Wetherby Town Council

Financial Regulations

Based on model Financial Regulations template produced by the National Association of Local Councils, March 2025, tailored to the Council's requirements.

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1. General

1.1. These Financial Regulations govern the financial management of Wetherby Town Council (the Council) and may only be amended or varied by resolution of the Council. They are one of the Council's governing documents and shall be observed in conjunction with the Council's Standing Orders.

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. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.

1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.

1.4. In these Financial Regulations:

- 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, then in force, unless otherwise specified.
- "Approve" refers to an online action, allowing an electronic transaction to take place.
- "Authorise" refers to a decision by the Council, or a committee or an officer, to allow something to happen.
- 'Proper practices' means those set out in *The Practitioners' Guide*
- *Practitioners' Guide* refers to the guide issued by the Joint Panel on Accountability and Governance (JPAG) and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Clerks in Wales.
- 'Must' and **bold text** refer to a statutory obligation the council cannot change.
- 'Shall' refers to a non-statutory instruction by the Council to its councillors and staff.

1.4 (1) The Council's accounting control systems must include measures:

- for the timely production of accounts
- that provide for the safe and efficient safeguarding of public money
- to prevent and detect inaccuracy and fraud, and
- identify the duties of officers.

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. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the Council. The Town Clerk (the Clerk) has been appointed as RFO, and these regulations apply accordingly. Any reference to the Clerk within these Regulations is a reference to the RFO role.

The Clerk/RFO:

- acts under the policy direction of the Council,
- administers the Council's financial affairs in accordance with all acts, regulations and proper practices,

- determines on behalf of the Council its accounting records and control systems,
- ensures the accounting control systems are observed,
- ensures the accounting records are kept up to date,
- seeks economy, efficiency and effectiveness in the use of Council resources, and
- produces financial management information as required by the Council.

The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

The accounting records determined by the RFO shall contain:

- entries from day to day of all sums of money received and expended by the council and the matters to which the income and expenditure or receipts and payments account relates.
- a record of the assets and liabilities of the council; and
- wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- The accounting control systems determined by the RFO shall include:
- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible.
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records.
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions.
- procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records; and
- measures to ensure that risk is properly managed.

1.7. **The Council is not empowered by these regulations or otherwise delegate any decision regarding:**

- **setting the final budget or the precept (council tax requirement),**
- **the outcome of a review of the effectiveness of its internal controls,**

- **approving accounting statements,**
- **approving an annual governance statement,**
- **borrowing.**
- **writing off bad debts.**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors.**

All shall be a matter for the full Council only.

1.8. In addition, the Council shall:

- determine and regularly review the bank mandate for all Council bank accounts, authorise any grant or single commitment in excess of £5,000,
- 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
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2. Accounts and audit

2.1. All accounting procedures and financial records of the Council shall be determined by the Clerk / RFO in accordance with the Accounts and Audit Regulations.

2.2. **The accounting records determined by the RFO** (Clerk) **must be sufficient to explain the Council's transactions and to disclose its financial position with reasonably accuracy at any time. They must contain:**

- **day-to-day entries of all sums of money received and expended by the Council and the matters to which they relate,**
- **a record of the assets and liabilities of the council.**

On a regular basis, at least once in each quarter, and at each financial year end, two members of the Budgets & Governance Committee shall verify bank reconciliations (for all accounts) produced by the RFO. This activity shall be recorded in the minutes of the relevant Budgets & Governance Committee meeting as evidence of verification and on conclusion be reported, including any exceptions, to and noted by the council

2.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.

2.4. The Clerk/RFO, shall complete and certify the annual Accounting Statements of the Council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the Clerk shall submit them (with any related documents) to the Council, within the timescales required by the Accounts and Audit Regulations.

2.5. **The Council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices**.

2.6. **Any officer or councillor of the Council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit** and shall, as directed by the Council, supply the Clerk, internal auditor, or external auditor with such information and explanation as the Council considers necessary.

2.7. The internal auditor shall be appointed by the Council and shall carry out their work to evaluate the effectiveness of the Council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

2.8. The Council shall ensure that the internal auditor:

- is competent and independent of the financial operations of the Council,
- reports to Council in writing, or in person, on a regular basis with a minimum of one written report during each financial year,
- can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships, and
- has no involvement in the management or control of the Council.

