

## APPENDIX A

### FINANCIAL REGULATIONS

#### 1. GENERAL

- 1.1 The Chief Finance Officer shall, for the purposes of Section 151 of the Local Government Act 1972, be responsible for the proper administration of the Council's financial affairs under the general direction of the Executive. The Chief Finance Officer will also, therefore, be the Responsible Officer for the purposes of Section 114 of the Local Government Finance Act 1988 (unlawful expenditure etc.) [and to ensure the proper administration of the financial affairs of the Council as required by the Accounts and Audit Regulations 2003 \(amended 2006\). The Chief Finance Officer will also](#)~~and shall~~ have responsibility for the execution and administration of treasury management decisions. He / she will act in accordance with the Council's Investment Strategy and treasury management practices and CIPFA's Code of Practice for Treasury Management.
- 1.2 In addition Chief Finance Officer shall fulfil the role of Proper Officer for the purposes of directions issued under Section 44(1) of the Audit Commission Act 1998 for the collection, recording and publication of information relating to standards of performance.
- 1.3 Where the Council has delegated powers to Chief Officers, these shall be exercised in accordance with Financial Regulations.
- [1.4 For the purposes of these Financial Regulations, references to Corporate Managers shall also apply to the Principal Solicitor.](#)

#### 2. ACCOUNTING

- 2.1 The Chief Finance Officer shall be responsible for:
- i. keeping proper accounts of the Council's financial transactions in accordance with current legislation;
  - ii. preparing the annual Statement of Accounts for approval by the Corporate Governance Committee; and
  - iii. preparing and submitting all financial returns, reports and statistics to meet both Council and statutory requirements.
- 2.2 The Chief Finance Officer shall prescribe the form, security and maintenance of financial records kept by any department of the Council.

- 2.3 In order to administer the financial affairs of the Council, the Chief Finance Officer shall have authority to issue such detailed instructions as he [/she](#) may deem appropriate.
- 2.4 The Chief Finance Officer shall be consulted regarding introducing or amending books, forms or procedures relating to cash, income or expenditure and accounts (whether for stores or otherwise). The Chief Finance Officer shall ensure that a satisfactory and, so far as possible, uniform system is adopted across service areas.
- 2.5 The Chief Finance Officer shall review annually the specific financial limits laid down in these Financial Regulations. Any revision in these limits will be reported for approval to the Executive by the Chief Finance Officer.
- 2.6 The following principles shall be observed in the allocation of accounting duties:
- i. the duties of providing information on sums due to or payable by the Council and of calculating, checking and recording these sums shall be separated as far as possible from the duties of collecting or disbursing such sums; and
  - ii. officers charged with the duties of examining and checking accounts of cash transactions shall not themselves be engaged in any of these transactions.

### **3. FINANCIAL CONTROL**

- 3.1 Each Chief Officer [and Corporate Manager](#) is responsible for the security, custody and control of all resources within services reporting to them.
- 3.2 The Chief Finance Officer shall be informed immediately of any decision, course of action, or entry of item of account, actual or proposed which may give rise to a report under Section 114 (2) of the Local Government Finance Act 1988. Where the Chief Finance Officer believes that the Council, the Executive, one of its committees or one of its officers is about to make a decision which would be unlawful then he [/she](#) must, as required by Section 114 of the Local Government Finance Act 1988:
- i. send a report to all members of the Council; and
  - ii. notify the External Auditor.
- 3.3 The Council must hold a meeting within twenty-one days and refrain from the course of action reported until the meeting is held.

