

FINANCIAL REGULATIONS

A Status of Regulations

A.1 The Regulations

i These Regulations are part of the Council's Rules of Procedure. They must be read in conjunction with the Constitution as a whole and with any Standing Financial Instructions issued by the Strategic Director Resources. They are issued in accordance with section 151 of the Local Government Act 1972 and with the Accounts and Audit Regulations 2003. They assist the Council to ensure that it has proper financial and managerial controls in place and that it uses public monies in accordance with the principles of Corporate Governance.

ii. These Regulations must be followed by any person or body authorised to act on behalf of the Authority including the Council's Strategic Partner, Capital, and by any other partners where the Council's business or accountable interests are affected.

iii. They must be followed by schools unless the specific requirements of the Fair Funding Regime dictate otherwise.

iv. A Director must not enter into any arrangement, which may restrict the ability of the Council to apply these Regulations, without the approval of the Executive Board to that arrangement.

A2 Application of the Regulations

i. Each Director has the responsibility to ensure that these Regulations together with the Contract Procedure Rules and Standing Financial Instructions are observed within their Department. The Strategic Director of Children's Services has responsibility for ensuring that they are observed within schools.

ii Contract Procedure Rules, Financial Regulations and Standing Financial Instructions must be followed where the Council acts as agent for any other body unless the agency agreement specifies otherwise. This regulation also applies where the Council acts as the accountable body for a project.

iii Except where these regulations identify the Strategic Director Resources as being the responsible officer, the Director of Financial Services is responsible for interpreting these regulations and recommending changes to the Council, as and when he/she considers it necessary. The financial limits contained in these Regulations may be reviewed and, if need be, revised from time to time by the Director of Financial Services, in consultation with the Executive Member (Resources).

iv The Director of Financial Services may waive the need to comply with any of these Financial Regulations. He/She must record his/her reasons for the waiver and must set out the scope and duration of the waiver and any substitute regulations.

A3 Chief Financial Officer

- i. The Strategic Director Resources is the statutory officer responsible for the administration of all the financial affairs of the Council.
- ii. The functions of the Strategic Director Resources as chief financial officer are set out in Article 12 of the Constitution.

A4 Code of Corporate Governance

The Council has a Code of Corporate Governance which will be monitored periodically by the Audit Committee to ensure that the objectives of the Code are being met. The Committee will also ensure that, to comply with the Accounts and Audit Regulations 2003, both the process for producing the annual Statement on Internal Control and the Statement itself are robust.

B Financial Controls and Procedures

B.1 Internal Controls

- i. Directors' responsibilities

Directors are responsible for the control and accountability of their staff and for the activities of their Department. They have the responsibility to establish effective internal controls within their Departments:

- (a) to safeguard the Council's assets
- (b) to ensure reliability of records
- (c) to promote operational efficiency
- (d) to monitor adherence to policies and objectives
- (e) to achieve value for money in the services for which they are responsible
- (f) generally to identify and manage risks so as to contribute to maintaining a sound system of corporate governance
- (g) to report annually, in a statement of assurance (which contributes to the Statement on Internal Control) that:
 - internal controls have been reviewed and are being applied satisfactorily
 - risks, existing or new, are managed satisfactorily
 - any procedural control weaknesses are identified and appropriate action plans are set out.

(h) to undertake reviews of risks when material changes are to be made either to structures or to working practices.

- ii. **Role & Objectives of Internal Audit**

Internal Audit is an assurance function that primarily provides an independent and objective opinion to the organisation on the degree to which the internal control environment supports and promotes the achievements of the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources (In carrying out its duties, Internal Audit complies with the Auditing Practices Board's "Guidance for Internal Auditors")

and with the CIPFA “Code of Practice for Internal Audit in Local Government in the UK”.)

iii Responsibility of Internal Audit.

