluding cheques drawn on authorised imprest accounts, shall be ordered only on the authority of the Chief Financial Officer who shall make proper arrangements for their safe custody.
- 9.3 Cheques on the Council's main banking accounts, shall bear the facsimile signature of the Chief Financial Officer or be signed by the Chief Financial Officer, or other officer so authorised.

FS010 CONTRACTS FOR BUILDING, CONSTRUCTIONAL OR ENGINEERING WORK

- 10.1 Where contracts provide for payment to be made by instalments, the Chief Financial Officer shall arrange for the keeping of a contract register or registers to show the state of account on each contract between the Council and the contractor, together with any other payments and the related professional fees.
- 10.2 Payments to contractors on account of contracts shall be made only on a certificate issued by the appropriate Strategic Director (or private architect, engineer or consultant where engaged by the Council issued through the appropriate Strategic Director) or by an officer nominated by him in writing for the purpose.
- 10.3 All payments made to contractors must be in line with the requirements of the Construction Industry Tax Scheme as outlined in the Guide prepared by the Chief Financial Officer.
- 10.4 Subject to the provisions of the contract in each case every extra or variation shall be authorised in writing at the time the decision is made by the appropriate Strategic Director (or private architect, engineer or consultant as may be appropriate) or by an officer nominated by him in writing for the purpose. The variation order shall record the estimated costs of that variation.
- 10.5 Where by reason of such extra or variation it is apparent that the original tender sum is to be exceeded by 7½% (or 10% if the tender sum contains no contingency), the Strategic Director concerned in consultation with the Chief Financial Officer shall report to the next meeting of the Cabinet. Should

further variations cause additions to the tender sum by a further 2½% these also shall be reported to the Cabinet.

- 10.6 The final payment for any contract shall not be authorised until the appropriate officer, private architect, engineer or consultant has produced to the Chief Financial Officer a detailed statement of account, and all relevant documents if required and the Chief Financial Officer has signified his agreement to the final payment due.
- 10.7 The Chief Financial Officer shall, to the extent he considers necessary, examine final accounts for contracts and he shall be entitled to make all such enquiries and receive such information and explanations as he may require in order to satisfy himself as to the accuracy of the accounts.
- 10.8 Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Chief Executive or his or her approved legal representative for consideration of the Council's legal liability and, where necessary to the Chief Financial Officer for financial consideration before a settlement is reached.
- 10.9 Where completion of a contract is delayed, it shall be the duty of the Strategic Director concerned to take appropriate action in respect of any claim for liquidated damages. The Strategic Director shall submit a report describing the action taken to the Executive Member and the Chief Financial Officer where the delay is anticipated to exceed a period of three months.
- 10.10 A report concerning expected final costs at practical completion shall be made to the Executive Member in respect of all contracts in excess of a sum prescribed from time to time by the Chief Financial Officer.

FS011 PROPERTY

- 11.1 The Chief Executive or an officer nominated by him or her will maintain an asset register of all properties owned by the Council, recording the holding Service Area, purpose for which held, location and extent and plan reference, purchase details, particulars of nature of interest and rents payable and particulars of tenancies granted.
- 11.2 Before acquiring any building, the appropriate Strategic Director shall report to the appropriate Executive Member/Cabinet. The report shall contain:
 - Confirmation that appropriate financial approval has been received.
 - Confirmation that sufficient provision is available within the current revenue estimates to meet the revenue costs of owning and operating the property.
 - An assessment of the future revenue cost stream relating to owning and operating the property and the anticipated impact of future revenue spending.

- 11.3 The Chief Executive or his or her legal representative shall have the custody of and responsibility for all title deeds of the Council under secure arrangements.