2.9. Internal or external auditors may not under any circumstances:

- perform any operational duties for the Council,
- initiate or approve accounting transactions,
- provide financial, legal or other advice including in relation to any future 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.

2.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in the Practitioners Guide.

2.11. The Clerk/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 documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

2.12. The Clerk shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

3. Budget control, authority to spend and precept.

3.1. **Before setting a precept, the Council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with the Local Government Finance Act 1992 or succeeding legislation.**

Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- the council for all items over £5,000.
- a duly delegated committee of the council.
- the RFO for any items required to action routine maintenance, repair and replacement of council property where the estimated cost is below £1,000 and within the approved budget.
- Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chair.

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

- No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').

3.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the Staffing Committee at least annually in October for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the Council or Chair of the Finance and Governance Committee. The Clerk will inform committees of any salary implications before they consider their draft budgets.

3.3. In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £2999 The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

3.4. No later than November each year, the Clerk shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year along with a forecast for the following three financial years, taking account of the lifespan of assets and cost implications of repair or replacement.

3.5. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward (by placing them in an earmarked reserve) with the formal approval of the Full Council.

3.6. Each committee (if any) shall review its draft budget and submit any proposed amendments to the Council or Budget and Governance Committee not later than the end of November each year.

3.7. The draft budget with any committee proposals and three-year forecast, including any recommendations for the use or accumulation of reserves, shall be considered by the Council or Budget and Governance Committee and a recommendation made to the Council.

3.8. Having considered the proposed budget and three-year forecast, the Council shall determine its council tax requirement by setting a budget. The Council shall set a precept for this amount no later than the end of January for the ensuing financial year.

3.9. **Any member** (councillor) **with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.**

3.10. The Clerk shall **issue the precept to the billing authority no later than the end of February** and supply each councillor with a copy of the agreed annual budget.

3.11. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned. The RFO shall provide the Council with a statement of receipts and payments to date under each budget head, comparing actual expenditure to the appropriate date against planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose, "material" shall be in excess of 15% of the budget.

3.12. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the Council.

4. Procurement/Contracts

4.1. **Councillors and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.

4.2. The Clerk should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.

4.3 Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items

(i) to (vi) below: i. for the supply of gas, electricity, water, sewerage and telephone services,

ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants,

iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant,

iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council,

v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of council),

and vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.

4.4 **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Procurement Act 2023 and The Procurement Regulations 2024 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**

Where the estimated value is below the Government threshold, the Council shall (with the exception of items listed in paragraph 5.11) obtain prices as follows:

4.3. For contracts estimated to exceed **£60,000 including VAT**, the Clerk shall seek to advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.

4.4. **For contracts estimated to be over £30,000 including VAT, the Council must comply with any requirements of the Legislation regarding the publication of invitations and notices.**

For contracts greater than £3,000 excluding VAT the Clerk shall seek at least 3 fixed price quotes.

4.5. Where the value is between £500 and £3,000 excluding VAT, the Clerk shall try to obtain 3 estimates {which might include evidence of online prices, or recent prices from regular suppliers}.

4.6. For smaller purchases under £500, the Clerk shall seek to achieve value for money.

4.7. **Contracts must not be split to avoid compliance with these rules.**

4.8. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:

i. specialist services, such as legal professionals acting in disputes,

ii. repairs to, or parts for, existing machinery or equipment,

iii. works, goods or services that constitute an extension of an existing contract,

iv. goods or services that are only available from one supplier or are sold at a fixed price.

4.9. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the Council or Finance and Governance Committee. Avoidance of competition is not a valid reason.

4.10. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.

4.11. Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- the Clerk, is authorised to be able to spend on any one item for the streamlined approach to managing the council's administration and services, for any items below **£2,999 (amended October 2025).**

- a duly delegated committee of the Council for all items of expenditure within their delegated budgets for items under £5,000 excluding VAT

- in respect of grants, a duly authorised committee within any limits set by Council and in accordance with any policy statement agreed by the Council

- the Council for all items over £5,000

Such authorisation must be supported by a minute by Council or relevant committee or other auditable evidence trail.