It is the responsibility of Internal Audit to review, appraise and report upon:

- (a) the soundness, adequacy and application of internal controls established by management to manage both financial and non-financial risks;
- (b) the extent to which the Council's assets and interests are accounted for and safeguarded from losses of all kinds, including loss through fraud;
- (c) the extent of compliance with procedures, policies, regulations and legislation;
- (d) the suitability and reliability of financial and other management data developed within the Council;
- (e) value for money and the Best Value review process and the processes which are subject to review;
- (f) performance management arrangements;
- (g) the maintenance of an effective system of Corporate Governance, including risk management (This includes promoting good risk management practice, providing advice and reporting at the early stages of new or changing processes.);
- (h) the effectiveness of anti-fraud and corruption arrangements (This includes promoting awareness of anti-fraud and corruption within the organisation.);
- (i) its opinion of the overall adequacy of the Council's control environment and of the annual, statutory Statement on Internal Control. (These opinions will be reported formally each year.)

This includes reviewing, appraising and reporting upon arrangements in the Council's partnerships.

B.2 Access to Information

- i The Director of Financial Services shall arrange for such examinations and audits of the accounting, financial and other transactions of the Council as he/she considers necessary or desirable.
- ii The Director of Financial Services or his/her authorised representative shall have authority:
 - (a) to enter any Council premises or land;
 - (b) to require any Officer or Member of the Council to produce cash, stores or any other property of the Council under his/her control;
 - (c) to require from any Officer or Member access to all records, documents, vouchers and correspondence relating in any way to both the financial or other transactions of the Council and the development of processes or activities within the Council or its partners ;

(d) to require and receive such information and explanations as are necessary concerning any matter under examination.

iii Directors must notify the Director of Financial Services immediately of any circumstances which involve or which seem likely to involve either loss or irregularity or failure of controls, whether or not of a financial nature and whether from inside or outside the authority . (This includes potential fraud or other irregularities that might result in criminal prosecutions.) The Director of Financial Services shall then take such steps as he/she considers necessary by way of investigation and report.

B.3 Accounting Control

i All accounting systems, procedures and records of the Council shall be in a form approved by the Strategic Director Resources.

ii Directors must obtain the Director of Financial Services agreement before either introducing new systems or procedures or making changes to existing ones, where such changes might affect the Council's principal accounting systems.

iii Directors shall consult the Director of Financial Services about any matter which is liable materially to affect the Council's finances before any commitment, provisional or formal, is incurred or before reporting such matters to either the Council or the Executive Board or an Executive Member. (Such consultations must meet any rules set out, periodically, by the Director of Financial Services.)

iv So far as is possible:

(a) Officers with responsibility for providing information about monies due to or from the Council and for calculating, checking and recording these sums shall not also be responsible for either collection or disbursement;

(b) Officers responsible for examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.

v. The Director of Financial Services may periodically issue written Standing Financial Instructions dealing with any aspects of the proper administration of the Council's financial affairs. Directors are responsible for ensuring that these Standing Financial Instructions are followed. These Instructions apply equally to School Governing Bodies, except where the Regulations relating to Fair Funding specifically state otherwise.

vi. Each Director shall ensure that there is sufficient financial provision within approved budgets to cover any liability which is incurred and that each item of income and expenditure is allocated to the appropriate and proper head of account.

B.4 Statements of Accounts and Statement on Internal Control

i. The Strategic Director Resources shall submit, in accordance with legal requirements, the signed annual statement of accounts and the Statement on Internal Control for approval to the Council or a Committee of the Council.

- ii. The person presiding at the Council or Committee meeting shall sign the approved accounts.

B.5 Banking Arrangements

- i. The Strategic Director Resources shall make all banking arrangements on behalf of the Council. He/she may provide any indemnities which are required in connection with those arrangements.
- ii. All cheques drawn on behalf of the Council shall be signed by signatories nominated by the Strategic Director Resources.

