

ITEM 8

EXMOOR NATIONAL PARK AUTHORITY

RESOURCES COMMITTEE

7 NOVEMBER 2006

FINANCIAL REGULATIONS

Report of the Chief Finance Officer

Purpose of Report:

To consider the revision of Financial Regulations and recommend the Authority to adopt them as part of Standing Orders.

Legal Implications (including Human Rights Act 1998 on Equality Issues)

Environment Act 1995

Financial at Risk Implications:

There are no financial implications by adopting these regulations which form part of Standing Orders and reduce the risks of the Authority.

Business Plan:

D/22.01 Support Services. Regulatory Work

RECOMMENDATION:

The Resources Committee APPROVES the Financial Regulations and RECOMMENDS the Authority to ADOPT the Financial Regulations as part of Standing Orders.

1. INTRODUCTION

- 1.1 The current financial regulations were adopted by the Authority in 1997 and have not been amended other than to reflect the role of the Section 151 Officer being performed in house by a Chief Finance Officer.
- 1.2 The Financial Regulations have been reviewed and the attached draft is presented to the committee for approval and for their recommendation to the Authority that these should be adopted and form part of standing orders

Charles Burrows
Chief Finance Officer



FINANCIAL REGULATIONS

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SECTION 1 – INTRODUCTION

1.1 Exmoor was designated as a National Park in 1954 under National Parks and Access to the Countryside Act 1949. The purposes of National Park designation as amended by the Environment Act 1995 are:

- To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park area.
- To promote opportunities for understanding and enjoyment of (the National Park's) special qualities.

Exmoor covers 693 square kilometres of West Somerset and North Devon. The varied countryside includes moorland, woodland, farmland, river valleys and 60km of magnificent coastline. About 10,900 people live in the National Park which receives an estimated 1.4 million visitors each year. The main settlements are Lynton and Lynmouth, Dulverton, Porlock and Dunster.

1.2 Exmoor National Park Authority was established as an independent local authority in 1997 under provisions set out in the Environment Act 1995, and has two primary duties:

- To accomplish national park purposes and, in doing so,
- To seek to foster social and economic well-being of local communities in the National Park.

1.3 The Authority's legislative powers include:

- **Planning Authority** for the National Park area – setting planning policy and determining all planning applications.
- **Access authority** under the Countryside and Rights of Way Act 2000 responsible for the management of public access to open county within the National Park.
- A range and powers and duties under legislation that applies to **Local Government** including the duty to achieve 'best value'.

1.4 The Members

The Authority currently has 26 members reducing to 22 in May 2007 appointed by the following bodies:

	Current	May 2007
Somerset County Council	5	4
West Somerset District Council	5	4
Devon County Council	2	2
North Devon District Council	2	2
Parish Members	5	4
Secretary of State Appointees	7	6
	<hr/>	<hr/>
	26	22

Meetings of the full Authority take place approximately 6 times a year The Planning Committee meets once a month. 11 Members are appointed to the Resources Committee that meets approximately 4 times a year. The Authority also has a variety of Working Groups that deal with specific aspects of the Authority's work and a Consultative Forum with local communities and user groups.

1.5 **The Authority's Work**

The long term priorities for the Authority are set out in the National Park Management Plan which is reviewed every 5 years. Each year, the Authority publishes a Business Plan with its forthcoming programme of work and a review of the previous year's achievements which forms part of a three year Medium Term Financial Plan.

1.6 Financial Regulations provide the framework for managing the financial affairs of the Authority and are required to be approved by the Authority. The regulations apply to every member and officer of the Authority and anyone acting on behalf of the Authority.

1.7 The Chief Finance Officer is responsible for maintaining a continuous review of the financial regulations and addressing the Authority of any additions or changes that need to be made. He/she is also responsible for reporting, where appropriate, breaches of the financial regulations to the Authority or Resources Committee as appropriate.