- 3.4 The Monitoring Officer shall report on any contravention of law or of a code of conduct and any act of maladministration in accordance with the Local Government and Housing Act 1989.
- 3.5 Each Chief Officer [and Corporate Manager](#) shall ensure that Contract Standing Orders, Financial Regulations and any Accounting Instructions or procedures are observed.
- 3.6 A system of cash limits shall operate within the Authority. The Chief Finance Officer shall be consulted as soon as possible with respect to any matter which is liable to affect substantially the finances of the Council and for which provision is not made in the current budget, before any provision or other commitment is incurred. The Chief Finance Officer shall then report to the Chief Executive in order that the necessary action can be taken. No body of the Council nor any officer will commit items of expenditure not provided in their estimates, except in cases of extreme importance specifically approved by the Executive and Council. Virement and rollover may be permitted, but only in accordance with the annual cash limits and virement approved by Council (see Budget and Policy Framework Procedure Rule 5 above).
- 3.7 Each body of the Council and every officer shall at all times endeavour to secure the best value for money and shall:
- i. establish wherever possible, cost limits and output measures for its various services and functions; and
  - ii. establish sound arrangements for the planning, appraisal, authorisation and control of all resources and ensure that these are functioning properly in order to achieve economy, efficiency and effectiveness in its operations.
- 3.8 In the case of trading units, the relevant Chief Officer [or Corporate Manager](#), being the ~~Chief Officer~~ in whose service area the trading unit is located, is responsible for exercising control over resources.
- 3.9 The relevant Chief Officer [or Corporate Manager](#) shall prepare such business plans and financial statements as deemed necessary by the Chief Finance Officer for the proper monitoring of the trading position and performance of the trading unit or any part thereof.
- 3.10 Any material change to the commercial operations of a trading unit which may have a financial impact upon its expenditure or income must be reported to the Executive by the relevant Chief Officer [or Corporate Manager](#).

## 4. LONG TERM PLANNING

- 4.1 The Chief Finance Officer shall ensure that reports are made on all proposals which lead to new financial commitments. Such reports should include the following:
- i. the revenue consequences of the decision over a three-year period and any future year where these are significant;
  - ii. in the case of capital expenditure a cost comparison illustrating the difference between costs of a conventional borrowing route and the chosen financing option; and
  - iii. the implications for the financial strategy.
- 4.2 The Chief Finance Officer shall ensure that a financial strategy is prepared in accordance with approved operational and financial guidelines. Existing proposals rolled forward in the strategy shall be re-examined in the light of changing circumstances and the Council's objectives and priorities, and new proposals shall be added for the succeeding year.

## 5. ANNUAL ESTIMATES AND BUDGETARY CONTROL

- 5.1 The Chief Finance Officer shall prepare annually in consultation with other Chief Officers [or Corporate Managers](#), estimates of income and expenditure on revenue for the ensuing year and on capital in a three year forecast, consistent with the general directions of the Council. These estimates shall be submitted for approval by the Executive in February of each year.
- 5.2 The Executive shall recommend to the Council:
- i. the amount required from the Collection Fund for District Council purposes; and
  - ii. the Council Tax for District purposes for the coming financial year.
- 5.3 In order that they may exercise proper budgetary control each Chief Officer [or Corporate Manager](#) shall have direct access to financial information contained within the Authority's Financial Management system. In addition, the Chief Finance Officer shall provide each Chief Officer [or Corporate Manager](#) with periodical statements of income received and expenditure incurred, as and when requested.
- 5.4 Each Chief Officer [or Corporate Manager](#) will furnish information regarding outstanding commitments and expected income and expenditure for the remainder of the financial year upon request.

- 5.5 Any report to Council, or any body of the Council which would involve the Council in any expenditure shall indicate the extent to which such expenditure is covered by estimates approved by the Council.

