



STAMFORD TOWN COUNCIL
FINANCIAL REGULATIONS 2019

These Financial Regulations were reviewed and adopted by Stamford Town Council at its Meeting held on 29 May 2018

(in line with NALC Model Document 2016)

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1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial Regulations are 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 orders¹ and any individual financial regulations relating to contracts.
- 1.2. The council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.
- 1.3. The council's accounting control systems must include measures:
 - for the timely production of accounts;
 - that provide for the safe and efficient safeguarding of public money;
 - to prevent and detect inaccuracy and fraud; and
 - identifying the duties of officers.
- 1.4. These financial regulations demonstrate how the council meets these responsibilities and requirements.
- 1.5. At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7. Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. [The Clerk has been appointed as RFO for this council and these regulations will apply accordingly.]
- 1.9. 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;

¹ Model standing orders for councils are available in Local Councils Explained © 2013 National Association of Local Councils

- determines on behalf of the council its accounting records and accounting control systems;
 - ensures the accounting control systems are observed;
 - maintains the accounting records of the council up to date in accordance with proper practices;
 - assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
 - produces financial management information as required by the council.
- 1.10. The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.
- 1.11. The accounting records determined by the RFO shall in particular contain:
- entries from day to day of all sums of money received and expended by the council and the matters to which the income and expenditure or receipts and payments account relate;
 - a record of the assets and liabilities of the council; and
 - wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- 1.12. The accounting control systems determined by the RFO shall include:
- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
 - procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
 - identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
 - 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 RFO and that the approvals are shown in the accounting records; and
 - measures to ensure that risk is properly managed.
- 1.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:
- setting the final budget or the precept (council tax requirement);
 - approving accounting statements;

- approving an annual governance statement;
 - borrowing;
 - writing off bad debts;
 - declaring eligibility for the General Power of Competence; and
 - addressing recommendations in any report from the internal or external auditors,
- shall be a matter for the full council only.

1.14. In addition the council must:

- determine and keep under regular review the bank mandate for all council bank accounts;
- approve any grant or a 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.

1.15. In these financial regulations, references to the Accounts and Audit Regulations or ‘the regulations’ shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

In these financial regulations the term ‘proper practice’ or ‘proper practices’ shall refer to guidance issued in *Governance and Accountability for Local Councils - a Practitioners’ Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

- 2.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.
- 2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Governance and Accountability Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.

- 2.4. The council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be 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 for that purpose.
- 2.5. The internal auditor shall be appointed by the Town Council and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.
- 2.6. The internal auditor shall:
- be competent and independent of the financial operations of the council;
 - report to council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
 - to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
 - have no involvement in the financial decision making, management or control of the council.
- 2.7. Internal or external auditors may not under any circumstances:
- perform any operational duties for the council;
 - initiate or approve accounting 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.
- 2.8. For the avoidance of doubt, in relation to internal audit the terms ‘independent’ and ‘independence’ shall have the same meaning as is described in proper practices.
- 2.9. 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 statements of account required by Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.
- 2.10. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

- 3.1. The Amenities and Events Committee shall review its three year forecast of revenue and capital receipts and payments and shall formulate and submit proposals to the Finance Committee including the use of reserves and sources of funding for the following financial year not later than the end of November each year. These will be considered by the Town Council at the subsequent meeting.

- 3.2. The RFO must each year, by no later than November prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the relevant committee and the council.
- 3.3. The council shall consider annual budget proposals in relation to the council's three year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly not later than the end of January.
- 3.4. The council shall fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 3.5. The approved annual budget shall form the basis of financial control for the ensuing year.

4. BUDGETARY CONTROL AND AUTHORITY TO SPEND

- 4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:
 - the council for all items over £500;
 - a duly delegated committee of the council for items over £500; or
 - the Clerk/RFO, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £500.