B.6 Treasury Management

- i. The Council has adopted and adheres to CIPFA's "Code for Treasury Management in Local Authorities".
- ii. Full Council must annually set:
 - (a) the total external borrowing limit;
 - (b) the maximum amount of short-term borrowing;
 - (c) the maximum proportion of interest payable at variable rates by the Authority.
- ii A Treasury Management Policy statement setting out the Council's strategy and procedures shall be approved by Council and implemented and monitored by the Executive Board.
- iii. All executive decisions on cash management, borrowing, leasing arrangements, investment or financing are delegated to the Director of Financial Services who must follow the CIPFA Code for Treasury Management.
- iv. Directors must consult the Director of Financial Services to ensure that any proposed leasing arrangements do not conflict with the Treasury Management strategy.
- v A report shall be submitted to the Executive Board at least twice each financial year by the Director of Financial Services, on the activities of the Treasury Management function. These reports shall comprise:
 - (a) A report on the treasury management activity for the previous financial year. This will be presented by 30th September in each year;
 - (b) A report dealing with the Treasury Management strategy for the coming financial year. This report will be submitted after the Capital Programme for that year has been approved.
- vi. This Financial Regulation does not apply to schools under the fair funding regime.

B.7 Writing off debts

The Director of Financial Services shall be authorised to act on the writing off of all debts after consultation with the Strategic Director Resources up to an amount specified in the officer scheme of delegation.

- i. At least once a year, each Director must submit to the Director of Financial Services, details of all debts which are considered to be irrecoverable.

- ii The relevant Director, in a joint report with the Director of Financial Services, must refer all debts above this limit for approval to write-off to the Executive Board.

B.8 Legal powers to incur expenditure

- i Directors must ensure that legal powers exist to carry out any activity for which they are responsible.
- ii. Directors must notify the Director of Financial Services before incurring any expenditure within section 137 of the Local Government Act 1972. The Director of Financial Services shall ensure that such expenditure is kept within the limits prescribed by statute and that it is properly accounted for within the Council's accounts.

C Revenue Budget

C.1 Budget Preparation and Council Tax Setting

- i The Director of Financial Services [in consultation with the Strategic Director Resources] shall prepare, annually, a medium term financial strategy for submission to the Executive Board.
- ii The Executive Board is responsible for approving a medium term financial strategy and portfolio cash limits and for recommending to the Council the revenue budget for the following financial year.
- iii Directors shall review the charges made for services under their control as part of the budget preparation process. Changes to pricing or to charging arrangements can be introduced only after consultation with the Director of Financial Services.
- iv Final service budget proposals shall be submitted to the Executive Board in accordance with a timetable prepared and issued by the Director of Financial Services.
- v Each year, the Council will approve the revenue budget and the level of Council Tax to be levied for the following financial year.

(The recommendations by the Executive Board can, if, in the Director of Financial Service's opinion, shortage of time dictates, be removed from the process and the Council will directly determine its decisions.)

C.2 Authority to Spend

- i. Expenditure may be incurred and charges levied for the purposes of and in accordance with the policies on which the budget is based up to the level in the approved budget. In this context, approved budget includes all approved budget transfers.
- ii Any additional expenditure or income, which involves a variation from the approved budget, must not be incurred or raised without the prior approval of the Executive Board.

C3 Change Control (Public Private Strategic Partnership)

- i. Directors, who, after discussion with the Council's Strategic Partner, Capita, consider that a change control proposal is necessary must follow the procedures set out in the Change Control Protocol before any changes, operational or otherwise, can be implemented. This will be in accordance with the delegation of to the Strategic Director Resources.
- ii. Change control procedures must also be followed where there are to be:
 - (a) reductions in core services and therefore to the unitary charge
 - (b) material changes to processes which do not affect the unitary charge

C.4 Budgetary Control

i Directors are responsible for ensuring that proper financial and budgetary control procedures are being carried out in the services for which they are responsible. They will exercise that responsibility by:

- (a) complying with the Constitution, Procedural Rules, Financial Regulations, Standing Financial Instructions and Statute;
- (b) implementing appropriate procedures and controls in consultation with the Director of Financial Services;
- (c) ensuring that the processing of payments, commitments, transfers, income, etc., is dealt with promptly and in accordance with prescribed procedures;
- (d) ensuring that each cost centre is the responsibility of a cost centre manager (budget holder) who fully understands how to manage and monitor their budgets
- (e) delivering agreed efficiency savings
- (f) effecting sound and robust performance management arrangements
- (g) embedding sound risk management procedures.