4.12. No individual councillor, or informal group of councillors may issue an official order or make any contract on behalf of the Council unless delegated via resolution of the Council or relevant committee.

4.13. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the Council or a duly delegated committee or officer acting within its Terms of Reference except in an emergency.

4.14. In cases of serious risk to the delivery of Council services or to public safety on council premises, the Clerk may authorise expenditure of up to £3,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair of the Council and relevant Committee Chair if applicable as soon as possible and to the Council as soon as practicable thereafter.

4.15. No expenditure shall be authorised, no contract entered into, nor tender accepted in relation to any major project, unless the Council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.

4.16. An official order or letter shall be issued for all work, goods and services above £250 excluding VAT unless a formal contract is to be prepared, or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.

4.17. Any ordering system can be misused and access to them shall be controlled by the Clerk.

5. Banking and payments

5.1. The Council's banking arrangements, including the bank mandate, shall be made by the Clerk/FRO and authorised by the Council; banking arrangements shall not be delegated to a committee. The Council has resolved to bank with Unity Trust Bank. The arrangements shall be reviewed annually for security and efficiency.

5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and present the schedule to council (after verification of the relevant invoices by the (Budgets & Governance Committee). The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council or Budgets & Governance committee. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

5.3. The Council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. The Council has a dual online authorisation and dual cheque signing process. Even where a purchase has been authorised, the payment must also be authorised, and only authorised payments shall be approved or signed to allow the funds to leave the Council's bank. The Finance Officer enters all payments and the Clerk checks payments against invoices.

5.4. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the Council before being certified by the Clerk.

5.5. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

5.6. All payments shall be made by online banking, in accordance with a resolution of the Council or duly delegated committee, unless the Council resolves to use a different payment method.

5.7. For each financial year the Clerk may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Council or a duly delegated committee may authorise in advance for the year.

5.8. A list of all payments and receipts shall be reported to the next appropriate meeting of the Council or Budgets and Governance Committee for noting, at the same time when the bank reconciliations are approved.

5.9. The Clerk shall have delegated authority to authorise payments only in the following circumstances:

i. payments of up to £2999 (changed in October 2025) excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.

ii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the Council or Finance and Governance Committee, where the Clerk 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 Council or Finance and Governance Committee.

iii. fund transfers within the Councils banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Council or Finance and Governance Committee.

iv. direct debit card payments with associated purchase order reference.

5.10. This section is only applicable when the Council does not have access to its electronic payments process (see section 6 below): the Clerk shall present a schedule of payments and receipts to the Council or Finance and Governance Committee for review and approval by the Chairman of the Council / relevant committee. The Council or Budgets and Governance Committee shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

6. Electronic payments

6.1. Where internet banking arrangements are made with any bank, the Clerk shall delegate responsibility for the service administration of electronic payment processes to the Finance Officer (except in periods of absence when the Clerk will be responsible). The bank mandate agreed by the Council shall identify all councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process. The Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.

6.2. All authorised signatories shall have access to view the Council's bank accounts online.

6.3. No employee or councillor shall disclose any PIN or password, relevant to the Council or its banking, to anyone not authorised in writing by the Council or a duly delegated committee.

6.4. The Finance Officer shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices accessed via the Council's SharePoint system, shall be sent by email to two authorised signatories and the Clerk.

6.5. Two councillors who are authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system. Once approved an email confirming payment authorisation by councillors will be sent to the Clerk.

6.6. Evidence shall be retained showing which councillors approved the payment online and a printout of the transaction confirming that the payment has been made from the Bank shall be appended to the invoice for audit purposes.

6.7. A full list of all payments made in a month shall be provided to the next Council meeting or Budgets and Governance Committee meeting.

6.8. With the approval of the Council or Budgets and Governance Committee in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are approved online by two authorised councillors. The approval of the use of each variable direct debit shall be reviewed by the Council at least every two years.

6.9. Payment may be made by BACS by resolution of the Council or Budgets and Governance Committee provided that each payment is approved online by two authorised bank signatories, evidence is retained, and any payments are reported to the Council or Finance and Governance Committee at the next meeting. The approval of the use of BACS shall be renewed by resolution of the Council at least every two years.