Such authority is to be evidenced by a minute and/or Purchase Order signed by the Clerk, and where necessary also by the appropriate Chairman.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

- 4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.3. Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless placed in an allocated reserve by resolution of the council. Each allocated reserve must be identified as a separate item.
- 4.4. The salary budgets are to be reviewed at least annually in October for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk/RFO and the Chairman of Council or relevant committee. The RFO will inform committees of any changes impacting on their budget requirement for the coming year in good time.
- 4.5. In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry

out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

- 4.6. No expenditure shall be authorised 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 and the requisite borrowing approval has been obtained.
- 4.7. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.
- 4.8. The RFO shall regularly provide the council 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 variances. For this purpose “material” shall be in excess of £100 or 15% of the budget.
- 4.9. Changes in earmarked reserves shall be approved by council as part of the budgetary control process.
- 4.10. Quarterly reviews shall be conducted by three nominated members of the Council, on the efficiency of Council’s Risk management, measures to prevent fraud and corruption and assessed for adequacy and effectiveness. At least two of the nominated members shall be present during the review. The RFO 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 matter.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 5.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency
- 5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council [or finance committee]. The council / committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information. **Expenditure approved by a Committee, and subsequently ratified by resolution of the Council may be paid prior to the schedule of payments being presented providing such work is satisfactory. Any two members of the Council must verify bulk BACs payment against authorised invoice.**
- 5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.
- 5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available Council meeting.
- 5.5. The Clerk/RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
 - a) 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/RFO certify 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 the Council.
 - b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council; or
 - c) fund transfers within the councils banking arrangements, provided that a list of such payments shall be submitted to the next appropriate meeting of the Town Council.
- 5.6. For each financial year the Clerk/RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance

contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council.

- 5.7. Cheques drawn on the bank accounts in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4 shall be signed by any two Councillors who have been, or is, Mayor/ Deputy should be signatories for cheques. With reference to the payment by BACS/Bulk payment, the schedule of accounts must be agreed in the usual way before the BACS/Bulk payment is compiled by electronic means. Two signatures will also be required by any two Councillors who have been, or is, Mayor/Deputy should be signatories for cheques for the electronic transfer of money between accounts.
- 5.8. To indicate agreement of the details shown on the cheque or other for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil, likewise if payment is made by BACS/Bulk Payment, a copy of the printed electronic payment confirmation should be signed by two councillors before the payment date.
- 5.9. A record of regular payments made under 5.6 above shall be drawn up and be signed by two members on each and every occasion when payment is authorised - thus controlling the risk of duplicated payments being authorised and / or made.
- 5.10. In respect of grants a duly authorised committee shall approve expenditure within any limits set by council and in accordance with any policy statement approved by council. Any Revenue or Capital Grant in excess of £5,000 shall before payment, be subject to ratification by resolution of the council.
- 5.11. Members are subject to the Code of Conduct that has been adopted by the council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.
- 5.12. The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.
- 5.13. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a Member.

6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 6.1. The council will make safe and efficient arrangements for the making of its payments.
- 6.2. Following authorisation under Financial Regulation 5 above, the council, a duly delegated committee or, if so delegated, the Clerk/RFO shall give instruction that a payment shall be made.
- 6.3. All payments shall be effected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of council
- 6.4. 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 council in accordance with a resolution instructing that payment. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.
- 6.5. The Clerk/RFO shall not be authorised signatories but shall manage the operation and internal transfers of the accounts as necessary supported by two appointed mandate signatories.
- 6.6. 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.
- 6.7. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.
- 6.8. If thought appropriate by the council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates 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.
- 6.9. If thought appropriate by the council, payment for certain items (principally salaries) may be made by banker's standing order provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the council at least every two years.
- 6.10. If thought appropriate by the council, payment for certain items may be made by BACS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised councillors, are retained and any payments are reported to council as made. The approval of the use of BACS shall be renewed by resolution of the council at least every two years.