FS012 INCOME

- 12.1 The collection of all money due to the Council shall be under the supervision of the Chief Financial Officer and in accordance with the Debt Management Strategy approved by the Council.
- 12.2 Each Strategic Director shall furnish the Chief Financial Officer with such particulars in connection with work done, goods supplied or services rendered and of all other amounts due, as may be required by him to record correctly all sums due to the Council, and to ensure the prompt rendering of accounts for the recovery of income due.
- 12.3 All accounts for money due to the Council (other than periodical items such as rents, etc or unless otherwise agreed by the Chief Financial Officer) shall be issued in accordance with procedures determined by the Chief Financial Officer.
- 12.4 The Chief Financial Officer shall be notified promptly in writing of all money due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council, and shall have the right to inspect any documents or other evidence in this connection as he may decide.
- 12.5 All receipts, forms, books, tickets and cash receipting machines etc shall be ordered and supplied to departments in accordance with procedures determined by the Chief Financial Officer.
- 12.6 All money received by an officer on behalf of the Council shall without delay be paid to the Chief Financial Officer, or, as he may direct, to the Council's banking or National Giro account or transmitted directly to any other body or person entitled thereto. No deduction may be made from such money save to the extent that the Chief Financial Officer may specifically authorise. Each officer who so banks money shall enter on the paying-slip a reference to the related debt (such as the receipt number or the name of the debtor) or otherwise indicate the origin of the cheque; on the reverse of each cheque, the officer shall enter the name of his or her service area, office or establishment.
- 12.7 Personal cheques shall not be cashed out of the money held on behalf of the Council.
- 12.8 Every transfer of official money from one member of staff to another will be evidenced in the records of the service areas concerned by the signature of the officer receiving the money.

- 12.9 No debit in respect of an amount due to the Council once established shall be discharged otherwise than by payment in full. The definition “payment in full” includes payment of the full amount by instalments where such arrangements are governed by guidelines and procedures issued by the Chief Financial Officer. Where a debit cannot be discharged by payment (either in part or full), the debt outstanding can only be written off following a decision of the Chief Financial Officer in accordance with a write off policy approved by the Executive Member for Resources and Strategic Leadership.

FS013 INSURANCES

- 13.1 The Chief Financial Officer shall effect all insurance cover and negotiate all claims in consultation with other officers where necessary.
- 13.2 The Chief Financial Officer is authorised to incur any necessary expenditure deemed appropriate to protect the assets and income of the Authority against avoidable loss.
- 13.3 Strategic Directors shall give prompt notification to the Chief Financial Officer of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances, and shall advise the amount of cover required for new risks or alterations.
- 13.4 Strategic Directors shall notify the Chief Financial Officer in writing forthwith upon knowing of any loss, liability or damage or any event likely to lead to a claim, and shall arrange for an estimate of the cost or reinstatement to be obtained.
- 13.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.
- 13.6 The Chief Financial Officer shall annually, or at such other period as he may consider necessary, review all insurances in consultation with other Strategic Directors as appropriate.
- 13.7 Strategic Directors shall consult the Chief Financial Officer respecting the terms of any indemnity or guarantee which the Council is requested to give.

FS014 RISK MANAGEMENT

- 14.1 The County Borough Council has an active Risk Management Policy and all Strategic Directors should ensure adherence to this policy. Strategic Directors must bring to the attention of all staff the need for risk awareness and loss prevention.
- 14.2 Wherever necessary, risk assessments will be undertaken and in these circumstances, and any other situation where doubt exists; the advice of the Chief Financial Officer must be sought.

FS015 INVENTORIES

- 15.1 All Service Areas (including outlying establishments) shall maintain inventories recording an adequate description of furniture, fittings and equipment, computer hardware/software, plant and machinery, belonging to the Council. The extent of such property shall be so recorded and the form in which the inventories shall be kept will be determined by each Strategic Director in consultation with the Chief Financial Officer.
- 15.2 Each Strategic Director shall be responsible for ensuring that systems are in place to undertake an annual check of all items on the inventory, for taking action in relation to surpluses or deficiencies and noting the inventory accordingly.
- 15.3 The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used to otherwise than for the Council's purposes except in accordance with specific directions issued by the Strategic Director of each Service Area.