6.10. If thought appropriate by the Council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are approved online by two councillors, evidence of this is retained and any payments are reported to Council or Finance and Governance Committee when made. The approval of the use of a banker's standing order shall be reviewed by the Council at least every two years.

6.11. Account details for suppliers may only be changed upon written notification by the supplier verified by the Clerk or Finance Officer. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.

6.12. Councillors and officers shall ensure that any computer used for the Council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.

6.13. Remembered password facilities {other than secure password stores requiring separate identity verification} should not be used on any computer used for Council banking.

7. Cheque payments

7.1. Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by two councillors and countersigned by the Clerk.

7.2. A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.

7.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.

7.4. Any signatures obtained away from council meetings shall be reported to the council or appropriate committee at the next convenient meeting.

8. Payment cards

8.1. Any Debit Card /Multi use card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by Council or Budgets and Governance Committee in writing before any order is placed. The overall limit for the multi-use card is £1000.

8.2. The Council does not have a pre-paid debit card.

8.3. Any trade card account opened by the Council will be specifically restricted to use by the Clerk and Finance Officer (and other employees as designated by the Council) and any balance shall be paid in full each month. The Council does not have a corporate credit card.

8.4. Personal credit or debit cards of councillors or staff shall not be used except for expenses of up to £250 including VAT, incurred in accordance with Council policy.

9. Petty cash

10.1 The Council does not operate petty cash.

10. Payment of salaries and allowances

10.1. **As an employer, the Council must make arrangements to comply with the statutory requirements of PAYE and National Insurance legislation.**
The payment of all salaries shall be made in accordance with payroll records and the rules PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council, or duly delegated committee.

10.2. **Councillors' allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**

10.3. Salary rates shall be agreed by the Council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the Council or Staffing Committee.

10.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

10.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

10.6. The Council's payroll is managed by an external contractor. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the Council or Budget and Governance Committee to ensure that the correct payments have been made.

10.7. The total of such payments in each calendar month shall be reported with all other payments as made as such required under these financial regulations.

10.8. Any termination payments shall be supported by a report to the Council, setting out a clear business case. Termination payments shall only be authorised by the Full Council.

10.9. Before employing interim staff, the Council must consider a full business case.

11. Loans and investments

11.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the Full Council and recorded in the minutes. All borrowing shall be in the name of the Council, after obtaining any necessary approval.

11.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as hire purchase, leasing of tangible assets or loans to be repaid within the financial year) must be authorised by the Full Council, following a written report on the value for money of the proposed transaction.

11.3. The Council will adopt an investment strategy and policy in accordance with Statutory Guidance on Local Government Investments, which must written be in accordance with relevant regulations, proper practices and guidance. Any strategy and policy shall be reviewed by the Council at least annually.

11.4. All investment of money under the control of the Council shall be in the name of the Council.

11.5. All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk/RFO.

11.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations. Regulation 5 (Authorisation of payments) and Regulation 6 (instructions for payments).

11.7. The Council to consider opening a higher interest rate account to attract more interest which can be re invested back into the community.

12. Income

12.1. The collection of all sums due to the Council shall be the responsibility of and under the supervision of the Clerk/RFO.

12.2. The Council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Clerk. The Clerk shall be responsible for the collection of all amounts due to the Council.

12.3. Any sums found to be irrecoverable, and any bad debts shall be reported to the council by the Clerk and shall be written off in the year in accordance with the Council's Bad Debt Policy. The Council's approval shall be shown in the accounting records.

12.4. All sums received on behalf of the Council shall be deposited intact with the council's bankers, with such frequency as the Clerk/RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.

12.5. Personal cheques shall not be cashed out of money held on behalf of the Council.

12.6. The Clerk and Finance Officer shall ensure that VAT is correctly recorded in the Council's accounting software and that any VAT Return required is submitted form the software by the due date.

12.7. The Council has a Cash Handling and Banking Policy which sets out employee instructions for cash regularly received by the Council. The Council will aim to progress as a cashless Council.

12.8. 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 council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any council meeting

13. Payments under contracts for building or other construction works

13.1. Where contracts provide for payment by instalments the Clerk shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.