- 6.11. 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.
- 6.12. 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 Passwords and shall be handed to and retained by the Chairman of Council and Chairman of Finance in a sealed dated envelope. 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.
- 6.13. No employee or councillor 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.
- 6.14. 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.
- 6.15. 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.
- 6.16. Where internet banking arrangements are made with any bank, the Clerk/RFO 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 payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.
- 6.17. 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 e-mail 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 under these regulations.
- 6.18. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier on a hardcopy notification on their official letterhead. A programme of regular checks of standing data with suppliers will be followed.
- 6.19. Any Debit Card issued for use will be specifically restricted to the Clerk/RFO and will also be restricted to a single transaction maximum value of £500 unless authorised by council or finance committee in writing before any order is placed.

- 6.20. The RFO may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement.
- a) The RFO shall maintain a petty cash float of £150 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to council under 5.2 above.

7. PAYMENT OF SALARIES

- 7.1. As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by council, or duly delegated committee.
- 7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available council meeting, as set out in these regulations above.
- 7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Finance Committee which will subsequently be ratified by the full council.
- 7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record. This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by any councillor who can demonstrate a need to know;
 - b) by the internal auditor;
 - c) by the external auditor; or
 - d) by any person authorised under Audit Commission Act 1998, or any superseding legislation.
- 7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.

- 7.6. An effective system of personal performance management should be maintained for the senior officers.
- 7.7. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.
- 7.8. Before employing interim staff the council must consider a full business case.

8. LOANS AND INVESTMENTS

- 8.1. All borrowings shall be affected 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 application for borrowing approval and subsequent arrangements for the loan shall only be approved by full council.
- 8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State/Welsh Assembly Government (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.
- 8.3. The council will arrange with the council's banks and investment providers for the sending of a copy of each statement of account to the Chairman of the council at the same time as one is issued to the Clerk or RFO.
- 8.4. 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.
- 8.5. The council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 8.6. All investments of money under the control of the council shall be in the name of the council.
- 8.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.8. 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 Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

9. INCOME

- 9.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
- 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 RFO and the RFO shall be responsible for the collection of all accounts due to the council.

- 9.3. The council will review all fees and charges at least annually, following a report of the Clerk/RFO.
- 9.4. Any sums found to be irrecoverable and any bad debts shall be reported to the council 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 RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO 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 RFO 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 annually coinciding with the financial year end.
- 9.9. Where any significant sums of cash are regularly received by the council, the RFO 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.
- 9.10. The Mayor must nominate the Charity/ies of choice at the Annual Town Council meeting. If another charity receives a benefit at any other time during their Mayoral year (**e.g. use of the Town Hall**) then this must be clearly shown on any paperwork relating to that occasion.
- 9.11. The nominated bank account for the Mayor's Charity (Stamford) alone will be used and the incumbent Mayor, Deputy Mayor and the Town Clerk will be signatories. For fiscal probity, at the end of the Mayoral year a copy of the accounts for the charity/ies should be presented to the RFO, showing funds raised for each event and the payments made to the nominated charity or charities. A copy of the accounts to be put in the public domain and examined by the Independent Auditor.

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1. An official Purchase 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 with all supporting documentation authorising any procurement.
- 10.2. Purchase Orders, once authorised, will be entered onto the computer system by the Administration Officer or RFO.
- 10.3. All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall 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 11.1 below.

- 10.4. A member may not issue an official order or make any contract on behalf of the council.
- 10.5. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO 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. 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 this regulation need 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 Finance Committee); and
 - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. Where the council intends 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 Regulations².
- 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 works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)³.

² The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts.

³ Thresholds currently applicable are:

- a. For public supply and public service contracts 209,000 Euros (£164,176)
- b. For public works contracts 5,225,000 Euros (£4,104,394)

- 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 be subject to Standing Orders⁴ and shall refer to the terms of the Bribery Act 2010.
- h. When it is 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 are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below [£3,000] and above [£100] the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.
- i. The council shall not be obliged to accept the lowest or 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 (PUBLIC WORKS CONTRACTS)

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO 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 RFO 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 council.