## **6. OPERATION OF BANK ACCOUNTS**

- 6.1 All arrangements with the Council's bankers, including agreement of bank charges and overdraft levels shall be made under arrangements approved by the Chief Finance Officer who shall also be authorised to operate all necessary bank accounts.
- 6.2 All cheques shall be ordered only on the written authority of the Chief Finance Officer who shall also make arrangements for their safe custody upon receipt.
- 6.3 Any computer printed cheque payment for an amount to be determined from time to time by the Chief Finance Officer but not exceeding one half of Level 1 ("basic amount") must bear the computer printed signature of the Chief Finance Officer.
- 6.4 Any computer printed cheque payment for more than the basic amount but less than an amount to be determined from time to time by the Chief Finance Officer, but not exceeding one half of Level 2 ("higher amount"), any manually raised cheque and any other order or instruction for an amount not exceeding the higher amount, must bear the signature of any one of the following:
- The Chief Finance Officer
  - [The Corporate Manager \(Finance and Support Services\)](#)
  - The Chief Accountant
  - The Principal Accountant (General Fund & Costing)
- 6.5 All cheque payments and other orders or instructions for an amount in excess of the higher amount must bear the signatures of any two of the following officers:
- The Chief Finance Officer
  - [The Corporate Manager \(Finance and Support Services\)](#)
  - The Head of Revenues
  - The Chief Accountant
  - The Principal Accountant (General Fund & Costing)
- 6.6 The Chief Finance Officer shall make arrangements for all the Council's bank accounts to be independently reconciled and ensure that this is undertaken on a regular basis.

## **7. INVESTMENT BORROWING AND TRUST FUNDS**

- 7.1 All investments and borrowing undertaken by the Council shall be transacted in the name of the Council.

- 7.2 The Council has adopted CIPFA's 'Code of Practice for Treasury Management in Local Government', [the Prudential Code](#) and an Investment Strategy setting out its strategy and procedures: thereafter its implementation and monitoring shall be delegated to the Executive.
- 7.3 All money in the hands of the Council shall be aggregated for the purposes of treasury management and shall be under the control of the Chief Finance Officer.
- 7.4 Executive decisions on borrowing (subject to the exception set out in 7.5), investment and financing shall be delegated to the Chief Finance Officer or through him [/ her](#) to his [/ her](#) staff, who shall all be required to act in accordance with the Code and the Investment Strategy.
- 7.5 Any decision on borrowing which would terminate the current debt free status of the Council will require the approval of Council.
- 7.6 The Chief Finance Officer shall present to the Council an Annual Report on Treasury Management by 30 September of the succeeding year.
- 7.7 All securities being the property of or in the name of the Council shall be held in the custody of the Chief Finance Officer.
- 7.8 The Chief Finance Officer shall be authorised to borrow short term (364 days or less) such sums as are required to finance the operations of the Council as provided for within the Local Government Act 2003.
- 7.9 The Chief Finance Officer shall, within the guidelines laid down by the Council, be responsible for all funds for which the Council acts as a Trustee.

## **8. AUTHORISATION FOR EXPENDITURE**

- 8.1 Other than to comply with Court Orders, etc. under Rule 4 of the Legal Proceedings Rules, no expenditure shall be incurred unless it is included in the approved budget. Exceptionally, the Chief Executive in consultation with the Leader can authorise additional expenditure in the case of a local emergency.
- 8.2 Contracts and purchasing of goods and services shall be in accordance with the Contract Standing Orders.
- 8.3 Higher value contracts have to be managed according to the provisions of the Public Supplies / Services / Works Contracts Regulations which lay down strict guidelines on the advertising of contracts, selection of tenderers, requirement specification and the evaluation of bids. In addition, contracts must comply with EU contract procedures. It shall be the responsibility of Chief Officers [or Corporate Managers](#) to ensure that their service areas comply with these Directives.

8.4 Any extra or variation to a contract which would result in that contract moving to the next Level specified in the Contract Standing Orders shall be reported to the Executive as soon as practicable by the Chief Officer or Corporate Manager concerned.

~~8.5~~ 8.5—Official orders for the purchase of goods of all kinds, subject to paragraph 8.6, or the execution of works on behalf of the Council shall be in writing and in a form previously approved by the Chief Finance Officer and shall be signed only by Chief Officers, Corporate Managers or officers authorised in writing by them subject nevertheless to the relevant provisions of Contract Standing Orders. ~~Electronic orders will be in a form prescribed by the Chief Finance Officer.~~

8.6 Electronic orders will be in a form prescribed by the Chief Finance Officer. Each Chief Officer or Corporate Manager shall have a responsibility to ensure that electronic procurement is implemented in their service areas, replacing hand written or manual orders with electronic ordering that records each transaction. The electronic procurement system must be approved by the Chief Officer or Corporate Manager, in consultation with the Corporate Manager (Finance and Support Services) and must apply appropriate authorisation paths and function correctly.

