

KINGSWOOD TOWN COUNCIL

Meeting: Finance and Administration Committee

Date: 24th September 2024

Author: Town Clerk

Item for Consideration: To adopt a revised version of Financial Regulations and Procurement Policy

1.0 Introduction

1.1 Kingswood Town Council must adopt a suite of policies and procedures to underpin strong governance and stay compliant with the various laws pertaining to local government. Financial Regulations were adopted by the Town Council in May 2024, and a new template has been issued by the National Association of Local Councils to take account of changes in legislation and best practice. These are presented here for recommendation to full council that they are adopted.

1.2 In addition the council's Procurement Policy, which was adopted in January 2024 needs to be amended, due to changes (increases) in the values for seeking quotes and tenders contained within the new Financial Regulations.

1.3 The amendments in the Financial Regulations relate to the move towards digital banking, payment cards, and additional checks on invoices, bank reconciliations and the need to produce a three-year budget.

Some of the more significant changes are here for your attention

- a. At least **once in each quarter, and at each financial year end**, a member other than the Chair shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member 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 full council.
- b. Any 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 and must disclose at the start of the meeting that Section 106 applies to them.
- c. 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.
- d. 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 RFO]. Where the certification of invoices is done as a batch, this shall include a statement by the RFO that all invoices listed have been '**examined, verified and certified**' by the RFO.

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- e. 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.
- f. No later than November each year, the RFO shall prepare a draft budget with detailed estimates of all receipts and payments 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.
- g. 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.

2.0 Recommendation

2.1 That the Finance and Administration Committee considers the amendments to Financial Regulations that are presented in the meeting, and to recommend to full council that the document is updated.

2.2 That the Finance and Administration Committee considers the amendments to the Procurement Policy that are presented in the meeting, and to recommend to full council that the document is updated.