⁴ Stamford Town Council Standing Order 18d

- 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, the council being informed where the final cost is likely to exceed the financial provision.]

13. STORES AND EQUIPMENT

- 13.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 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 RFO shall be responsible for periodic checks of stocks and stores at least annually.

14. ASSETS, PROPERTIES AND ESTATES

- 14.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held 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. A minimum value level of £250 is set for any asset acquired to be recorded in the Register of Assets. Any item below this will be noted within the appropriate minutes.
- 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 £250.
- 14.3. 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 proper business case (including an adequate level of consultation with the electorate).
- 14.4. No real property (interests in land) shall be purchased or acquired without the authority of the full council. 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 proper business case (including an adequate level of consultation with the electorate).
- 14.5. Subject only to the limit set in Regulation 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council with a full business case.

- 14.6. The RFO shall ensure that an appropriate and accurate Register of Assets 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.

15. INSURANCE

- 15.1. Following the annual risk assessment (per Regulation 17), the RFO shall effect all insurances and negotiate all claims on the council's insurers.
- 15.2. The Clerk/RFO shall give prompt notification of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 15.3. The RFO shall keep a record of all insurances affected by the council and the property and risks covered thereby and annually review it.
- 15.4. The RFO 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.
- 15.5. 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.

16. CHARITIES

- 16.1. Where the council is sole managing 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/RFO 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 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 a draft risk assessment including risk management proposals for consideration and adoption by the council.

18. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 18.1. It shall be the duty of the council to review the Financial Regulations of the council from time to time. 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 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 council.



STAMFORD TOWN COUNCIL RISK MANAGEMENT POLICY

Policy

1. Introduction

Risk is an uncertain event or condition that, if it occurs, will have an effect on the achievement of an authority's objectives. Risk management is the process whereby authorities methodically address the risks associated with what they do and the services which they provide. The focus of risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences and deliver its priorities.

2. Purpose (of the Policy)

The risk management policy (the policy) forms part of Stamford Town Council's corporate governance and internal control arrangements.

The Policy explains the underlying approach to risk management (and the underpinning regulatory framework). It also outlines key aspects of the risk management process and identifies the main reporting, review and monitoring procedures.

3. Objective (of the Policy)

This policy establishes the guiding principles that will be used in the identification, assessment and management of the risks facing the Town Council.

The Policy will set the framework to ensure that the management of risks is carried out in accordance with:-

- All relevant legislation;
- Regulatory framework;
- Recommended best practice.

The risk register will be reviewed by the Town Council Finance, Personnel and Assets Committee, Town Clerk/RFO to identify new risks, changes to risk priorities and the adequacy of existing controls.

All staff should be involved appropriately in risk identification and management to ensure that a risk management culture is cascaded throughout the Town Council that their responsibilities for contributing to the overall risk management system is understood.

4. Approach to Risk Management

The following key principles outline Town Council's approach to risk management:-

- The Finance, Personnel and Assets Committee have responsibility for overseeing risk management for the organisation as a whole at quarterly intervals. Key* risks will be regularly monitored and evaluated and actions taken in response to changing risks or changes to key risk indicators.

- Town Clerk/RFO is committed and empowered to manage risks at all levels.

5. Roles and Responsibilities

The Finance, Personnel and Asset and Amenities Committee's role is in the overall management of risks:-

- Set the tone and influence the culture of risk management within the organisation, including whether the organisation is 'risk taking' or 'risk averse' both in overall terms and on any specific individual issue or project by determining the acceptable level(s) of risk;
- Approve major decisions affecting the organisation's exposure to risk;
- Satisfy itself that key risks are being adequately and appropriately managed, with the appropriate controls in place and working effectively; and
- Review quarterly, with an overall annual review at the beginning of the financial year, the organisation's approach to risk management.