8.6 ~~If the Chief Finance Officer requires, o~~Official orders for the purchase of information technology equipment exceeding £500 ~~and for the purchase of all furniture~~ shall be signed by ~~Chief Officers~~ the Corporate Manager (Finance and Support Services) only.

8.7 Each order shall conform with the directions of practice of the Council with respect to central purchasing and the standardisation of supplies and materials. Orders shall only be placed for goods and services in respect for which there is provision in the current year's estimate or where prior approval to exceed cash limits has been given by the Council.

## 9. PAYMENTS

9.1 ~~9.1~~—All payments due by the Council shall be made by the Chief Finance Officer or from petty cash advances authorised by him / her. The normal method of payment of money due from the Council shall be by cheque or other instrument drawn on the Council's appropriate bank account.

9.2 All Chief Officers and Corporate Managers will have responsibility for reducing the number of payments processed in respect of their service areas, by implementing consolidated invoicing in consultation with the Corporate Manager (Finance and Support Services).

9.32 Before any payment is made the invoice shall be certified by the appropriate Chief Officer, [Corporate Manager](#) or his / her authorised representative. Before certifying an invoice the certifying officer shall, save to the extent that the Chief Finance Officer may otherwise determine, have satisfied himself / herself that:

- i. the work, goods or services to which the account relates have been received, carried out, examined and approved;
- ii. the prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct;
- iii. the relevant expenditure has been properly incurred and provision made therefore in the financial estimates of the committee concerned;
- iv. appropriate entries have been made on copy orders and in inventories, stores records or stock books as required electronic or otherwise;
- v. the account has not been previously passed for payment and is a proper liability of the Council; and
- vi. the payment is lawful.

9.43 The names of officers authorised to certify such documents shall be notified in advance to the Chief Finance Officer, together with specimen signatures, and any change in such authorisation shall be similarly notified to the Chief Finance Officer.

9.54 Duly certified accounts shall be passed without delay to the Chief Finance Officer who shall examine them to the extent that he / [she](#) considers necessary, for which purpose he / [she](#) shall be entitled to make such enquiries and to receive such information and explanations as he / [she](#) may require.

9.65 Each Chief Officer [or Corporate Manager](#) shall, not later than a date to be specified by the Chief Finance Officer, notify him / her of all outstanding expenditure within his / her purview which relates to the previous financial year and which has not already been passed to him / [her](#) as duly certified "old year" accounts for payment in April.

## 10. **CONTRACTS FOR BUILDING CONSTRUCTION OR ENGINEERING WORKS**

10.1 Where contracts provide for payment to be made by instalments, the Chief Finance Officer shall keep a register showing the state of account on each contract between the Council and the contractor, together with any other payments and the related fees.



- 10.2 Payment to contractors on account of contracts shall be made only on a certificate issued by the appropriate Chief Officer, [Corporate Manager](#), his / her nominated representative, or consultant formally engaged by the Council and certified by an officer authorised under paragraph 9.3.
- 10.3 Subject to the provisions of the contract in each case every extra or variation shall be authorised by the Chief Officer, [Corporate Manager](#) or his / her nominated officer.
- 10.4 Where it appears to the Chief Officer [or Corporate Manager](#) concerned that the cost of the work comprised in any contract (where the contract sum is Level 2 or more) will exceed the contract sum by 5%, he / she shall report the variance to the Chief Finance Officer and the Executive as soon as practicable.
- 10.5 The Chief Finance Officer shall, to such an extent as he / [she](#) considers necessary, examine final accounts for all contracts and shall be entitled to make such enquiries and receive, in a timely manner, such documents explanations and information as he / [she](#) may require in order to satisfy himself / [herself](#) as to the accuracy of such accounts.
- 10.6 Claims by and compensation from contractors in respect of matters not expressly referred to in the terms of any existing contract shall be reviewed by the relevant Chief Officer [or Corporate Manager](#) for technical consideration and by the Chief Executive for consideration of the Council's legal liability, if any, and, where necessary, by the Chief Finance Officer for financial consideration before a settlement is reached.
- 10.7 Where completion of a contract is delayed beyond the agreed period (including any extensions granted), it shall be the duty of the Chief Officer [or Corporate Manager](#) concerned to take appropriate action in respect of any claim for liquidated damages.
- 10.8 Work carried out by any in-house trading unit must conform to the terms of any legislation on competitive tendering. Chief Officers should supervise the work and approve payments to the in-house contractor strictly under the terms of the agreement as they would any external contractor.
- 10.9 Where there is a separation of client and contractor functions, officers should co-operate to obtain value for money and provide an effective service, whilst fully observing Contract Standing Orders and Financial Regulations.