FS016 INVESTMENTS, BORROWINGS AND TRUST FUNDS

- 16.1 All investments of money under its control excepting where necessary Pension Fund monies for which the Council is responsible as administrating authority, shall be made in the name of the Council or in the name of nominees approved by the Deputy Chief Executive; bearer securities shall be excepted from this Standing Order but any purchase of such securities shall be reported to the Council as part of the Council's Treasury Management Strategy.
- 16.2 All securities of the property of, or in the name of, the Council or its nominees shall be held in custody of the Council's bankers, or otherwise, as the Council may specifically direct.
- 16.3 All borrowings shall be effected in the name of the Council.
- 16.4 The Deputy Chief Executive or such registrar as the Council may appoint, shall be the Council's registrar of stocks, bonds and bills.
- 16.5 The County Borough Council has adopted CIPFA's "Code of Practice for Treasury Management in Local Authorities" which requires:-
 - a) A Treasury Policy Statement setting out its strategy and procedures shall be adopted by the Council, reviewed periodically by the Council, and thereafter its implementation and monitoring shall be delegated to the Governance and Audit Committee. The Governance and Audit Committee will also be responsible for ensuring scrutiny of the

treasury management strategy and policies before making recommendations to Council. This Treasury Management strategy will include suitable Treasury Management Practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

- b) All money in the hands of the Council excepting where necessary Pension Fund monies or other monies held in trust shall be aggregated for the purposes of treasury management and shall be under the control of the officer designated for the purposes of Section 151 of the Local Government Act 1972, Section 73 of the Local Government Act 1985 and Section 113 of the Local Government Finance Act 1988, referred to in the Code as the Finance Officer.
- c) All executive decisions on borrowing, investment or financing i.e. the execution and administration of Treasury Management decisions shall be delegated to the Deputy Chief Executive or through him to his staff, who shall all be required to act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- d) The Deputy Chief Executive shall report to the Council no fewer than three times in each financial year on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him. The reports as a minimum will include an annual strategy and plan in advance of the year, a mid-year review and an annual report on treasury management. The Annual report must be available for presentation by 30 September of the succeeding financial year.

16.6 All Trust Funds shall be in the name of the Council unless the Trust deed otherwise provides.

16.7 All officers acting as trustees by virtue of their official position shall deposit all securities etc relating to the Trust with the Deputy Chief Executive, or according to his order, unless the Trust deed otherwise provides.

16.8 The management of the Pension Fund is delegated to the Pensions Committee of the Council.

- a) The Pension Committee delegate the day to day investment decisions to authorised investment managers duly appointed by the Council or in the case of internally managed investments to the Deputy Chief Executive or through him to his staff, who are required to act in accordance with the relevant requirements of paragraph 16.5 above and also in accordance with Local Government Pension Scheme Regulations (as amended) as they apply to investments. Such Regulations specifically restrict the circumstances in which the Pension Fund may borrow.
- b) Although not required to do so by statute, the Pension Fund has chosen to mirror the Councils statutory requirement to, each year, report its treasury and cash investment strategy, management and

approved counterparty list for lending activity for the forthcoming period. In doing so, there is recognition that cash is a specific category of investment within the Pension Funds overall asset allocation decisions linking investment return, risk and liquidity.

FS017 ORDERS FOR WORK, GOODS AND SERVICE

- 17.1 Official orders shall be in a form approved by the Chief Financial Officer (after consultation, if appropriate, with the Chief Executive) and are to be signed only by officers authorised by the appropriate Strategic Director who shall be responsible for official orders issued from his or her service area. The Chief Financial Officer may approve the use of electronic orders and such orders shall only be input and approved electronically by officers authorised by the appropriate Strategic Director.
- 17.2 Official orders shall be issued for all work, goods or services to be supplied to the Council except for supplies of public utility services, for periodical payments such as rent or rates, for petty cash purposes or such other exceptions as the Chief Financial Officer may approve.
- 17.3 Each order shall conform with the directions of the Council with respect to central purchasing and the standardisation of supplies and materials.

FSO18 PAYMENT OF ACCOUNTS

- 18.1 Apart from petty cash and other payments from advance accounts the normal method of payment of money due from the Council shall be by cheque, BACS or other instrument drawn on the Council's banking account by the Chief Financial Officer.
- 18.2 The Strategic Director issuing an order is responsible for examining, verifying and certifying the related invoice(s) and similarly for any other payment vouchers or accounts arising from sources in his or her service area. Such certification shall be in manuscript by or on behalf of the Strategic Director. The names of officers authorised to sign such records shall be sent to the Chief Financial Officer by each Strategic Director, together with specimen signatures and initials and shall be amended on the occasion of any change thereof.
- 18.3 Before certifying an account, the certifying officer shall, save to the extent that the Chief Financial Officer may otherwise determine, have satisfied her/himself that:-
- (a) the work, goods or services to which the account relates have been received carried out and approved;
 - (b) the prices, extensions calculations, trade discounts, other allowances, credits and tax are correct;