Town Clerk/RFO will:-

- Take overall responsibility for the administration and implementation of the risk management process, including embedding risk management into the day to day activities of the organisation;
- Embed risk management throughout the organisation with the identification and management of risks being integrated in to management decision making and reporting process.
- Identify and evaluate the significant risks faced by the organisation for consideration by the Town Council; and
- Provide adequate and timely information to the Town Council its committees.

6. Monitoring and Review

The Finance, Personnel and Asset Committee is responsible for reviewing the appropriateness and effectiveness of internal controls in the in the organisation based on information supplied by Town Clerk/RFO.

As part of this review the Finance, Personnel and Asset Committee will:-

- Regularly review the top 10 risks and any significant changes to any individual risk in the corporate risk register;
- Annually review the Town Council's track record on risk management and internal control including the risks identified and managed during the year;
- Annually consider the risk profile for the coming year and determine whether the current risk control arrangements are likely to be effective;
- Annually review the risk management process, including the robustness of the framework, the culture, information flows and communication and reporting mechanisms.

*Key Risks

- i. Financial – loss of money
- ii. Security – fraud, theft, embezzlement
- iii. Property – damage to property
- iv. Legal – breaking of the Law or being sued
- v. IT – failure of IT systems or misuse
- vi. Reputational – actions taken could harm the authority's public reputation



STAMFORD TOWN COUNCIL FINANCIAL RISK ASSESSMENT

1. Introduction

- 1.1 The Council is expected to carry out an annual assessment of the financial risks it is exposed to and identify any actions it considers necessary to minimise those risks.
- 1.2 The following table attempts to identify the risks involved and recommends the necessary actions. The list is not exhaustive and Council may wish to consider other risks not identified.

Service Area	Risk	Recommendation
Insurance	Public Liability (statutory)	Continue existing cover (£10m)
	Employers Liability (statutory)	Continue existing cover (£10m)
	Money	Continue existing cover (£250K)
	Fidelity Guarantee	Keep annual cover in line with the formula Total Balances plus 50% Precept. The Audit Commission has recommended that Members be added to this cover.
	Property	All Property – to include the removal of any of the archive collections from the building. Items must be signed out in the Register of Removal and signed in again by the person removing the said item. All IT equipment including laptops taken from the building by employees
	Loss of revenue.	£50,000 – Approximate cost of seeking new temporary office premises should the Town Council be unable to use the present offices
	Officials Indemnity.	Continue with existing cover (£250K)
	Libel & Slander	Libel & Slander - £100,000 or £250,000



STAMFORD TOWN COUNCIL FINANCIAL RISK ASSESSMENT

Service Area	Risk	Recommendation
Insurance contd	Personal Accident.	As per Insurance Cover
Payroll	Loss of data on PC due to system fault.	Continue to back up data on weekly basis and continue maintenance agreement with Sage. Also continue to regularly obtain up to date versions of program.
	Loss of services of employee.	Immediately advertise any vacancy (if permanent loss) and request help from remaining employees to cover temporary loss.
Administration	Payment arrangements	Continue with requirement to report all payments to Council for approval. Continue with requirement for signatories to initial cheque stubs. Continue with requirement to have two signatures for bulk Payments. Continue with two signatures for bank transfers.
	Reconciliation	Continue with bank reconciliation to be carried out on the receipt of each statement.
	Agency advice	Continue with memberships of LALC and SLCC.
Allotments	Increase in net expenditure.	Review allotment rents bi- annually.
	Constant annual increase in expenditure allied with an increase in void plots.	Consider closing specific site(s) and transfer tenants to others.
Cemetery	Loss of service of contractor.	Advertise vacancy immediately.
	Loss of adequate space.	Not yet an issue.
	Memorial Safety	Continue with existing policy to approve all new applications.
	Increase in net expenditure	Review fees annually.
Parks	Loss of use of play equipment.	Continue with regular maintenance and safety checks and take unsafe equipment out of service until repairs carried out.
	Loss of use of Public Toilets	Require regular maintenance checks.
Precept	Annual precept not the result of proper detailed consideration.	Continue to present budget to Special Budget meeting.
	Inadequate monitoring of performance.	Continue to regularly consider budget monitoring report (monthly).