## 11. SALARIES, WAGES AND OTHER EMOLUMENTS

- 11.1 The Chief Finance Officer shall be responsible for the calculation of all salaries, wages, compensation and other emoluments to officers and

the production of other necessary records in connection with pensions, national insurance, income tax, maternity and sick pay.

- 11.2 The Chief Finance Officer shall be responsible for the payment of members' allowances and for the authorisation and payment of salaries, wages and other emoluments. All associated accounting arrangements shall be approved and controlled by the Chief Finance Officer.
- 11.3 Each Chief Officer [or Corporate Manager](#) shall notify the Chief Finance Officer as soon as possible, and in a form to be prescribed by him/[her](#), of all matters affecting the payment of such emoluments and in particular:
- i. appointments, resignations, dismissals, suspensions, secondments and transfers;
  - ii. absences from duty for sickness or other reason, apart from approved leave;
  - iii. changes in remuneration, other than normal increments and pay awards and agreements of general application; and
  - iv. any information which is necessary to maintain records of service for pensions, income tax, national insurance, etc..
- 11.4 Appointments of all employees of the Council shall be made in accordance with:
- i. the approved Establishment; and
  - ii. prescribed procedures.
- 11.5 ~~Any amendment to the approved Establishment~~[Approval of new posts within budget](#), other than to post titles, shall be agreed by the ~~Council~~[Chief Executive](#).
- [11.6 Approval of new posts outside of the agreed budget, other than to post titles, shall be agreed by the Council.](#)
- ~~11.6~~[11.7](#) All time records or other pay documents shall be in a form prescribed or approved by the Chief Finance Officer and shall be certified in manuscript by an authorised officer. The names of officers authorised to sign such documents shall be sent in advance to the Chief Finance Officer by each Chief Officer [or Corporate Manager](#) together with specimen signatures and any change shall be duly notified to the Chief Finance Officer.

## 12. TRAVELLING, SUBSISTENCE AND ATTENDANCE ALLOWANCES

- 12.1 All claims for the payment of car allowances, subsistence, removal and disturbance allowances, travelling and incidental expenses shall be submitted promptly in a form approved by the Chief Finance Officer. After certification by or on behalf of the appropriate Chief Officer [or Corporate Manager](#) details of amounts due shall be submitted to the Chief Finance Officer for payment.
- 12.2 The names of officers authorised to sign such records, together with specimen signatures, shall be sent to the Chief Finance Officer and shall be amended on the occasion of any change. Certification shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses were properly and necessarily incurred, and that the allowances are properly payable by the Council.
- 12.3 Payments to members, including any co-opted members of the Council or its committees, who are entitled to claim travelling or other allowances, shall be made by the Chief Finance Officer, upon receipt of the prescribed form duly completed.

