



**BANGOR CITY COUNCIL  
FINANCIAL REGULATIONS 2024**

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These Financial Regulations were adopted by the Council at its Meeting held on 13<sup>th</sup> May 2024.

## 1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the City Council and may only be amended or varied by resolution of the City Council. Financial regulations must be observed in conjunction with the Council's standing orders<sup>1</sup>.
- 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; and
  - to prevent and detect inaccuracy and fraud;
- 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 and may represent a breach in the Councillor's Code of Conduct
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office appointed by the City Council. The City Director has been appointed as RFO for Bangor City Council and these regulations will apply accordingly.
- 1.9. The RFO;
  - acts under the policy direction of the Council;
  - administers the City Council's financial affairs in accordance with all Acts, Regulations and proper practices;

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<sup>1</sup> Bangor city Council Standing Orders are available from the website or by contacting the City Director.

- 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 City Council up to date in accordance with proper practices;
  - assists the City Council to secure economy, efficiency and effectiveness in the use of its resources; and
  - produces financial management information as required by the City 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 comply with the Accounts and Audit (Wales) Regulations and to prepare additional or management information, as the case may be, to be prepared for the Council from time to time.
- 1.11. 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;
  - 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.
- 1.12. 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;
  - addressing recommendations in any report from the internal or external auditors,
- shall be a matter for the full Council only.

1.13. 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 £10,000 for revenue items and £20,000 for capital expenditure; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the Staffing Committee in accordance with its terms of reference.

1.14. In these financial regulations, references to the Accounts and Audit (Wales) Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 39 of the Public Audit (Wales) Act 2004, 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 in Wales - A Practitioners' Guide* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of One Voice Wales (OVW) and SLCC as appropriate.

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

2.1. All accounting procedures and financial records of the City Council shall be determined by the RFO in accordance with the Accounts and Audit (Wales) Regulations, appropriate guidance and proper practices.

2.2. On a regular basis, but no less than quarterly, a Member of the Council's Finance Committee shall be appointed to verify bank reconciliations reports. The Member shall inspect the original bank statement as evidence of the accuracy of the reconciliations report.

2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the Council 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 Council within the timescales set by the Accounts and Audit (Wales) 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 full 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 City Council;
  - prepare and supply a report to City Council in writing on conclusion of the annual audit;
  - 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 Public Audit (Wales) Act 2004, or any superseding legislation, and the Accounts and Audit (Wales) 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 RFO must each year, by no later than January, 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 an annual budget to be considered by the Finance Committee and the City Council.

- 3.2. 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 Cyngor Gwynedd and shall supply each member with a copy of the approved annual 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 Council OR Council's Finance Committee for all items;
- the RFO for any items up to £10,000.

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

- 4.2. Expenditure on capital items may be authorised up the amounts included for any given project, approved by the Council or in the approved budget. This authority is for

- the Council OR Finance Committee for all items;
- the RFO for items up to £20,000.

- 4.3. 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 by the Finance Committee. During the budget year and with the approval of Council OR Finance Committee, available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').

- 4.4. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year but may, with the authority of the Council be re-included in the following budget year.

- 4.5. The salary budgets are to be reviewed at least annually for the following financial year and such review shall be evidenced in the minutes of the relevant committee. The RFO will inform the Staffing and Finance committees of any changes impacting on their budget requirement for the coming year in good time.

- 4.6. In cases of extreme risk to the delivery of Council services, the RFO may authorise revenue expenditure on behalf of the Council which in the RFO'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 £10,000. The RFO shall report such action to the chairman of the Finance Committee as soon as possible and to the Council as soon as practicable thereafter.