1.8 To conduct its business efficiently the Authority has approved a Scheme of Delegation which includes the establishment of a Resources Committee and paragraph 2.2 of the Scheme of Delegation sets out the functions to be exercised as follows:

- **Personnel:**

1. *To advise the Authority on the appointment of a suitable person to be National Park Officer/Chief Executive*
2. *Subject to 3 and 4 below, to exercise all the Authority's personnel functions including administration, recruitment, training, discipline (including dismissal), determination of wage and salary scales, conditions of service and welfare of all full and part-time staff, health and safety at work and the legislation relating to industrial relations and pensions.*
3. *For the purposes of the hearing and determining of disciplinary grading and other appeals arising under the relevant conditions of service in respect of all the Authority's staff, a Sub-Committee to be styled the Appeals Sub-Committee shall be constituted as specified in para 3.1 below*
4. *The National Park Officer/Chief Executive is responsible for the appointment of all the Authority staff save that in relation to the appointment of officers for the posts of Heads of Service and the Solicitor and Monitoring Officer a panel of members shall be established who will, with the National Park Officer/Chief Executive interview appropriate candidates and tender advice to the National Park Officer/Chief Executive. A panel established for this purpose will normally comprise the Chairman, Deputy Chairman and Chairman of the Resources Committee ensuring that there is at least one local authority member and at least one member appointed by the Secretary of State.*
5. *Without prejudice to the functions of the National Park Officer/Chief Executive under s.4 of the Local Government and Housing Act, 1989 to consider matters of an organisational and administrative nature referred to it from time to time by the Authority.*

- **Finance:**

6. *To regulate and control the Authority's finances including balances and any capital or reserve funds, to prepare the annual budget, to make recommendations to the Authority on the annual forecast, estimates and budget, and to be responsible for borrowing transactions and the investment of funds.*

7. *To oversee the application of the Local Government Pension Scheme and the regulations made thereunder.*
8. *To ensure the Authority makes adequate insurance arrangements and to oversee its risk management arrangements.*
9. *To administer the Members Allowances Regulations and related matters.*
10. *To arrange for the audit both internal and external of the Authority's accounts.*
11. *To make arrangements for the proper administration of the Authority's financial affairs as required by Section 151 of the Local Government Act 1972.*

- ***Performance Management:***

12. *To ensure the Authority observes its Best Value functions under the Local Government Act 1999 and other relevant legislation relating to best value.*
13. *To monitor and improve the Authority's performance against the criteria for sustainability.*
14. *To ensure the Authority's business planning and performance framework is clearly set out together with the arrangements for monitoring, review and revision.*

SECTION 2 – FINANCIAL MANAGEMENT

- 2.1 Financial Management covers all the financial accountabilities in relation to the running of the Authority including the policy framework and the budget.
- 2.2 The Authority is responsible for its internal constitutional arrangements and codes of conduct for member and officers and for determining the annual budget. The Resources Committee is responsible for proposing to the Authority the policy framework, including that for accountability and control, the budget and financial strategy for each financial year and for delivering services and discharging functions in accordance with the policy framework.
- 2.3 The Resources Committee is responsible for undertaking on a regular and systematic basis the review of service performance, including the best use of resources. As such its work complements the Best Value reviews to ensure that all areas of the Authority's activities are reviewed on a rolling basis over a five year period.
- 2.4 The Resources Committee has overall responsibility for internal audit and it has delegated the day to day responsibility for this to the Chief Finance Officer. He/she consults the Committee as necessary on the content of annual audit plans of both the internal and external auditors. It reviews the internal auditors' annual report and the external auditors' statutory management letters and makes recommendations for appropriate further action. In addition the Committee considers the outcomes of any fraud investigations and the action taken.
- 2.5 On behalf of the Authority the Resources Committee approves the final Annual Statement of Accounts.
- 2.6 The Statutory Officers of the Authority are:
- **Chief Executive and National Park Officer**
Head of the paid service and is responsible for the corporate and overall strategic management of the Authority. He/she must report to, and provide information for the Authority and its Committees. Also he/she is responsible for establishing a framework for the management direction, style and standards and for monitoring the performance of the Authority. In addition he/she is also responsible together with the Solicitor and Monitoring Officer for the system of recording Authority decisions.
 - **Chief Finance Officer**
Exercises the statutory duties in relation to the financial administration and stewardship of the Authority. The statutory responsibility cannot be overridden. The statutory duties arise from:
 - Section 151 of the Local Government Act 1972;
 - Local Government Finance Act 1988;
 - Local Government and Housing Act 1989;
 - Local Government Act 2003; and
 - Accounts and Audit Regulations 2003.
 - **Monitoring Officer**
Responsible for promoting and maintaining high standards of overall conduct and therefore provides support to the Standards Committee. Also responsible for