13.2. Any variation of, addition to, or omission from a contract must be authorised by the Clerk to the contractor in writing, with the Council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

14. Stores and equipment

14.1. The Clerk and Facilities Officer shall be responsible for the care and custody of stores and equipment for the Town Hall. The Facilities Environmental Assistant shall be responsible for the care and custody of stores and equipment for Council grounds.

14.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

14.3. The Clerk shall be responsible for periodic checks of stocks and stores at least annually.

15. Assets, properties and estates

15.1. The Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.

15.2. The Clerk and Facilities Officer, shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the Council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.

15.3. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

15.4. No interest in land 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. In each case a written report shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).

16.5 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, except where the estimated value of any one item does not exceed £500. In each case a written report shall be provided to Council with a full business case.

16. Insurance

16.1. The Clerk shall keep a record of all insurances effected by the Council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the Council's review of risk management.

16.2. The Clerk/RFO identify all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

16.3. The Clerk shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the Council at the next available meeting. The Clerk shall negotiate all claims on the Council's insurers in consultation with the Finance Officer.

16.4. All appropriate councillors 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 - usually every three years.

17. Charities

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

18. Risk management and internal control

18.1. **The Council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**

18.2. The Clerk shall prepare, for approval by the Council, a risk management policy covering all activities of the Council. This policy and consequential risk management arrangements shall be reviewed by the Council at least annually.

18.3. When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration by the Council.

18.4. **At least once a year, the Council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**

18.5. **The accounting control systems determined by the RFO** (Clerk) **must include measures to:**

- **ensure that risk is appropriately managed,**
- **ensure the prompt, accurate recording of financial transactions,**

- **prevent and detect inaccuracy or fraud; and**
- **allow the reconstitution of any lost records,**
- **identify the duties of officers dealing with transactions and**
- **ensure division of responsibilities.**

18.6. At least once in each quarter, and at each financial year end, a councillor other than the Chairman of the Council shall be appointed to verify bank reconciliations (for all accounts) produced by the Clerk. The councillor shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Council or Finance and Governance Committee.

18.7. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The Council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

19. Suspension and revision of Financial Regulations

19.1. The Council shall review these Financial Regulations annually and following any change by the Clerk. The Clerk shall monitor changes in legislation or proper practices and advise the Council of any need to amend these Financial Regulations.

19.2. The Council may, by resolution 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 presented to all councillors. Suspension does not disapply any legislation or permit the Council to act unlawfully.

19.3. The Council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, or national restrictions or other exceptional circumstances.

Appendix 1 - Tender process

1) Any invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases.
2) The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post, unless an electronic tendering process has been agreed by the council.
3) Where a postal process is used, each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one councillor.
4) Where an electronic tendering process is used, the Council shall use a specific email address that will be monitored to ensure that nobody accesses any tender before the expiry of the deadline for submission.
5) Any invitation to tender issued under this regulation shall be subject to Standing Order section 19c and shall refer to the terms of the Bribery Act 2010.
6) Where 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, 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.

Appendix 2 – Internal controls

Based on the Joint Panel on Accountability and Governance Practitioner's Guide (the Council maintains an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness).

1. Council's Standing Orders and Financial Regulations are based on NALCs model templates and were last reviewed and adopted by Full Council on 13 May 2025.
2. The Council safeguards public money by having the following arrangements in place to manage the ordering of goods and services:
    - the Town Clerk is also the Council's RFO and is responsible for the administration of Council's financial affairs
    - Council has an electronic payment and ordering process: orders are approved by the Town Clerk or Finance Manager following a budget review and allocated a Purchase Order reference

These Regulations were prepared by Dianne Rickaby, Town Clerk and RFO to the Town Council.

Signed: Signature Redacted
Original can be viewed in the Town Council offices, Wetherby Town Hall.

Dated: ~~5th~~ 12 **May 2026** .....

These Orders were adopted by the Town Council at its meeting held on 12th May 2026

Signed: Signature Redacted
Original can be viewed in the Town Council offices, Wetherby Town Hall.

Mayor of Wetherby – Councillor Connor Mulhall

Name: CONNOR MULHALL .....

Dated: 12/05/2026 .....

These Orders were subsequently reviewed, and approved without amendment by the Town Council on:

Date:	**Signed by Chair:**