C.5 Revenue Budget Monitoring

- i The Director of Financial Services shall ensure that each Director has access to regular and timely statements of income and expenditure under each approved budget together with any other relevant information which is available to him/her.
- ii The nominated Director (for a particular portfolio) shall submit regular reports to the appropriate Executive Member on the current financial position for services within the Member's portfolio including a comparison of the predicted revenue out-turn for the year with the latest approved portfolio cash limit.
- iii The level of detail to be contained in the report referred to in C.5.ii above will be specified by the Director of Financial Services.

iv Periodically, throughout the year, the Director of Financial Services shall submit a report to the Executive Member (Resources) summarising the information presented in accordance with C. 5.ii above, including a projection of the Council's overall financial position.

v The Executive Board will regularly review the Council's overall financial position, based on reports submitted periodically by the Director of Financial Services in accordance with C. 5.iv above.

C.6 Budget Flexibility – Budget Transfers (Virement)

i Directors may, in respect of cost centres under their control, transfer budgets between and within those cost centres within the same service portfolio provided that:

(a) capital charges, central, departmental and technical support charges, contributions to other funds of the Council, levies payable to other public bodies and budgets which affect other services of the Council are not the subject of the transfer;

(b) where the amount to be transferred in any individual case does not exceed £150,000 (Where it does exceed £150,000, the transfer is subject to the approval of the appropriate Executive Member.);

(c) if a change in staffing is proposed, continuing increases in costs must be accommodated within existing and/or future cash limits;

(d) where the proposed transfer of budgets amounts to a key decision, the change is subject to the approval of the Executive Board.

ii All transfers of budgets between service portfolios are subject to approval by the Executive Board.

iii Proper records of all budget transfers must be maintained by budget managers and the Director of Financial Services must be notified regularly in writing of all budget transfers (and the reasons for them) so that the corporate accounting system can be updated.

C.7 Budget Flexibility - Budget Tolerance Within and Between Financial Years

i In-Year Increases

(a) Subject to prior consultation with the Director of Financial Services, Service Director(s), in consultation with the appropriate Executive Board member, may approve an increase in the original budget up to a maximum of 1.5% of a portfolio's applicable cash limit. Prior consultation must include the presentation of a detailed and fully costed business case. (The format for this will be specified by the Director of Financial Services.) A report of actions taken must also be presented to the Executive Member (Resources).

(b) The Executive Member (Resources) may approve a further increase in the original budget in addition to that approved under (a) above up to a maximum of 1% of a portfolio's applicable cash limit. This is subject to the presentation in advance by the appropriate Director(s) of a detailed and fully costed business case. (The format for this will be specified by the Director of Financial Services.)

(c) The in-year budget increases approved in accordance with C7.i (a) and (b) above will be matched by an equivalent budget reduction in the following financial year.

ii Unapproved Over-spending at year-end

(a) When an unapproved or unplanned over-spending or potential overspending is identified, a budget holder must either:-

- Seek to contain it within the budget head by taking corrective action, or
- Transfer budgetary provision from another budget head (see C.6.i to iii above).

(b) Unapproved over-spending (at portfolio level) at a financial year end, assessed by comparison with a portfolio's latest approved applicable cash limit, will be matched by a budget reduction in the following year equal in value to the over-spending. Should the overspending exceed 1% of the portfolio cash limit, then the budget reduction in the following year in respect of the excess (over 1%) overspend will include a further 10% penalty.

iii Under-spending at year-end

(a) At the financial year-end, any under-spending against a service portfolio's latest approved applicable cash limit, up to a maximum under-spending of 1% of that limit, may be carried forward to be spent by that service portfolio in the following financial year.