- (c) the relevant expenditure has been properly incurred and is within the relevant estimates provision;
 - (d) appropriate entries have been made in inventories, stores records or stock books as required; and
 - (e) the account has not been previously passed for payment and is a proper liability of the Council.
- 18.4 Duly certified accounts shall be submitted for payment without delay. The officer responsible for effecting payment shall examine them to the extent that that s/he considers necessary, for which purpose s/he shall be entitled to make such enquiry and to receive such information and explanation as s/he may require.
- 18.5 Invoices should not be amended, rather on additional invoice/credit note should be obtained prior to payment.
- 18.6 Each Strategic Director shall as soon as possible after 31 March and not later than 30 April in each year, notify the Chief Financial Officer of all outstanding expenditure relating to the previous financial year. The final notification date shall be specified by the Chief Financial Officer within the accounts closure timetable issued annually.

FS019 PROTECTION OF PRIVATE PROPERTY

- 19.1 The Strategic Director Social Care and Housing and any other Strategic Director affected shall notify the Chief Financial Officer in such form as s/he may require, of any case known to him/her where steps are necessary to prevent or mitigate loss or damage of moveable property of a third party into the possession of the Council, or of that officer, and shall forward to the Chief Financial Officer an itemised inventory in each case, prepared in the presence of two officers.
- 19.2 All valuables such as jewellery, watches and other small articles of a similar nature and documents of title belonging to a third party (unless in any case otherwise decided by the Chief Financial Officer) be deposited with the Chief Financial Officer for safe custody.

FS020 SALARIES, WAGES AND PENSIONS

- 20.1 The payment of all salaries, wages and pensions, compensation and other emoluments to all employees and former employees of the Council shall be made by the Chief Financial Officer or under arrangements approved and controlled by him. The Authority has produced a number of specific procedural guidance documents relating to this area:

- Procedure document for the appointment, termination or amendment of conditions of service of employees
- Personnel Policies and Procedures Guide for Managers
- Guidance for school based staff on the administration of conditions of service of employees
- Criminal Records Bureau – Disclosures - Updated Guidance
- Employment Status Procedure

20.2 Each Strategic Director shall notify the Chief Financial Officer as soon as possible and in the form prescribed by him, of all matters affecting the payment of such emoluments and in particular:-

- (a) appointments, resignations, dismissals, suspension, secondments and transfers;
- (b) absences from duty for sickness or other reason, apart from approved leave;
- (c) changes in remuneration, other than normal increments and pay awards and agreements of general application; and
- (d) information necessary to maintain records of service for pensions, income tax, national insurance and the like.

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

20.4 All records or other pay documents shall be in a form prescribed or approved by the Chief Financial Officer and shall be certified in manuscript by or on behalf of the Strategic Director. The names of officers authorised to sign such records shall be sent to the Chief Financial Officer by each Strategic Director, together with specimen signatures and shall be amended on the occasion of any change.

FSO21 SECURITY

21.1 Each Strategic Director is responsible for maintaining reasonable security at all times for all buildings, stocks, stores, furniture, equipment, cash etc under his or her control. He or she shall consult the Chief Financial Officer in any case where security is thought to be inadequate or where it is considered that special security arrangements may be needed.

21.2 Maximum limits for cash holding shall be agreed with the Chief Financial Officer and shall not be exceeded without his express permission.

21.3 Each Strategic Director will be responsible for making reasonably secure arrangement in regard to the custody and availability of keys to safes and similar receptacles in his or her service area and the loss of any such keys must be reported to the Chief Financial Officer forthwith.

- 21.4 No property belonging to the Council shall be sold or otherwise disposed of without the prior approval of the Strategic Director concerned in accordance with the Council's approved Scheme of Decision making.