reporting any actual or potential breaches of the law, or instances of maladministration either to the Authority or via the Resources Committee.

2.7 The Chief Finance Officer is responsible for:

- the proper administration of the Authority's financial affairs
- setting and monitoring compliance with financial management standards
- advising on the corporate financial position and on the key financial controls necessary to secure sound financial management.
- preparing the draft medium term financial plan which incorporates the annual budget, including capital spending.
- advising the Authority on the requirements to be observed in setting the annual budget.
- treasury management

2.8 Under Section 114 of the Local Government Finance Act 1988 the Chief Finance Officer is required to specifically report to the Authority and the external auditor if the Authority or one of its officers:

- has made, or is about to make, a decision which incurs unlawful expenditure; or
- has taken, or is about to take, an unlawful action which has, or will result in a loss or deficiency to the Authority; or
- is about to make an unlawful entry in the Authority's accounts.

2.9 The Chief Finance Officer is responsible for issuing advice to underpin the financial regulations which members, staff or others acting on behalf of the Authority are required to follow.

2.10 Section Heads are responsible for ensuring that all staff in their Sections are aware of their responsibilities under financial regulations and other internal regulatory documents and that they comply with them.

2.11 All members and staff have a general responsibility for taking reasonable action to provide for the care and security of the assets under their control and for ensuring that the use of these resources is legal, is properly authorised and provides value for money.

2.12 In exceptional circumstances the Authority may approve the temporary waiver of any of the Financial Regulations.

2.13 The Management Team (MT) comprises the Chief Executive and National Park Officer, the Head of Business Management and Chief Finance Officer, the Head of Conservation and Land Management, the Head of Planning and Community, the Head of Education and Interpretation and the Head of Recreation and Tourism. It acts as the body in instigating policy proposals, consider Section Heads' proposals, ensuring the preparation of the medium term financial plan, the annual business plan and in directing and monitoring the performance of the Authority in applying the approved policies.

2.14 Section Heads are responsible for:

- Directing the delivery of services in compliance with these Financial Regulations and Contract Standing Orders and in accordance with all statutory requirements, the Authority's approved policy and performance framework and their service budget allocations;