(b) Exceptionally the rule at C.7.iii (a) above may be varied, subject to the approval of the Executive Board and following the Executive Board's consideration of a report by the Director of Financial Services.

iv Windfalls

(a) A windfall gain will occur when either increased income is received or reduced expenditure is incurred as a result of a change in circumstances which is deemed to be outside the control of the service. The Director of Financial Services will determine whether a increased income or reduced expenditure constitutes a windfall.

(b) Any amount by which the total of windfall gains in any year exceeds 1% of a service portfolio's overall cash limit or £150,000 (whichever is the lower) will be returned to central reserves and not be available for use by the service.

C.8 Designated Trading Activities

i If any Director considers that an existing or a proposed activity within his/her department should be designated a trading activity and therefore that it should operate as a quasi commercial undertaking, he/she must submit a report, jointly prepared with the Director of Financial Services setting out the business case, assessment of risks etc to the Executive Board for his/her approval.

ii If the Executive Board approves such a proposal, the responsible Director must ensure that the conduct of the undertaking's activities complies with both any procedures defined, at the time, by the Director of Financial Services and the Council's Constitution.

D Capital Programme

D.1 Preparation of the Programme

i The Executive Board is responsible for recommending to Council for approval an annual Capital Programme.

(The recommendations by the Executive Board can, if, in the Director of Financial Service's opinion, shortage of time dictates, be removed from the process and the Council will directly determine its decisions.)

D.2 Authority to Spend

i The programme of capital expenditure, as approved by the Council, shall constitute authority for incurring expenditure (including the revenue consequences) up to the limits agreed in that programme.

ii To obtain authority to incur capital expenditure other than that, in the approved capital programme, the appropriate Director, with the Director of Financial Services, shall submit to the Executive Member (Resources) (or the Executive Board in the case of a key decision) a report giving details of the proposed scheme including such information as the Director of Financial Services may specify in Standing Financial Instructions.

iii. If capital expenditure is to be funded through leasing, the relevant Director must provide the Director of Financial Services with such information as he/she requires to draw down the leasing payments.

iv. Directors must report forecast overspends or slippage in project delivery dates to the Director of Financial Services as soon as they have been identified. These will then be included in the corporate capital monitoring report. Directors do not have the authority to exceed budgetary provision without the approval of the Director of Financial Services.

D.3 Budgetary Control

i Directors are responsible for ensuring that proper financial and budgetary control procedures are carried out in respect of every capital scheme for which they are responsible. They will exercise that responsibility by:

(a) complying with Standing Orders, Financial Regulations, Standing Financial Instructions and Statute;

(b) implementing appropriate procedures and controls in consultation with the Director of Financial Services;

(c) ensuring that processing of payments, transfers, income etc., is dealt with promptly and in accordance with prescribed procedures;

(d) ensuring that each approved capital scheme is the responsibility of a lead officer who is fully able to manage major projects, whether capital or not.

D.4 Capital Monitoring

- i A nominated scheme lead officer will be responsible for authorising expenditure, and for monitoring and controlling the progress and overall cost of the project against approvals and for remedial action and reporting.
- ii Periodically, throughout the financial year, the appropriate Director shall submit a report to the appropriate Executive Member, which sets out the predicted expenditure profile and total cost of each capital scheme within his/her control.
- iii Periodically, throughout the financial year, the Director of Financial Services shall submit to the Executive Member (Resources) a summary of all monitoring reports, prepared under D.4.ii above, together with details of the maximum authority to spend and the total finance available, to enable the him/her to review the overall stewardship of the Capital Programme.
- iv The Executive Board will regularly review actual financial performance against the Capital Programme, based on the reports submitted by the Director of Financial Services, and approve variations to the Programme.

E Expenditure Requirements

E.1 Payment of Accounts

- i All orders for goods and services must be made in accordance with Standing Financial Instructions
- ii. Directors may nominate officers to order goods or services and to certify invoices for payment, determining both the scope and level of delegated authority. Directors must inform the Director of Financial Services of all such nominations. Such lists must be maintained up to date. Directors shall ensure that staff to whom such responsibilities have been delegated both fully understand and properly carry out their roles in these processes.
- iii. The Director of Financial Services shall pay all accounts where he/she is satisfied that they represent legal payments and are in order.