### **13. INCOME**

- 13.1 Arrangements for the collection of all money due to the Council shall be approved by and under the supervision of the Chief Finance Officer.
- 13.2 Each Chief Officer [or Corporate Manager](#) shall ensure that all money received in his / her service area by an officer on behalf of the Council shall be receipted in a manner specified by the Chief Finance Officer and shall, without delay, be deposited with the Chief Finance Officer or, as he / [she](#) may direct, with the Council's bankers.
- 13.3 No deduction may be made from such money except to the extent that the Chief Finance Officer may specifically authorise it.
- 13.4 Every transfer of official money from one member of staff to another will be evidenced in the records of the departments concerned by the signature of the receiving officer.
- 13.5 Every officer who receives money on behalf of the Council or for which he / she is accountable to the Council, shall keep such records as required by the Chief Finance Officer, and shall produce them for inspection as and when required by the Chief Finance Officer.
- 13.6 Each Chief Officer [or Corporate Manager](#) shall be responsible for the prompt notification to the Chief Finance Officer of particulars of all sums due to the Council.

- 13.7 The Chief Finance Officer shall be responsible for arranging, or supervising arrangements for ordering and maintaining stocks of all receipt books and other numbered accounting documents used by the Council and shall satisfy himself [/ herself](#) as to the arrangements for their control.
- 13.8 The Chief Finance Officer shall be authorised to write off any individual debt up to and including Level 2, provided that he [/ she](#) is satisfied that all action for recovery of the debt appropriate to the amount has been taken. The Resources Portfolio Holder has executive power to write off any debt above Level 2. The Chief Finance Officer and the Resources Portfolio Holder will report annually for information to Council on the number and value of amounts written off under their respective delegated powers.

## 14. STOCKS, STORES AND OTHER ASSETS

- 14.1 Each Chief Officer [or Corporate Manager](#) shall be responsible for the care, custody and recording of stocks and stores held by his / her department. The Chief Finance Officer shall agree the form and content of records to be kept for this purpose. Stocks shall not exceed the quantities considered necessary by the Chief Officer [or Corporate Manager](#) concerned to meet the reasonable requirements of the Council.
- 14.2 Chief Officers [or Corporate Managers](#) responsible for stocks shall arrange for periodical checks of stocks by persons other than those responsible for the stocks and the Chief Finance Officer shall ensure that such checks are made at least once in every financial year.
- 14.3 The Chief Finance Officer shall be authorised to write-off physical differences or losses (including obsolescence) of stocks, stores or other assets amounting to less than one half of Level 1 in aggregate, by department. Variances in excess of one half of Level 1 shall be reported to the Council for authorisation.
- 14.4 Chief Officers [or Corporate Managers](#) responsible for stocks and stores shall forward to the Chief Finance Officer as soon as possible after 31 March in each year a certificate as to the value of stocks held at the close of the financial year.

## 15. INVENTORIES

- 15.1 Each Chief Officer [or Corporate Manager](#) shall maintain an inventory and this shall record an accurate description of furniture, fittings, equipment, plant and machinery so as to enable identification. The extent to which the property of the Council shall be recorded and the form in which the inventory shall be kept will be specified by the Chief Finance Officer.

- 15.2 Each Chief Officer [or Corporate Manager](#) shall be responsible for undertaking an annual check of all items on the inventory and annotating the inventory accordingly. A report containing details of any surpluses or deficiencies identified by the annual check should be submitted to the Chief Finance Officer immediately following the 30 September in each year. The Chief Finance Officer shall be authorised to write-off any deficit amounting to less than one half of Level 1 in aggregate, by department. Variances in excess of one half of Level 1 shall be reported to the Council for authorisation.
- 15.3 All property owned or acquired by the Council shall, so far as practicable, be effectively marked as Council property. The Council's property shall only be used in the ordinary course of the Council's business.