- 4.7. 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.
- 4.8. All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 4.9. The RFO shall provide the Council with a statement of receipts and payments (Budget versus Actual Report) for each financial quarter, which will comparing actual expenditure to that which was budgeted for each heading.
- 4.10. Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

## **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, to be presented in the first instance to the Finance Committee. The Finance Committee shall review the schedule for compliance and, having satisfied itself, shall approve the payment for presentation to the Council. On approval from the Finance Committee, the schedule of payments will be presented to Council, forming part of the Agenda for the Meeting. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) will be excluded to deny public access to any personal information.
- 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 of RFO.
- 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, within thirty days. The schedule of payments should presented to the first available Finance Committee meeting.
- 5.5. The RFO shall have delegated authority to authorise the payment of items 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 Finance Committee or Council, where the RFO certifies 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 Finance Committee;

- b) In keeping with 4.1 above, i.e. for revenue items, included in the annual budget, up to a maximum of £10,000;
- c) To authorised up to £20,000 expenditure on capital items, where such expenditure is part of a specific project, previously approved by the Council, providing such expenditure does not exceed the total amount approved for said project (plus usual variation).
- d) 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 the Finance Committee; or
- e) fund transfers within the Councils banking arrangements, including investment account up to the sum of £50,000.

5.6. For each financial year the 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.

5.7. In respect of grants:

- i) the RFO is authorised to approve grants up to £1,000.
- ii) The Council by resolution is to authorise any grant over £1,000, which has been subject to scrutiny and approval of the Finance Committee.

For all Council grants confirmation of formal establishment of the organisation and its solvency is required. Furthermore, for all grants over £1,000 the Council is to request confirmation of how the funds were spent, preferably with photographic evidence. For grants of sums in excess of £5,000 an additional detailed post project report will be requested detailing how the funds were.

5.8. 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 or other interest, unless a dispensation has been granted.

## **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, the Finance Committee or, the RFO shall give instruction that a payment shall be made.
- 6.3. The normal method of payment of invoices is by internet banking transfer. Such a method of payment requires use of two separate Bankline cards and Bankline a machine. Bankline cards are held by the RFO and by the Deputy City Director and each has an individual personal identification number (PIN) to log into the system.
- 6.4. A note shall be made of the PINs of each Bankline user and shall be maintained in a secure location in the Council Office in a sealed dated envelope. This envelope may not be opened other than in the presence of two Councillors. After the envelope has been opened, in any circumstances, the PIN 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.
- 6.5. 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.
- 6.6. In specific circumstances, where bank details are not available, duly authorised payments may be effected by cheque.
- 6.7. Cheques drawn on the bank account in accordance with the schedule as presented to Council or Finance committee and shall be signed by three bank signatories. 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.
- 6.8. To indicate agreement of the details shown on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 6.9. Payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit. Certain other items, including salaries, may be paid by Standing Order. 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. A register of regular payments (including both Direct Debit or Standing Order), except staff costs (which will be recorded as per 7.4 below) will be maintained and provided for inspection to the Finance Committee, at least once per annum usually at the beginning of the municipal year. The register will detail any changes to the amounts and dates of payments. For variable Direct Debit, a payment variation of 10% will be included and payments about the variation will be reported to the Finance Committee. The register of regular payments will be counter-signed by the Chair (or deputy if the Chair is unavailable) and a representative of the Finance Committee together with the RFO, when inspected. The approval of the use of a

variable direct debit shall be renewed by resolution of the Council at least every two years.

- 6.11. Debit Cards will be issued to the RFO, Deputy City Director, the Projects Officer and to two Councillors and these will be restricted to a single transaction maximum value of £2,000 unless authorised by Council or finance committee in writing before any order is placed.
- 6.12. A pre-paid debit card may be issued to employees (excluding the RFO) with varying limits. These limits will be set by the Finance Committee. Transactions and purchases made will be reported to the RFO and Finance committee and authority for topping-up shall be as approved by the Finance Committee and at the discretion of the RFO.
- 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 Council, Officers 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.
- 6.15. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate approved by the Council shall identify a number of Officers and Councillors who will be authorised to approve transactions on those accounts.
- 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 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.
- 6.17. 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 City Director, Deputy Director or Member of the Finance Committee.
- 6.18. The Council will not maintain any form of cash float. Any payments made in cash by the 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 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.
- 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 Staffing committee, except to maintain remunerations with national pay scales, as approved by the 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 Public Audit (Wales) Act 2004, or any superseding legislation.
- 7.5. An effective system of personal performance management should be maintained for the senior officers.
- 7.6. Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 7.7. Before employing interim staff, the Staffing Committee and Council must consider a full business case.