**STAMFORD TOWN COUNCIL
FINANCIAL RISK ASSESSMENT**

Service Area	Risk	Recommendation
Precept contd.	Illegal expenditure.	Continue to ensure that all expenditure is within legal powers.
Accounting	Non-standard and/or non-compliant records kept.	Continue to require adequate, complete and statutory financial records and accounts
	Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns.	Continue to ensure that all accounts and returns are completed and submitted by the deadlines.
	Non-compliance with internal audit requirements.	Appoint internal auditor and continue practice of appointing internal audit committee.
Contracts	Ensure continued value for money coupled with continuity of work.	Approve the practice of seeking tenders for cemetery maintenance and grounds maintenance every three years by advertising in local press and issuing specifications and tender documents to contractors expressing an interest. Tenders to be opened all at the same time by the Chairman of the Finance Committee and Town Clerk and reported to next available Council meeting.



STAMFORD TOWN COUNCIL RISK MANAGEMENT STRATEGY

FINANCIAL RISK REGISTER

Risk Assessment Descriptor

	1	2	3	4	5
Impact	Small	Moderate short term business impact	Material business impact – short to medium term	Substantial business impact – immediate and lasting effect	Major business impact – long term damage
Likelihood	Unlikely but possible	Realistic possibility if not controlled	Likely to happen over a period of time	Likely in short term	Likely and imminent

Risk Score: 1 – 8 = Low: 9 – 17 = Med: 18 – 25 = High

Risk	Impact Analysis (1-5)	Likelihood (1-5)	Gross Risk	Priority (H-M-L)	Control	Responsibility	Time - scale
1	Service interruption due to unexpected extended absence of Town Clerk/RFO, Deputy Town Clerk and Civic Officer	3	2	6	L	<p>All tasks carried out by the Town Clerk / Deputy Town Clerk should be known in full by at least one other officer.</p> <p>All tasks carried out by the RFO should be known in full by at least one other officer.</p> <p>All bank accounts names/account numbers where any alternative signatory is listed should be recorded. All banking arrangements should be recorded and retained on in a secure safe zone and made known to the Deputy Town Clerk and Chairman of Finance.</p> <p>A current and up to date list of locum personnel should be held and be accessible to Chairman of Finance.</p>	Annual Review



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Risk	Impact Analysis (1-5)	Likelihood (1-5)	Gross Risk	Priority (H-M-L)	Control	Responsibility	Time - scale
2	Loss or damage by fire, water, wind, vandalism or act of God of Council buildings, property or fixed assets	3	2	6	L	<p>Appropriate insurance cover should be held for all council premises. Insurance requirements should be reviewed annually. Action: Town Clerk</p> <p>Appropriate checks, inspections of council properties are carried out on a regular basis of all Town Council's properties and Amenity Areas. Action: Town Clerk/ Deputy Town Clerk/ Administration Officer</p> <p>A comprehensive list of all council properties and key holders should be maintained and issued to appropriate Councillors for information together with the emergency contact number. Security alarms fitted to some areas and CCTV. Action: Town Clerk</p> <p>A separate Key Legend where Amenity Area keys are located should be established. Action: Town Clerk /Deputy Town Clerk</p>	Annually