- Developing and proposing policy changes for service delivery; and
 - Ensuring that they identify and agree with the Chief Finance Officer the financial implications of all proposals for new spending.
- 2.15 The Chief Finance Officer is responsible for providing monthly financial information to enable Section Heads to monitor effectively their cash limited budgets.
- 2.16 Section Heads are responsible within their own service areas for controlling income and expenditure against their cash limited budget and for monitoring their service delivery financial performance targets. Section Heads must take any action necessary to avoid exceeding their financial allocation and this may in exceptional circumstances include the seeking of additional budget allocation.
- 2.17 The Chief Finance Officer is responsible for monitoring performance of Section Heads in controlling income and expenditure against their cash limited budget allocations and he/she must report details of variance on a regular basis to the Chief Executive and National Park Officer.
- 2.18 The Chief Finance Officer is responsible for carrying out a review in conjunction with Section Heads and presenting a revised budget to the Resources Committee in November each year.
- 2.19 Section Heads are responsible for agreeing in year virements with the Chief Finance Officer who is responsible for ensuring that the Authority keeps within its cash limited budget.
- 2.20 All requests for carrying forward under and over spendings on budget headings at the year end are to be agreed with the Chief Finance Officer.
- 2.21 The Chief Finance Officer is responsible for selecting appropriate accounting policies and for ensuring that they are applied consistently. In addition the Chief Finance Officer is responsible for determining the accounting procedures to be followed and the accounting records to be maintained within the Authority.
- 2.22 The Chief Finance Officer is responsible for ensuring that the Annual Statement of Accounts is prepared within the statutory timescales and in accordance with CIPFA's Code of Practice on Local Authority accounting in the United Kingdom: a Statement of Recommended Practice (SORP) and other legal requirements for approval by the Resources Committee.
- 2.23 The Chief Finance Officer is authorised to make such banking facilities and arrangements as he/she considers necessary. All arrangements with the Authority's bankers shall be made by the Chief Finance Officer. The Chief Finance Officer will approve and maintain a list of authorised signatories for all bank accounts. Additionally the Chief Finance Officer is authorised to make arrangements for credit cards and account cards as he/she considers necessary.
- 2.24 All investments of money under the Authority's control shall be made in the name of Exmoor National Park Authority.
- 2.25 All securities which are the property of or in the name of the Authority shall be held securely and must be accounted for by the Chief Finance Officer.

- 2.26 No officer shall borrow or invest any money without the prior approval of the Chief Finance Officer. Any borrowings shall be effected in the name of the Authority and must be fully accounted for by the Chief Finance Officer.

SECTION 3 – FINANCIAL PLANNING

- 3.1 The Resources Committee is responsible for
- proposing the medium term financial plan including the annual revenue budget to the Authority for approval
 - approving the Business Plan (Best Value Performance Plan)
- 3.2 The Chief Executive is responsible for proposing the Business Plan (Best Value Performance Plan) initially for consideration by the Management Team before its submission to the Resources Committee for approval.
- 3.3 The Chief Finance Officer is responsible for ensuring that a medium term financial plan covering a three year period, or as may otherwise be determined, including the annual budget, is prepared/updated on an annual basis for consideration initially by the Management Team and subsequently by the Resources Committee before submission for approval to the Authority. The Authority may amend the budget or ask the Resources Committee to reconsider it or to re-examine areas of detail within the overall budget set.
- 3.4 Section Heads are responsible for ensuring that their medium term financial plans reflect agreed service performance plans and their proposals for changes and are available for submission to the Management Team and the Resources Committee within the timescale set.
- 3.5 The Chief Finance Officer is responsible for determining a process to identify on an annual basis the corporate financial position and any constraints which may limit the funding that is available for the period of the Medium Term Financial Plan. The process must also identify all opportunities for optimising funding arrangements without impacting adversely on the delivery of the Plans.
- 3.6 The Chief Finance Officer is responsible for advising the Resources Committee and the Authority on the prudent level of reserves to be maintained for the Authority.

