



## THE CHARTER TRUSTEES OF THE TOWN OF MARGATE

### FINANCIAL REGULATIONS

#### **1** General

- 1.1 These financial regulations govern the conduct of the financial management by the Charter Trustees and may only be amended or varied by resolution of the Charter Trustees. Financial regulations are one of the Charter Trustee's two governing documents providing procedural guidance for Members and officers. Financial regulations must be observed in conjunction with the Charter Trustee's standing orders and any individual financial regulations relating to contracts.
- 1.2 The Charter Trustees are responsible in law for ensuring that financial management is adequate and effective and that the Charter Trustees have a sound system of internal control which facilitates the effective exercise of the Charter Trustee's functions, including arrangements for the management of risk.
- 1.3 The Charter Trustees 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 duties of officers
- 1.4 These financial regulations demonstrate how the Charter Trustees meet these responsibilities and requirements.
- 1.5 At least once a year, prior to approving the Annual Governance Statement, the Charter Trustees must review 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 Charter Trustees 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 Charter Trustees into disrepute.
- 1.8 The Responsible Finance Officer (RFO) holds a statutory office to be appointed by the Charter Trustees. The Clerk has been appointed RFO for the Charter Trustees and these regulations shall apply accordingly.
- 1.9 The RFO:
- Acts under the policy direction of the Charter Trustees;
  - Administers the Charter Trustee's financial affairs in accordance with all Acts, Regulations and proper practices.
  - Determines on behalf of the Charter Trustees its accounting records and accounting control systems;
  - Ensures the accounting control systems of the Charter Trustees are observed;
  - Maintains the accounting records of the Charter Trustees up to date in accordance with best practices
  - Assists the Charter Trustees to secure economy, efficiency and effectiveness in the use of its resources; and
  - Produces financial management information as required by the Charter Trustees.

- 1.10 The accounting records determined by the RFO shall be sufficient to show and explain the Charter Trustee'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 Charter Trustees 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 Charter Trustees and the matters to which the income and expenditure or receipts and payments account relate;
  - A record of the assets and liabilities of the Charter Trustees; and
  - Wherever relevant, a record of the Charter Trustee'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 Charter Trustees 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 lost records:
  - Identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions:
  - Measures to ensure that risk is properly managed
- 1.13 The Charter Trustees are 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 requirements)
  - Approving accounting statements
  - Approving an annual governance statement
  - Addressing recommendations in any report from the internal or external auditors:
- shall be a matter for the Charter Trustees only.
- 1.14 In addition the Charter Trustees must:
- Determine and keep under regular review the bank mandate for all Charter Trustee bank accounts;
  - Approve any grant or single commitment in excess of £500, where practicable, 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' 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 website of NALC and the Society of Local Council Clerks. (SLCC)

## **2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)**

- 2.1 All accounting procedures and financial records of the Charter Trustees shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and practices.
- 2.2 On a regular basis, at least once each quarter, and at each financial year end, a member other than the Chairman or cheque signatory, 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 and exceptions, to and noted by the Charter Trustees Finance Committee.
- 2.3 The RFO shall complete the annual statement of accounts, annual report, and any related documents of the Charter Trustees contained in the Annual 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 Charter Trustees within the timescales set by the Accounts and Audit Regulations.
- 2.4 The Charter Trustees 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 Charter Trustees shall make available such documents and records as appear to the Charter Trustees to be necessary for the purpose of the audit and shall, as directed by the Charter Trustees, supply the RFO, or internal auditor with such information and explanation as the Charter Trustees consider necessary for that purpose
- 2.5 The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the Charter Trustees in accordance with proper practices.
- 2.6 The internal auditor shall:
- Be competent and independent of the financial operations of the Charter Trustees:
  - Report to the Charter Trustees 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 Charter Trustees.
- 2.7 Internal or external auditors may not under any circumstance:
- Perform any operational duties for the Charter Trustees:
  - Initiate or approve accounting transactions; or
  - Direct the activities of any Charter Trustee employee, except to the extent that such employees have been appropriately assigned to assist the 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 the 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 Charter Trustees any correspondence or report from internal or external auditors.

### **3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING**

- 3.1 The RFO must each year, but no later than December, 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 finance committee of the Charter Trustees
- 3.2 The Charter Trustees shall set 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 budget.
- 3.3 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 Charter Trustees for all items over £500
- A duly delegated committee of the Charter Trustees for items over £500; or The Clerk, in conjunction with the Chairman of the Charter Trustees or Chairman of the appropriate committee, for any items below £500.

Such authorisation is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate chairman.

- 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 Charter Trustees, or duly delegated committee. During the budget year and with approval of the Charter Trustees having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to earmarked reserve as appropriate (virement)
- 4.3 Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to subsequent years.
- 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 and Chairman of the Charter Trustees 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 case of extreme risk to the Charter Trustee services, the Clerk may authorise revenue expenditure on behalf of the Charter Trustees which in the Clerk's judgement is necessary to carry out. Such expenditure includes repairs, replacement or other work whether or not there is 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 Charter Trustees as soon as practicable thereafter.
- 4.6 All capital works shall be administered in accordance with the Charter Trustee's standing orders and financial regulations relating to contracts
- 4.7 The RFO shall regularly provide the Charter Trustees 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 show in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations to material variances. For this purpose, 'material' shall be in excess of £100 or 15% of the budget.
- 4.8 Changes in earmarked reserves shall be approved by the Charter Trustees as part of the budgetary control process.