E.2 Imprest Accounts

- i The Director of Financial Services shall make such Imprest advances as he/she considers appropriate to officers of the Council.
- ii. Imprest accounts shall be managed in accordance with Standing Financial Instructions

E.3 Payment of Employees

All payments to employees or former employees of the Council shall be managed in accordance with Standing Financial Instructions

F Income

F.1 Income Arrangements

- i. The Director of Financial Services may:

- (a) Agree arrangements for the safe and efficient collection of monies due to the Council
- (b) Approve the procedures, systems and documentation that must be used so that the correct sums due are collected from the right person at the right time.
- ii. All official receipt books, tickets and other vouchers shall be ordered and controlled in compliance with the Director of Financial Service's instructions.

F.2 Grants

- i. Each Director shall liaise with the Director of Financial Services before making any submission for grant approvals to Government Departments or other bodies.

ii. The Strategic Director Resources and the Director of Financial Services are responsible for signing and submitting all claims for grants as appropriate.

iii The Director of Financial Services may set out additional requirements in Standing Financial Instructions, as he/she deems necessary .

F.3 Other initiatives with outside organisations:

- i Directors proposing such initiatives as partnering, partnership agreements, PFI projects and work for third parties, including other local authorities, must consult both the Director of Legal Services and the Director of Financial Services.
- ii Separate legal entities may be established only after the approval of the Executive Board, following its consideration of a joint report from the relevant Director, the Director of Legal Services and the Director of Financial Services.

G Management of Assets

G.1 Asset Registers

- i The Manager of the Property Consultancy of the Council's strategic partner, Capita, shall maintain a terrier of all properties owned by the Council. The listing shall include a reference to the holding Department, the purpose for which it is held, the nature of the Council's interest, rents payable and particulars of tenancies granted.

ii The Director of Legal Services shall have custody of all title deeds.

- iii The Director of Financial Services is the asset registrar and he/she must be informed by the Manager of the Property Consultancy whenever changes to the terrier are made.

G.2 Inventories

- i Each Director shall maintain an inventory in accordance with Standing Financial Instructions.
- ii Similarly, each Director who holds property on behalf of clients must maintain inventories in accordance with Standing Financial Instructions.

G.3 Private Funds

- i Directors must ensure that, when an employee has to control private monies, he/she must control them securely, separately from Council monies and in accordance with any instructions issued by the Director of Financial Services.

- ii A private fund may be established only with the Director of Financial Service's approval.
- iii Private funds must be independently audited annually by auditors approved by the Director of Financial Services.
- iv The Director of Financial Services shall have access to all records relating to private funds. He/She must be informed immediately of any discrepancies.

G.4 Disposal of Assets

- i. In this regulation, the word "land" includes buildings and any interest in land.
- ii. All disposals of land or of any interest in land shall be made in accordance with the Council's disposals policy. Any exceptions to this rule must be authorised by the Executive Board.
- ii. The disposals policy shall be reviewed, at least, every three years by the Manager of the Property Consultancy with the strategic client to ensure that it remains fully effective in meeting the Council's needs. The outcome of this review shall be agreed with the Executive Board.**
- iii. The Manager of the Property Consultancy shall advise the Council in respect of all such disposals and may enter negotiations on the Council's behalf without binding the Council to accept the outcome of any negotiations.**
- iv. The Director of Legal Services may agree to any disposal up to a value of £150,000 or £100,000 where the disposal is by way of lease. He/she may do so only where the disposal has been recommended by the Manager of the Property Consultancy.
- v. Where the disposal value is below a de minimis limit the Director of Legal Services, after consulting the Director of Financial Services, may set out a framework for such transactions. The Director of Financial Services will determine periodically the de minimis limits
- vi. The Executive Member for Resources may agree to any disposal of land (above the limits in iv. above) where that decision is not considered to be a key decision.**
- vii. All other disposals of land are the responsibility of the Executive Board**
- viii. Disposals of other assets, with an estimated value on disposal up to £30,000, shall be the responsibility of the appropriate Director. Disposals, with an estimated value up to £250,000, shall be made only after consultation with the relevant Executive Member and the Director of Financial Services.
- ix Disposal of other assets, with an estimated value on disposal above £250,000, shall be the responsibility of the Executive Board.