SECTION 4 – RISK MANAGEMENT AND CONTROL OF RESOURCES

- 4.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all the Authority's significant operational risks. This should include the proactive participation of all those involved directly or associated with the planning or delivering of services.
- 4.2 The Resources Committee is responsible for approving the Authority's risk management strategy and policy statement and, in addition, for ensuring that proper insurance arrangements are effected where appropriate.
- 4.3 The Chief Finance Officer is responsible for preparing the Authority's risk management policy statement, advising Section Heads of their responsibilities and for monitoring compliance.
- 4.4 Section Heads are responsible for complying with the risk management policy statement in respect of their service areas.
- 4.5 The Chief Finance Officer is responsible for advising initially the Management Team and subsequently the Resources Committee on any non-compliance by a Section Head with the approved risk management policy statement.
- 4.6 The Chief Finance Officer is responsible for providing advice on and effecting the appropriate insurance arrangements and for dealing with all claims. Section Heads shall ensure employees using their own motor vehicles on the business of the Authority have insurance cover for business use.
- 4.7 Internal control is the system of control devised by management to help ensure the Authority's objectives are achieved in a manner which promotes economical, efficient and effective use of resources and that the Authority's assets and interests are safeguarded.
- 4.8 The Chief Finance Officer is responsible for advising Sections Heads on effective systems of internal financial control. These arrangements need to ensure that all statutory and corporate requirements, and other relevant statements of best practice are met. They should ensure that public funds are properly safeguarded and used economically and efficiently, and in accordance with the statutory and other authorities that govern their use.
- 4.9 Section Heads are responsible for establishing, in line with that guidance, sound arrangements for planning, appraising, authorising, and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness in the use of resources in the delivery of their service and the achievement of their financial performance targets.
- 4.10 The Accounts and Audit Regulations require every local authority to maintain an adequate and effective internal audit.
- 4.11 The Audit Commission is responsible for appointing external auditors to each local authority. The basic duties of the external auditor are governed by Section 15 of the Local Government Finance Act 1982, as amended by Section 5 of the Audit Commission Act 1998 and the Code of Audit Practice.

- 4.12 The Authority may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, which have statutory rights of access. Such inspections are to be managed by the Chief Finance Officer.
- 4.13 The Chief Finance Officer is responsible for the development and maintenance of an anti-fraud and anti-corruption policy.
- 4.14 Section Heads are responsible for ensuring that all financial records, physical assets and supporting documentation used in the provision of their services are properly maintained, securely held, and, in respect of physical assets, suitably recorded.
- 4.15 They must also ensure that sound contingency plans for the security of those assets and for the continuity of service provision in the event of a disaster or other major system failure are in place, and that those arrangements are regularly tested.
- 4.16 The Authority has adopted CIPFA's 'Code of Practice for Treasury Management in Local Authorities'.
- 4.17 The Authority is responsible for approving the treasury management policy statement setting out the matters detailed in paragraph 15 of CIPFA's 'Code of Practice for Treasury Management in Local Authorities'. The draft policy statement is prepared on an annual basis by the Chief Finance Officer and presented to the Authority.
- 4.18 All money in the hands of the Authority is monitored and controlled by the Chief Finance Officer acting as the officer designated for the purposes of Section 151 of the Local Government Act, 1972.
- 4.19 The Chief Finance Officer has delegated responsibility for implementing and monitoring the treasury management policy statement. All executive decisions on borrowing, investment or financing shall be delegated to him or her, and he/she is required to act in accordance with the policy statement which has regard to CIPFA's 'Code of Practice for Treasury Management in Local Authorities'.
- 4.20 The Chief Finance Officer is responsible for reporting to the Resources Committee not less than annually on the treasury management activities and on the exercise of his/her delegated treasury management authority.
- 4.21 The Chief Executive and National Park Officer is responsible for exercising overall management of staff.
- 4.22 The Head of Business Management is responsible for determining and monitoring adherence to staffing policies and procedures, and for ensuring that there is proper use of the evaluation, or other agreed system, for determining the remuneration of a post.