FS022 STOCKS AND STORES

- 22.1 Each Strategic Director shall be responsible for the care and custody of the stocks and stores in his/her service area.
- 22.2 Stocks shall not be in excess of normal requirements except in special circumstances with the approval of the Strategic Director concerned in accordance with the Council's approved Scheme of Decision making.
- 22.3 Strategic Directors shall arrange for periodical test examinations of stocks by persons other than storekeepers and shall ensure that all stocks are checked at least once in every year.
- 22.4 The Chief Financial Officer shall be entitled to receive from each Strategic Director such information as he requires in relation to stores for the maintenance of accounting, costing and financial records.
- 22.5 Surplus materials, stores or equipment shall be disposed of by competitive tender or public auction unless the Strategic Director concerned, in accordance with the Council's approved Scheme of Decision making, decides otherwise in a particular case taking into account any guidance that may be issued from time to time by the Chief Financial Officer.

FS023 DATA PROTECTION

- 23.1 Each Strategic Director shall furnish the Chief Financial Officer with sufficient information and in prescribed form, of all systems (IT and manual) holding personal data (as defined by the Data Protection act 1998), in order to notify such details to the Information Commissioner.
- 23.2 Each Strategic Director shall notify the Chief Financial Officer in writing forthwith of the introduction or amendment of any system (IT or manual) containing personal data.
- 23.3 All departments shall ensure, under the general direction of the Chief Financial Officer, compliance with the principles of the Data Protection Act 1998.
- 23.4 A general guide to the Data Protection Act is available on the Intranet.

FS024 TRAVELLING, SUBSISTENCE AND FINANCIAL LOSS ALLOWANCES

- 24.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted to the Chief Financial Officer duly certified in a form approved by him, made up to a specified day of each month, within three days thereof. The names of officers authorised to sign such claims shall be sent to the Chief Financial Officer by each Strategic Director together with specimen signatures and shall be amended on the occasion of any change. The Authority has a number of procedural documents relating to this area as follows:
- Departmental Guide to Officers Expenses and Benefits
 - Officers Expenses Manual
 - A Guide to Expenses Summary
 - Re-imbusement of disturbance allowances
 - Members expenses manual
- 24.2 The certification by or on behalf of the Strategic Director shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council.
- 24.3 Officers' claims submitted more than three months after the last date of a monthly claim will be forwarded to the Chief Financial Officer for consideration, while claims over six months will be submitted to the Executive Member for Resources and Strategic Leadership.
- 24.4 Payments to members, including co-opted members of the Council or its committees who are entitled to claim travelling or other allowances, will be made by the Chief Financial Officer on receipt of the prescribed form duly completed in accordance with guidance issued from time to time. All claims for a financial year are to be submitted within one month of 31st March.
- 24.5 The accuracy of the information contained in a claim for travelling, and subsistence etc shall be the responsibility of the Officer or Member concerned.

FS025 UNOFFICIAL FUNDS

- 25.1 An unofficial fund is a fund not belonging to the Council.
- 25.2 The relevant Strategic Director shall be responsible for ensuring sound arrangements for the financial management and audit of unofficial funds and shall consult with the Chief Financial Officer before formulating regulations that apply to such funds.

FS026 DOCUMENT RETENTION

- 26.1 The relevant Strategic Director shall ensure that documentation is retained securely, in an appropriate format and in accordance with statutory and/or regulatory requirements. The Chief Financial Officer shall issue guidance concerning recommended document retention periods.

FS027 PARTNERSHIPS

- 27.1 Where the Authority holds monies or property belonging to a partnership as an accountable body for those monies or property, the relevant Service Area Strategic Director within whose responsibilities the activities and functions of the partnership falls shall ensure that those funds are handled and that property is dealt with in accordance with these Standing Orders subject only to any variation that may be approved in writing by the Chief Financial Officer from time to time.

FSO28 VALUE ADDED TAX (VAT)

- 28.1 The relevant Strategic Director shall ensure that all transactions involving Value Added Tax are correctly accounted for in accordance with the guidance issued by the Chief Financial Officer, namely, the VAT Guide and the VAT Guide for Schools.

FSO29 EXTERNAL FUNDING

- 29.1 The relevant Strategic Director shall ensure that all potential and actual bids for external funding to supplement the financial resources of the Authority are in accordance with the procedures laid down in the External Grants Protocol issued by the Chief Financial Officer.