## 16. INSURANCES

- 16.1 The Chief Finance Officer shall effect insurance cover and prescribed procedures for claims, consulting with Chief Officers as appropriate.
- 16.2 Chief Officers [or Corporate Managers](#) shall notify the Chief Finance Officer promptly of all new risks, property or vehicles to be insured and every matter which may affect existing insurances.
- 16.3 Chief Officers [or Corporate Managers](#) shall notify forthwith in writing any loss, liability or damage or any event likely to lead to a claim to the Chief Finance Officer, who will, in turn, notify the Council's Insurers. In appropriate instances, the Chief Finance Officer will inform the Police.
- 16.4 The Chief Finance Officer shall ensure that all relevant employees of the Council are included in a suitable fidelity guarantee insurance.
- 16.5 The Chief Finance Officer shall annually, or at other such periods as he [/ she](#) may consider necessary, review all insurances in consultation with Chief Officers [and Corporate Managers](#).
- 16.6 Chief Officers [or Corporate Managers](#) shall consult the Chief Finance Officer with respect to the terms of any indemnity that the Council is requested to give.

## 17. LAND AND PROPERTY

- 17.1 The Executive Director shall maintain a terrier of all properties owned by the Council showing the statutory purpose or other purpose for which the property is held, the location, extent and plan reference. In addition the terrier should record the purchase price and the nature of the Council's interest, together with particulars of any lease or tenancies granted by the Council.

- 17.2 The Chief Executive shall be responsible for ensuring the custody, under secure arrangements, of all title deeds for properties belonging to or mortgaged to the Council.
- 17.3 Discretionary acquisitions and disposals not otherwise authorised under any delegation shall be submitted for approval by the Council on the recommendation of the Executive.

## 18. INTERNAL AUDIT

- 18.1 The Chief Finance Officer shall:
- i. maintain an adequate and effective internal audit of all activities of the Council;
  - ii. have authority (which may be delegated to his [/ her](#) authorised representative) to visit all departments and have a right of access at all times to such offices, officers, records, correspondence and other documents relating to any financial and other transactions of the Council and Council property that appear necessary for the purpose of the audit.
  - iii. require and receive such explanations as are necessary concerning any matter under examination; and
  - iv. require any council employee to produce cash, stores or any other council property under that employee's control.
- 18.2 Unless the Chief Finance Officer has already been informed under Regulation 3.2, each Chief Officer [or Corporate Manager](#) shall immediately notify him [/ her](#) of any suspected or apparent fraud or irregularity concerning cash, stores or other property of the Council or the exercise of the functions of the Council. The Chief Finance Officer will arrange, where appropriate, for an internal audit investigation and for the Council's external auditors and the Council's insurers to be informed. The Chief Finance Officer shall consider whether to refer any irregularity to the Police.
- 18.3 The Regulations set out in 18.1 and 18.2 apply equally to any direct service, direct labour organisation or semi-autonomous trading unit of the Council.
- 18.4 The [Head of Internal Audit-Client Partner and Manager for Internal Audit Services](#) shall report to the Chief Finance Officer who shall refer audit reports to the appropriate officers. Where in exceptional circumstances a report concerns the Chief Finance Officer in person, the [Head of Internal Audit-Client Partner and Manager for Internal Audit Services](#) shall have access to report direct to the Chief Executive and / or the Leader of the Council.

- 18.5 The Chief Finance Officer shall be responsible for ensuring that the Council's Anti-Theft, -Fraud and -Corruption Policy and Whistle-blowing Policy is subject to periodic review and, where deemed appropriate, he [/she](#) shall make recommendations for improvement to the Council. Each Chief Officer [or Corporate Manager](#) shall be responsible for ensuring their staff are aware of the existence of the Policy and of its contents.

## 19. DATA PROTECTION

- 19.1 Prior to the implementation of any new computer application or processing system the Chief Executive shall be consulted in writing as to the implications with respect to the Data Protection Act 1998 and the Freedom of Information Act 2000. No such applications or system shall be used to process live data until the Chief Executive has confirmed in writing that the requirements in respect of registration and security have been met.
- 19.2 The Chief Executive shall be responsible for ensuring that the Council complies with the requirements of the Data Protection Act 1998 and the Freedom of Information Act 2000 and will be responsible for co-ordinating arrangements whereby all members and employees are fully conversant with their duties and responsibilities resulting from this Rule.