SECTION 5 – SYSTEMS AND PROCEDURES

- 5.1 Sound systems and procedures are essential to form an effective framework of accountability and control.
- 5.2 The Chief Finance Officer is responsible for the overall operation and maintenance of the Authority's form of accounts, the accounting and related systems, and all supporting financial records.
- 5.3 Section Heads are responsible for the proper operation of approved financial procedures within their own service area.
- 5.4 Section Heads must seek the prior approval of the Chief Finance Officer to any proposed changes to the existing financial or related systems or to the establishment of any new financial or related systems which are / will be directly under their control.
- 5.5 Section Heads must ensure that, where appropriate, computer and other systems are registered in accordance with Data Protection legislation and that their staff are aware of their responsibilities under the freedom of information legislation.
- 5.6 The Chief Finance Officer is responsible for approving procedures for the writing-off of uncontrollable debts as part of its overall control framework of accountability and control.
- 5.7 The Chief Finance Officer is responsible for making all payments for salaries and wages to all staff and other benefit payments to relevant former employees, and for the payment of allowances to members.
- 5.8 The Chief Finance Officer is responsible for advising Section Heads on all taxation issues that affect the Authority in the light of statutory requirements and relevant guidance issued by the appropriate bodies.
- 5.9 The Chief Finance Officer is responsible for maintaining directly, and for making all tax payments, receiving tax credits / refunds and for submitting tax returns by their due date as and when appropriate.
- 5.10 The Chief Finance Officer is responsible for advising on the establishment and the operation of suitable accounting records and supporting procedures for trading accounts and business units.

SECTION 6 - INTERNAL AUDIT

- 6.1 Internal audit is an independent appraisal function of the internal control system as a service to the Authority. It effectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper economic, efficient and effective use of resources. The work of internal audit is reviewed annually by the external auditor.
- 6.2 The Chief Finance Officer shall arrange for the provision of an adequate and effective system of internal audit that complies with CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom which is based on the Auditing Practices Board's 'Guidance for Internal Auditors' and with all other relevant guidance and statutory instruments and regulations.
- 6.3 The appointed internal auditor and the Chief Finance Officer or his / her authorised representative shall have authority to:
- access any Authority premises or land at all reasonable times, but where premises or land are in the control of a contractor or licensee such access shall be in accordance with the provisions of the contract;
 - have access to all records, documents and correspondence and control systems relating to any financial or other activity of the Authority which they consider relevant to audit;
 - require and receive such explanations as are necessary concerning any matter under examination;
 - take such copies of any records, documents and correspondence as they consider necessary for the conduct of their work;
 - require any employee or member of the Authority to produce or account for cash, stores or any other Authority property under his/her control;
 - access, when required, records belonging to third parties, including those of contractors, so long as that access shall be in accordance with the provision of the contract; and
 - report directly to the Chief Executive and National Park Officer or the Resources Committee as appropriate.
- 6.4 Whenever any matter arises which involves, or is thought might involve, irregularities concerning cash, stores, records or other property of the Authority or any suspected irregularity in the exercise of the functions of the Authority, employees shall immediately inform their Section Head who shall forthwith notify the Chief Finance Officer. The Chief Finance Officer shall take such steps as he/she considers necessary by way of investigation and report.
- 6.5 Where a response to an audit report has not been given within a month or such other responsible period as may be determined or where any matters arising from internal audit remains unresolved after three months, to refer, after consultation with the Chief Finance Officer, the matter to the Chief Executive and National Park Officer.
- 6.6 All losses or irregularities must be reported to the Chief Finance Officer by the relevant Section Head.
- 6.7 The Chief Finance Officer to report annually to the Resources Committee on the internal audit work carried out, and the main issues arising from the internal audit activity undertaken during the period.

- 6.8 The Chief Finance Officer shall prepare Strategic and Annual Audit Plans for approval by the Resources Committee. In doing so the Chief Finance Officer shall liaise with the External Auditor as necessary.