## **5 BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS**

- 5.1 The Charter Trustee's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Charter Trustees. Banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency. (The Charter Trustees shall seek credit references in respect of members or employees who act as signatories)
- 5.2 Personal payments (including salaries, wages, expenses and any payments made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.  
All invoices and supporting documentation to be submitted by the RFO to two members of the Executive committee for approval and authorisation. Invoices and cheque stubs (where used) should be initialled.
- 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 the invoice relates has been received, carried out, examined and represents expenditure previously approved by the Charter Trustees.
- 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 Charter Trustee meeting (or finance committee)

- 5.5 For each financial year the Clerk and 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 obligations (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which the Charter Trustees (or a duly authorised committee) 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 the Charter Trustees (or finance committee)
- 5.6 A record of regular payments made under 5.5 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.
- 5.7 Members are subject to the Code of Conduct that has been adopted by the Charter Trustees 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.
- 5.8 The Charter Trustees will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.
- 5.9 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 Charter Trustees will make safe and efficient arrangements for the making of its payments.
- 6.2 Following authorisation under Financial Regulation 5 above, the Charter Trustees, a duly delegated committee or, if so delegated, the Clerk or RFO shall give instruction that a payment shall be made.
- 6.3 All payments shall be effected by cheque or other instructions to the Charter Trustee's bankers or otherwise, in accordance with a resolution of Charter Trustees or duly delegated committee.
- 6.4 Cheques or orders for payments drawn on the bank account in accordance with the schedule as presented to the Charter Trustees or committee shall be signed by two members of the Charter Trustees (and countersigned by the Clerk). 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 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 or bank receipt.
- 6.6 Cheques or orders for payment shall not normally be presented for signature other than at a Charter Trustee or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the Charter Trustees (or Finance Committee) at the next convenient meeting.
- 6.7 If thought appropriate by the Charter Trustees, 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 the Charter Trustees as made. The approval of the use of variable direct debit shall be renewed by resolution of the Charter Trustees at least every two years.
- 6.8 If thought appropriate by the Charter Trustees, payment for certain items (principally salaries) may be made by banker's standing order provided that instructions are signed, or otherwise evidenced by two members and are retained and any payments are reported to the Charter Trustees as made. The approval of the use of a banker's standing order shall be renewed by resolution of the Charter Trustees at least every two years.
- 6.9 If thought appropriate by the Charter Trustees, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments

- are reported to the Charter Trustees as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the Charter Trustees at least every two years.
- 6.10 If thought appropriate by the Charter Trustees payment for certain items may be made by internet banking transfer provided evidence is retained showing members approved the payment.
- 6.11 Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the Charter Trustees 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 the Charter Trustees in a sealed dated envelope. This envelope may not be opened other than in the presence of two other Charter Trustees. After the envelope has been opened, in any circumstances, the PIN and/or passwords shall be changed as soon as is 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 Charter Trustees. This will not be required for a member's personal computer used only for remote authorisation of bank payments.
- 6.12 No employee or Charter Trustee shall disclose any PIN or password, relevant to the working of the Charter Trustees or its bank accounts, to any person not authorised in writing by the Charter Trustees or duly delegated committee.
- 6.13 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.
- 6.14 The Charter Trustees, and any members using computers for the Charter Trustee'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.
- 6.15 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 Charter Trustees shall identify a number of Charter Trustees who will be authorised to approve transactions on those accounts. The bank mandate will clearly state 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.
- 6.16 Access to any internet banking accounts will be directly to the access page (which may be saved under 'favourites') and not through a search engine or email link. Remembered or saved passwords facilities must not be used on any computer used for Charter Trustee banking work. Breach of this Regulation will be treated as a very serious matter under these Regulations.
- 6.17 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by (two of) the Clerk (the RFO) (a Charter Trustee). A programme of regular checks of standing data with suppliers will be followed.
- 6.18 Any Debit Card issued for office use will be specifically restricted to the Clerk (and the RFO) and will be restricted to a single transaction maximum value (£500) unless authorised by the Charter Trustees or finance committee in writing before an order is placed.
- 6.19 A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Charter Trustees' Finance Committee. Transactions and purchases made will be reported to the Charter Trustees and authority for topping-up shall be at the discretion of the Finance Committee.
- 6.20 Any corporate credit card or trade card account opened by the Charter Trustees will be specifically restricted to use by the Clerk (and RFO) and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of Charter Trustees or staff shall not be used under any circumstances.
- 6.21 The Charter Trustees will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk (RFO) (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **7. PAYMENT OF SALARIES**