## **8. LOANS AND INVESTMENTS**

- 8.1. All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The 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 Welsh 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. Statement of accounts will be made available to the Finance Committee, at least each quarter and will be initialled by the Chairman (or Deputy Chair) of the Finance Committee together with one other Committee Member.
- 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 approve an Investment Strategy and Policy which will be prepared in accordance with relevant regulations, proper practices and guidance. The Investment 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 City Director (as RFO).
- 9.2. Particulars of all charges to be made for work done, services rendered, goods supplied or premises rent 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 City Director.
- 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. The RFO shall ensure that the VAT Return is completed promptly. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made in line with VAT regulations.

- 9.8. 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.

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

- 10.1. An official correspondence 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.
- 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 from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below.
- 10.4. A member of Council 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. 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 legal professionals acting in disputes;
    - 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 goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. The full requirements of The Public Contracts Regulations 2015 (“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)<sup>2</sup>.
- c. 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.
- d. Such invitation to tender shall state the general nature of the intended contract and the City Director 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 City Director in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope, or instructed to submit the tender in a specific sized envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- e. All sealed tenders shall be opened at the same time on the prescribed date by the City Director in the presence of at least one member of Council.
- f. Any invitation to tender issued under this regulation shall be subject to the Council’s Standing Orders and shall refer to the terms of the Bribery Act 2010.
- g. For contracts 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 following procedures shall be applied:
  - i. For contracts of £50,000 or above tenders will be sought through the Welsh Government’s ‘Sell2Wales’ website.
  - ii. For contracts of less than £50,000 but over £5,000 in value the City Director or Council Officer shall obtain 3 quotations.
  - iii. where the value is below £5,000 and above £1,000 the City Director shall strive to obtain 3 estimates but it is not considered essential. Otherwise, Regulation 10.3 above shall apply.
- h. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.

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<sup>2</sup> Thresholds currently applicable are:

- a. For public supply and public service contracts 209,000 Euros (£181,302)
- b. For public works contracts 5,225,000 Euros (£4,551,413)

- i. 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.

11.2. The City Director shall maintain a register of personal interests, in respect of both members and senior staff.

- a. Members and senior staff should not, so far as is practicable, be involved in the award of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.
- b. Members and senior staff should not, so far as is practicable, be involved in the making or authorising payments in respect of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.

## **12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the 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 20% or more a report shall be submitted to the Council.

12.3. Any variation to a contract or addition to or omission from a contract must be approved by the City Director (or delegated Officer) to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

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

13.1. The City Director 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 (Wales) Regulations.

- 13.2. 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 £5,000.
- 13.3. No 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.
- 13.4. No 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.
- 13.5. 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, usually in conjunction with the annual statement.

## **14. INSURANCE**

- 14.1. Following the annual risk assessment (per Financial Regulation 15), the RFO shall effect all insurances and negotiate all claims on the Council's insurers.
- 14.2. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 14.3. 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.
- 14.4. 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 by the Council, or duly delegated committee.

## **15. RISK MANAGEMENT**

- 15.1. The Council is responsible for putting in place arrangements for the management of risk. The City Director 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.

- 15.2. When considering any new activity, the City Director shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

## **16. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS**

- 16.1. It shall be the duty of the Council to approve the Financial Regulations of the Council annually at the Annual Meeting. The City Director shall make arrangements to monitor changes in legislation or proper practices and shall advise the Finance Committee of any requirement for a consequential amendment to these financial regulations.
- 16.2. 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.

Martin Hanks  
City Director

May 2024

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