SECTION 7 – INCOME

- 7.1 Each Section Head is responsible for the prompt and complete collection of their Section's income which should be collected at the time of service provision where practical.
- 7.2 The Chief Finance Officer in consultation with Section Heads is responsible for ensuring that complete and accurate records are maintained of all moneys receivable and received by his/her section.
- 7.3 The Chief Finance Officer in consultation with Section Heads must institute appropriate recovery action where income is not received by the due date.
- 7.4 The National Park Officer has sole power to authorise the write-off of outstanding debts in excess of £500, (subject to 7.3 above) after having checked the Authority's indebtedness to the debtor. The Chief Finance Officer has the power to authorise the write-off of outstanding debts up to £500.
- 7.5 Any debts due from a single debtor to a total value £2000 or more in any one financial year may only be written off on the authority of the Resources Committee.
- 7.6 The Chief Finance Officer shall maintain a record of all debts written off showing what attempted recovery action was taken and justification for non-recovery, and report annually thereon, to the Resources Committee for information.
- 7.7 The Chief Finance Officer shall ensure that secure and sound local arrangements exist for the ordering, receipt, custody and use of income stationery including accounts, receipts and tickets or their computer produced equivalents.
- 7.8 All income stationery or its computer produced equivalents shall be in a form approved by the Chief Finance Officer.
- 7.9 All money received by an officer on behalf of the Authority shall be banked without delay in an account approved by the Chief Finance Officer.
- 7.10 No deduction shall be made from any income received without the specific approval of the Chief Finance Officer.
- 7.11 No cheques may be cashed from Authority monies.
- 7.12 The Chief Finance Officer shall be notified of new sources of income or proposed change in procedures or systems of collecting income.

SECTION 8 – ACQUISITION OF GOODS AND SERVICES

- 8.1 All goods and services to be procured in accordance with the Contract Study Orders of the Authority and take account of the Authority's Procurement Policy.
- 8.2 Section Heads shall be responsible for all orders for goods and services issued from their Section, and shall keep a record of all orders issued.
- 8.3 Official orders shall be issued for all goods and services to be supplied to the Authority except where the Chief Finance Officer has approved otherwise. All official orders are to be signed only by Section Heads or an officer approved by the Chief Finance Officer.
- 8.4 All official orders shall be in a form approved by the Chief Finance Officer.
- 8.5 Each order shall conform with any directions of the Authority with respect to negotiated purchasing agreements and other standardisation of goods and services.
- 8.6 All payments on behalf of the Authority for goods and services shall be made by the Chief Finance Officer except where imprest accounts, credit cards, or account cards are used.
- 8.7 Each Section Head shall be responsible for ensuring that payments are only made:
- in respect of goods or services which are satisfactorily received, and
 - at the correct prices including all available discounts
- 8.8 Each Section Head must ensure that only appropriate officers have delegated power to approve expenditure for payment. The Finance Manager will maintain a list of certified approving officers and specimen signatures. The Chief Finance Officer, Corporate Support Officer, or Finance Manager will certify all expenditure for payment.
- 8.9 The National Park Officer is entitled to make ex-gratia payments up to a maximum value of £2,500 to any one payee per annum for damage to or loss of property or for personal injury where such payment is calculated to facilitate or is conducive or incidental to the discharge of any of the functions of the Authority.
- 8.10 All payments shall be made as close as possible to the due date after taking into account the normal terms of trade with respect to promptness of payment, bearing in mind the need to be exemplary in the support of local traders and payees.
- 8.11 The Chief Finance Officer may provide credit cards and account cards for purchases and approve a transaction limit at his/her discretion. The nominated card holder is responsible for the security of the card and for providing supporting documentation for each transaction made.
- 8.12 The Chief Finance Officer may provide cash floats or establish imprest accounts of either cash or a bank account to enable nominated officers to become imprest holders for local purchases not exceeding £25 per transaction unless such higher limit is agreed by the Chief Finance Officer. The imprest holder is accountable for the full amount of the imprest holding and is responsible for any deficiency.

- 8.13 Imprests cannot be used to pay salaries, wages (including payments for casual work) or expenses. Claims for reimbursement of imprest accounts should be submitted regularly.