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2a	Hire of the Town Hall and other open spaces	2	2	4	L	Hire of Town Council facilities for social functions and meetings regulated by hire agreements signed in advance of any event. Action: Civic Officer Council facility users must abide by the terms and conditions laid down. Pre-booking forms issued and signed to reserve a facility and a record held in the main office on a wall planner of all events in the Amenities areas Town Hall and Civic Events will be recorded in the main diary and the Civic Officers Diary. Action: Civic Officer / Administration Officer	Weekly
2b	Historical Artefacts & Archives, Regalias, Books, Collections and Paintings	2	2	4	L	Review catalogue of all collections Action: Town Clerk / Archivist	Annually



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Risk	Impact Analysis (1-5)	Likelihood (1-5)	Gross Risk	Priority (H-M-L)	Control	Responsibility	Time - scale
3	Authorisation and control of supply of goods and services to the Council.	3	1	3	L	Supply of all goods and services regulated by the Council's Financial Regulations and controlled by the Town Clerk/RFO. Where necessary goods supplied against fixed offer price or written quotation and supported by the associated Committee Minute and Purchase Order issued. Goods received and invoices checked Administration Officer and verified by Town Clerk/RFO. Action: All Officers/ FPA	Monthly
3a	Payment of invoices and BACS approved by Council	3	2	9	M	Payments, whether by cheque or BACS approved by Council against payment schedule prepared by Town Clerk/RFO must be signed by two designated signatories for each transaction. Regular agreed contracted payments to be examined and approved by the Finance Committee. Action: Town Clerk / FPA	Monthly As above



STAMFORD TOWN COUNCIL RISK MANAGEMENT STRATEGY

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3b	Petty Cash	2	2	4	M	Items of petty cash expenditure are available for inspection by all members. Petty Cash expenditure certified by either Town Clerk/RFO or Internal audit checking samples are carried out quarterly to ensure compliance with Financial Regs. and that payments are supported by receipts, and approved by the Town Clerk/RFO and VAT is properly accounted. Action: Town Clerk / FPA	Quarterly
3c	Regular Contract Payments	3	2	6	L	As approved by Town Council. Inspection conducted annually with independent internal and external auditors. Action: Internal Auditor / External auditor	Quarterly & Annually
3d	Internal Audit	3	2	6	L	Regular internal checks by the Internal Auditor on all matters of finance	



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Risk	Impact Analysis (1-5)	Likelihood (1-5)	Gross Risk	Priority (H-M-L)	Control	Responsibility	Time -scale
4	Banking and Investment arrangements and controls	3	2	6	L	Internal: All banking arrangements and changes to banking services approved by Council and recorded in the minutes. Bank accounts operate as set out in Financial Regulations, with two designated councillors signing cheques and BACS Payments and any transfer of funds between Accounts. Transfers between main Business Instant Access bank account and any other accounts held are not permitted unless authorised by two designated councillors and supported by reasoned evidence. Reconciliation of all bank accounts carried out monthly by RFO signed as correct by the Town Clerk before being verified and approved by the Town Council. Action: Town Clerk / FPA	Monthly
4a	Investments	1	1	1	L	Investment of cash balances and earmarked funds in high interest accounts or short-term Treasury Deposits with the Council's bankers the sum to be agreed by the Finance.	Quarterly



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4b	Audit	5	2	10	M	<p>External An independent External Audit is carried out by an appointed External Auditor on an Annual basis. Council’s bankers (Lloyd’s TSB) have been asked to advise Town Clerk if any bank account becomes overdrawn or limits exceeded for whatever reason. All changes in banking instructions, mandates etc. to be in writing or e-mail with hard copy kept permanently on file. Action: External Auditor</p>	Annually
		3	2	6	L	<p>Internal Independent Internal Auditor appointed by Town Council to examine and test the Council’s financial procedures submitting a report to the Finance Committee which will accompany the Annual Audit submission. Action: Intl. Auditor</p>	Half yearly/ Annually
5	Computer Data Back up	1	2	2	L	<p>To provide protection for all the information contained on the STC computer systems, back up needs to be taken on a three-times a week(Tuesday, Wednesday and Friday). The back-ups are removed from the premises. Action: Town Clerk / Deputy Town Clerk</p>	Three times a week