G.5 Purchase of land and buildings

- i. The Executive Board may agree a policy governing the acquisition of land and buildings which will be incorporated in the disposals policy mentioned above.

ii. The Manager of the Property Consultancy shall advise the Council in respect of all land purchases (including lease and other types of acquisition) and may enter negotiations on the Council's behalf without binding the Council to accept the outcome of any negotiations.

iii. The Director of Legal Services may agree to purchases of land up to a value of £150,000 where the Manager of the Property Consultancy has confirmed that the price represents the market value of the land and is within Council policy.

iv. The Executive Member for Resources may agree to the purchase of any land above the limits set out in iii above where that purchase is not considered to be a key decision. This power may only be exercised where the Manager of the Property Consultancy has confirmed that the price represents the market value of the land.

v. All other purchases of land must be authorised by the Executive Board.

G.6 Stores

i Each Director shall be responsible for the safe custody of stores and the maintenance of proper records in accordance with the Director of Financial Service's instructions.

ii Stocks shall not be held in excess of normal requirements. Decisions by a Director to hold excess stock must be based upon an assessment of the risk and benefits.

iii Each Director shall ensure that:

- Stocks are checked at least annually
- Significant changes are reported to the Director of Financial Services
- Periodical inspections are carried out by an independent person
- A year-end certificate of the value of stocks held is submitted to the Director of Financial Services each year within 5 working days of the end of the financial year
- Surplus or obsolete stocks are disposed of in the most economically advantageous manner. (The book value of such disposals must be reported to the Director of Financial Services).

iv A Director may write off stores with a value of up to £15,000 (For Environment Dept, the value is £50,000.) in any year. For larger values he/she must obtain the approval of relevant Executive Member. All disposals must be notified to the Director of Financial Services.

G.7 Security

Directors shall be responsible for :

- the safekeeping of all assets under their control
- the security and the confidentiality of information held within their Department
- ensuring the safekeeping of documents, files, records etc in their control.

G8 Intellectual Property

i. Directors shall ensure that the Council's intellectual property rights are identified, where necessary, and are exercised in a manner which protects the Council's reputation.

ii. Directors shall inform the Director of Legal Services where such rights are identified. He/she shall maintain an appropriate register and periodically assess Departmental controls

H Insurance

i. The Director of Legal Services shall arrange and administer all insurance cover, subject to the directions of the Council, and for renewals or tendering, in consultation with the Director of Financial Services.

ii. Procedures for self-insurance must be approved by the Director of Financial Services. He/she may give that approval where, in his/her opinion and after consulting the relevant Director and the Executive Members (Resources), self-insurance is deemed to be the most economically advantageous option.

iii. Directors must notify the Director of Legal Services, as soon as possible, of all risks, properties or vehicles which need to be insured. They must also notify the Director of Legal Services promptly of any alterations affecting existing cover. All notifications under this paragraph should indicate the amount of cover needed.

iv. In handling claims from third parties or from employees, Directors must ensure that the mandatory requirements relating to response times are met.

v. Directors must ensure risk management is promoted within their Departments and, each year, must ensure that the identified risks and their values remain valid.

vi. Directors must promptly notify the Director of Legal Services of any matter likely to result in a claim against the Council.

vii. Uninsured claims against the Council, where appropriate, may be settled by the individual Director up to £500, in each case. These settlements must be in accordance with guidelines issued by the Director of Financial Services in consultation with the Director of Legal Services. Uninsured claims above this amount, up to a limit of £1,500 in each case, shall be settled, where appropriate, by the Director of Financial Services, after consultation with the relevant Director and the Director of Legal Services.