SECTION 9 – PAYMENTS TO EMPLOYEES AND MEMBERS

- 9.1 The Chief Finance Officer is responsible for determining and controlling the arrangements for the secure, accurate and complete payment of salaries, wages, benefits and allowances, reimbursements for travel, subsistence and other expenses, redundancy, compensation or other emoluments to existing and former employees.
- 9.2 Remuneration of employees, including pay, allowances, reimbursement of expenses, benefits in kind, redundancy and any other emoluments shall be made under arrangements approved by the Chief Finance Officer who shall satisfy himself as to their security, soundness and reliability.
- 9.3 The Chief Finance Officer shall be responsible for ensuring that remuneration of any kind to employees is in accordance with all statutory requirements as well as within the regulations and directions of the Authority.
- 9.4 All variations to scheme of remuneration of employees must be approved by the Resources Committee and variations to the scheme of Members allowances approved by the Authority.
- 9.5 The Chief Finance Officer must ensure that only appropriate officers have delegated power to certify payroll expenditure. The Finance Manager will maintain a record of such officers.
- 9.6 No officer shall certify expenditure for payment from which they might personally benefit.
- 9.7 The Chief Finance Officer shall be responsible for the proper administration of the participation by the Authority in the Local Government Pensions Scheme as an admitted body to the Somerset County Council Pension Fund.

SECTION 10 – SAFEGUARDING ASSETS

- 10.1 Quantities of stock shall not be in excess of normal requirements unless there are sound financial or other reasons. The Chief Finance Officer should be notified of any cases where quantities of stock have been, are, or are expected to be in excess of normal requirements.
- 10.2 Where the total value or estimated total value of stock in one or more stores exceeds £5,000 the Section Head in consultation with the Chief Finance Officer shall maintain suitable and reliable records of items in store.
- 10.3 For all stocks meeting the criteria in 10.2 above, each Section Head shall ensure that independent and adequate periodic comparisons of physical stock against records takes place. Any discrepancies should be properly investigated and reported to the Chief Finance Officer.
- 10.4 Each Section Head shall furnish such information as the Chief Finance Officer requires in relation to stores and other assets for financial accounting purposes.
- 10.5 Surplus materials, stores, plant, vehicles and equipment shall be disposed of by competitive tender or public auction unless the market value of the items including related transactions, is not significant (below £2,500), or the Chief Finance Officer agrees to alternative arrangements.
- 10.6 Each Section Head shall maintain a record of all disposals of materials, stores, plant, land, vehicles and equipment including proceeds and destination.
- 10.7 Each Section Head is responsible for maintaining proper security at all times for all land, buildings, plant, vehicles, equipment, furniture, stock, stores, cash and other assets under his control.
- 10.8 Each Section Head shall maintain an inventory of each item of:
- attractive equipment with a value in excess of £50 (mobile phones, cameras etc)
 - equipment with a value in excess of £200
 - plant and machinery with a value in excess of £500
 - vehicles
 - furniture and fittings with an individual value in excess of £500
- 10.9 All staff must take all reasonable steps to prevent or mitigate loss or damage to all Authority assets - equipment, plant, machinery, vehicles, furniture and fittings.
- 10.10 Each Section Head shall ensure that all inventories are examined against equipment etc. at least once per year, ensure items are in good condition, investigate any discrepancies and report the findings to the Chief Finance Officer.
- 10.11 The Solicitor and Monitoring Officer shall make arrangements for the secure storage of title deeds and other legal documentation relating to assets held by the Authority.
- 10.12 Officers responsible for any property (including monetary assets) not belonging to the Authority must:

- Take all reasonable steps to prevent or mitigate loss or damage to that property; and
- In any case of loss or damage or diminution in value, notify without delay their Section Head who shall forthwith notify the Chief Finance Officer.

10.13 Each Section Head is responsible for ensuring that an up-to-date, complete and accurate record is maintained of all assets held by officers of his or her department on behalf of third parties. The Chief Finance Officer has the same rights in respect of assets held on behalf of third parties as those detailed in Section 6 of these Financial Regulations - Internal Audit.