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Risk Score: 1 – 8 = Low: 9 – 17 = Med: 18 – 25 = High

Risk	Impact Analysis (1-5)	Likelihood (1-5)	Gross Risk	Priority (H-M-L)	Control	Responsibility	Time -scale
7	Staff & Payroll	3	2	6	L	Approval for the employment of all staff and their annual remuneration levels are approved by the Council and minuted. All payroll sheets are prepared by the Town Clerk supported by the time sheets. All overtime is recorded and approved prior to payment. All salaries are processed by A & K Associates who have been appointed by the Council to undertake the payment of payroll and pension payments. All salary slips are e-mailed to staff and salaries paid directly to appointed bank accounts by the individual staff member using electronic BACs payment. Amount paid is checked by the Town Clerk and Chair/Vice-Chair of FPA. Action: Town Clerk/ Chair / Vice-Chair of FPA	Monthly
7a	Staff Evaluation	2	2	4	L	Annual staff evaluation process in place through the Finance Committee reporting to the Council. Job descriptions and contract of employment held for all staff and contracts signed by the Chairman of Finance Committee. They are held for all staff	Annually



STAMFORD TOWN COUNCIL RISK MANAGEMENT STRATEGY
FINANCIAL RISK REGISTER

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7b	Update on Employment Matters	1	2	2	L	and are data protected and restricted to the relevant members of the Finance Committee and Town Clerk. Reviews are conducted annually of all staff by the Chairman FPA and Town Clerk. In the case of the Town Clerk the review is conducted by the Chairman of FPA and Mayor. Update on employment matters receive from LALC, Personnel Advice and Solutions and other advisors.	Annually
8	Freedom of Information	3	2	6	L	All Freedom of Information requests should be acknowledged within 20 days to comply with the current Freedom of Information Act as laid down in Town Council Procedures. FPA should be notified of any Freedom of Information requests received.	Routinely



INVESTMENT STRATEGY

The following guidance is issued as per the Governance and Accountability for Local Councils 2010, Appendix 8 – Local Government investments. The Guidance applies with effect from 1 April 2010 and applies to all local authorities in England.

1. Preparation for an Investment Strategy

1.1 It is recommended that for each financial year a local authority should prepare at least one investment strategy.

1.2 The Strategy should set out the authority's policies for the prudent management of its investments and for giving priority, firstly, to the security of those investments and, secondly, to their liquidity. It should therefore identify the procedures for monitoring, assessing and mitigating the risk of loss of invested sums and for ensuring that such sums are readily accessible for expenditure whenever needed.

2, Approval

2.1. The Strategy should be approved by the full Council.

2.2. The Strategy should be approved before the start of that financial year.

2.3 The Strategy can be revised at quarterly intervals subject to the same process of approval.

2.4 The Strategy should be available to the public at £1 for a hard copy and also be available on line.

3. Investment Security

Specified Investment

3.1. The investment is denominated in sterling and any payments or repayments in respect of the investment are payable only in sterling.

3.2. The investment is not a long term investment.

4. Investment Management

4.1. The management of investments are revised quarterly.

4.2 That specified monies invested are suitably risk assessed against expenditure throughout the financial year.

4.3. The investment of the General Fund is revised 6 monthly.

4.4 The investment of Earmarked Reserves is revised in accordance with expenditure.

4.5. The investment of the Precept is revised in accordance with expenditure as per 4.1.

5. Risk Assessment

5.1. Investments prudently committed with no loss whatsoever to the capital.

5.2. Investments are prudently committed with total regard to expenditure and projects in hand.

5.3 Investments are prudently committed with a suitable risk assessment with regard to completing the term initially invested for.

6. Method of Approval of Investments

6.1. Each investment must be approved by the Town Council in conjunction with recommendations of the Finance, Personnel and Assets Working Group.