- 7.1 As an employer, the Charter Trustees 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 the Charter Trustees, or duly designated 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 Charter Trustee 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 Charter Trustees.
- 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 (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) By any Charter Trustee who can demonstrate a need to know.
  - b) By an 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 should be maintained for the senior officers.
- 7.7 Any termination payments shall be supported by a clear business case and reported to the Charter Trustees. Termination payments shall only be authorised by the Charter Trustees.
- 7.8 Before employing interim staff the Charter Trustees must consider a full business case

## **8 LOANS AND INVESTMENTS**

- 8.1 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 Charter Trustees. In each case a report in writing shall be provided to the Charter Trustees in respect of value for money for the proposed transaction.
- 8.2 The Charter Trustees will arrange with the Charter Trustee's bank and investment providers for the sending of a copy of each statement of accounts to the Chairman of the Charter Trustees at the same time as one is issued to the Clerk or RFO.
- 8.3 All investments of money under the control of the Charter Trustees shall be in the name of the Charter Trustees.
- 8.4 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.5 Payments in respect of short or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be 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 Charter Trustees shall be the responsibility of and under the supervision of the RFO.
- 9.2 Any bad debts found to be irrecoverable and any bad debts shall be reported to the Charter Trustees and shall be written off in the year.

- 9.3 All sums received on behalf of the Charter Trustees shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Charter Trustee's bankers with such frequency as the RFO considers necessary.
- 9.4 The origin of each receipt shall be entered on the paying-in slip or receipt book.
- 9.5 Personal cheques shall not be cashed out of money held on behalf of the Charter Trustees.
- 9.6 The RFO shall promptly complete the 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.
- 9.7 Where any significant sums of cash are regularly received by the Charter Trustees, the RFO shall take such steps as are agreed by the Charter Trustees 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.
- 9.8 Any income arising which is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the Charter Trustees (to meet expenditure already incurred by the Charter Trustees) will be given by the Managing Trustees of the charity meeting separately from any Charter Trustee meeting (see Regulation 15 below).

## **10 ORDERS FOR WORK, GOODS AND SERVICES**

- 10.1 An official order shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be appropriate. Copies of orders shall be retained.
- 10.2 Order books shall be controlled by the 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, where practicable, from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11.1 below.
- 10.4 A Charter Trustee may not issue an official order or make any contract on behalf of the Charter Trustees.
- 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 item (i) to (vi) below:
- i. for the supply of gas, electricity, water, sewerage and telephone.
  - 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 material to be supplied which constitute an extension of an existing contract by the Charter Trustees;
  - v. for additional audit work of an external auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of the Charter Trustees); and
  - vi. for goods and materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.



- b) 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 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 £3000 and above £500 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise Regulation 10.3 above shall apply.
- c) The Charter Trustees shall not be obliged to accept the lowest of any tender, quote or estimate

## **12 STORES AND EQUIPMENT**

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

## **13 ASSETS, PROPERTIES AND ESTATES.**

- 13.1 No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Charter Trustees, together with any other consents required by law, save where the estimated value of any one item of tangible moveable property does not exceed £250.
- 13.2 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 risk assessment.

## **14 INSURANCE**

- 14.1 Following the annual risk assessment (per Regulation 16), the RFO shall effect all insurances and negotiate all claims on the Charter Trustee's insurers (in consultation with the Clerk).
- 14.2 The Clerk shall give prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 14.3 The RFO shall keep a record of all insurances affected by the Charter Trustees and the property and risks covered thereby and annually review it.
- 14.4 The RFO shall be notified of any loss liability or damage or any event likely to lead to a claim and shall report these to the Charter Trustees at the next available meeting.
- 14.5 All appropriate Charter Trustees and employees of the Charter Trustees 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 Charter Trustees, or duly delegated committee.

## **15 CHARITIES**

- 15.1 Where the Charter Trustees are the sole managing trustees of charitable body the Clerk and RFO shall ensure that separate accounts are kept of the funds held on charitable trust and separate financial reports made in such form as shall be appropriate, in accordance with the Charity Law and legislation, or as determined by the Charity Commission. The Clerk and RFO shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

## **16 RISK MANAGEMENT**

- 16.1 The Charter Trustees are responsible for putting in place arrangements for the management of risk. The Clerk (with the RFO) shall prepare, for approval by the Charter Trustees, risk management policy statements in respect of all activities of the Charter Trustees. Risk policy statements and consequential risk management arrangements shall be reviewed by the Charter Trustees at least annually.
- 16.2 When considering any new activity, the Clerk (with the RFO) shall prepare a draft risk assessment including risk management proposals for the consideration and adoption by the Charter Trustees

## **17 SUSPENSION OF FINANCIAL REGULATIONS**

- 17.1 It shall be the duty of the Charter Trustees to review the Financial Regulations of the Charter Trustees from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the Charter Trustees of any requirements for a consequential amendment to these Financial Regulations.
- 17.2 The Charter Trustees may, by resolution of the Charter Trustees duly notified prior to the relevant meeting of Charter Trustees, 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 Charter Trustees.