## 20. SECURITY

- 20.1 Each Chief Officer [or Corporate Manager](#) shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc., under his / her control. The Chief Finance Officer shall satisfy himself [/herself](#) that such security arrangements are adequate.
- 20.2 Keys to safes and similar receptacles shall at all times be kept securely by those responsible and the loss of any keys must be reported forthwith to the Chief Finance Officer.
- 20.3 Chief Officers [or Corporate Managers](#) shall ensure that cash holdings overnight do not exceed those sums provided for in the Council's insurance arrangements.

## 21. IMPREST / ADVANCE ACCOUNTS

- 21.1 The Chief Finance Officer shall approve such advance amounts as he [/she](#) considers appropriate. These shall be operated on an imprest basis and in a manner specified by the Chief Finance Officer.
- 21.2 Where he [/she](#) considers it appropriate, the Chief Finance Officer shall open an account with the Council's bankers, or such other financial institution as deemed appropriate, for the use by the imprest holder.

The arrangements shall provide that under no circumstances is the account to go overdrawn and instances where this would otherwise have arisen should be drawn to the attention of the Chief Finance Officer promptly.

- 21.3 No income received on behalf of the Council may be paid into an imprest / advance account but must be banked or paid to the Council as provided elsewhere in these Regulations.
- 21.4 Payments shall be limited to minor items of expenditure and to such other items as the Chief Finance Officer may approve and shall be supported by a receipt voucher to the extent that the Chief Finance Officer may require.
- 21.5 An officer responsible for an advance amount shall sign a certificate as to the state of the advance on the 31 March in each year.
- 21.6 On leaving the employment of the Council or otherwise ceasing to be entitled to hold the advance, an officer shall account to the Chief Finance Officer for the amount of the advance.

## **22. INFORMATION TECHNOLOGY**

- 22.1 The Chief Executive [is the Council's e-champion and](#) shall be responsible for maintaining overall security and privacy of information held on all computers operating on Council premises.
- 22.2 Chief Officers [or Corporate Managers](#) shall satisfy themselves that any new systems or amendments to existing systems are developed in a controlled manner and thoroughly tested prior to implementation.
- 22.3 The Chief Executive shall ensure that computer audit reviews are carried out at regular intervals and immediately in the event of a situation that demands such action.
- 22.4 The Chief Executive shall ensure that all information technology initiatives are compatible with the official strategy adopted by the Council. An annual review of the strategy will be undertaken in order to accommodate technical advances and to keep it in line with the Council's perceived needs.
- 22.5 The technical specifications and purchasing arrangements for IT-related items should conform to the guidelines as from time to time adopted by the [Senior](#) Management Team.

## **23. RISK MANAGEMENT**

- 23.1 ~~The Chief Executive will convene meetings of an officer Risk Management Group at regular intervals to consider the corporate strategic risks facing the Council and the achievement of its corporate~~



~~objectives and annual priorities. The Group will report to the Resources Portfolio Holder and to Cabinet and Corporate Governance Committee as necessary on strategic risk management matters. The Chief Executive is the senior manager responsible for risk management and will ensure that the Council's risk management strategy and process is reviewed at least annually and that the Council's strategic risk register is reviewed quarterly.~~

- ~~23.1~~ The risk management strategy and process and the strategic risk register will be reported to Members in accordance with the above frequencies.
- ~~23.2~~ Directors will consider risk management as an inherent element of project planning and will identify risk management implications in all committee reports. Service managers will review service area risk registers as part of the service plan process, for approval by Portfolio Holders, and at quarterly intervals. These will be reviewed by the Corporate Managers to ensure that risks identified are adequately addressed. Significant corporate or common risks arising from service area risk registers may be included in the strategic risk register.
- ~~23.3~~ Service managers will include risk management in their consideration of matters affecting their services as part of the Service Plan process. These will be reviewed by the Chief Executive to ensure that risks identified are adequately addressed. Project managers will carry out risk management as an integral element of project management. Lead officers will monitor risk management arrangements in partnerships. Report writers will identify risk management implications in all reports to Members.
- 23.4 Risk management will be incorporated in the preparation of the Council's Performance Plan.