

# SCUNTHORPE AND GAINSBOROUGH WATER MANAGEMENT BOARD

## Financial Regulations

### 1. GENERAL

- 1.1 These Regulations shall apply to all aspects of the Board financial matters.
- 1.2 The Clerk shall be responsible, under the direction of the Board or Finance sub-committee for the proper administration of the Board's financial affairs
- 1.3 Reference in these Regulations to the "responsible officer" are to any employee specifically nominated by the Clerk or Board to carry out a prescribed function of the Board
- 1.4 The responsible officer shall be responsible for the keeping of all accounting and financial records of the Board and for the production of such records to the Board and the Board's Auditors.
- 1.5 Each responsible officer shall consult with the Clerk with respect to any matter within their area of responsibility that may affect materially the finances of the Board.

### 2. AUDIT

- 2.1 The responsible officer shall arrange for the internal audit of the Board's financial management, accounting and all other financial matters. This audit shall be carried out by external personnel and in accordance with the IDB (Finance) Regulations 1992 and the Account and Audit (England) Regulations 2011
- 2.2 The responsible officer shall prepare all the Board's account for submission to the internal auditor and Audit Commission as required.

### 3. BANK

- 3.1 All the Board's accounts shall bear the name of the Board and no new accounts shall be opened without the express approval of the Board.
- 3.2 The following account shall be maintained as appropriate: -
  - Business Current Account
  - Deposit Account
- 3.3 The bank shall be requested to honour all cheques or instructions signed by the Chairman or Vice-Chairman and countersigned by any one of the other signatories named on the authorised signatory sheet from the Clerk's office.
- 3.4 Additionally, the bank shall be requested to honour all cheques and instructions up to £5,000 when signed by any two of the other signatories named on the authorised signatory sheet from the Clerk's office.

### 4. CONTRACTS

- 4.1 The responsible officer shall keep details of all contracts entered into by the Board and of payments made under such contracts.
- 4.2 On completion of a contract the responsible officer shall check the final account for arithmetical accuracy.

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### 5. DISPOSAL OF ASSETS

- 5.1 The responsible officer shall maintain a register of all the Board's main assets which will be included within the Board's Annual Accounts.
- 5.2 Items surplus to requirement or obsolete property shall be brought to the Board's attention for its approval for disposal by an approved method that may include but not exclusively part-exchange and competitive tendering.

### 6. ESTIMATES

- 6.1 The Clerk, together with the appropriate responsible officer shall prepare for the forthcoming financial year an estimate of expenditure and income. Such estimates together with any necessary supporting documentation shall be submitted to the Board and any sub-committee in order that the rate and special levy for the year may be determined.
- 6.2 The determination of the rate and levy for the year shall be completed by 15th February of that year as required under the Land Drainage Act 1991.
- 6.3 The Clerk shall be authorised to incur expenditure included in the approved annual estimates without further reference to the Board or sub-committee.

### 7. INCOME

- 7.1 The Clerk shall be responsible for the supervision and the making and maintaining of adequate arrangements for:
  - The collection, custody, control, disposal and prompt proper accounting of all the Board's income.
  - The financial organisation and accounting arrangements to ensure the proper recording of all sums due to the Board.
- 7.2 All money received on the Board's behalf shall be deposited promptly with the responsible officer.
- 7.3 All official receipt forms, books, issue notes, order books and other documents representing moneys' worth shall be ordered, controlled, and issued by the responsible officer.
- 7.4 The responsible officer shall ensure that all invoices are submitted promptly for the recovery of income due.
- 7.5 The responsible officer shall maintain and promptly enter up in chronological order full and accurate details of the total money received by them each day on behalf of the Board, and details of the date and the extent to which that money has been deposited with the Board's bankers. All money collected and exceeding £1,000 in total shall be banked no later than the first working day following that on which it was collected and, in any case not less frequently than once a week.

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- 7.6 The responsible officer shall prepare receipts as requested by debtors.
- 7.7 Sums due to the Board shall not be written off in the books of account except by resolution of the Board.

### **8. INSURANCE**

- 8.1 The responsible officer shall ensure that all the Board's insurable risks are adequately covered, maintain the necessary records and make all claims on behalf of the Board.
- 8.2 All employees of the Board shall immediately notify the responsible officer of any loss, liability or damage which occur and which may be covered by the Board's policies.
- 8.3 The provision of insurance cover shall be reviewed on a tri-annual basis unless a long-term agreement has been entered into. In this instance the policies shall be reviewed before the end of the period and before the next renewal date.

### **9. IRREGULARITIES**

- 9.1 In any case where irregularity is suspected in connection with financial or accounting transactions it shall be the duty of the member or employee suspecting this irregularity to bring it to the Clerk's attention who will in turn inform the Chairman and the Board's Auditors.
- 9.2 Any financial irregularity involving an employee of the Board will be considered as gross misconduct and treated accordingly.

### **10. PAYMENT OF ACCOUNTS**

- 10.1 The responsible officer shall check, code, and certify all invoices, claims and accounts prior to payment.
- 10.2 The responsible officer shall make all payments ensuring that all and any early payment discounts are taken. A schedule of payments made shall be submitted to the Board for approval. A copy of each schedule shall be kept by the responsible officer for audit purposes.
- 10.3 The responsible officer shall undertake an examination of all cheques, Direct Debits Standing Orders and BACs payments cleared through the Board's accounts and shall arrange for the reconciliation of cash and bank accounts on a regular basis but at least at quarterly intervals

### **11. PURCHASE OF GOODS**

- 11.1 All orders for goods or works shall be issued in writing. Details of price and discount (if any) shall be detailed. Verbal orders shall be confirmed by a written order.
- 11.2 The following procedures shall be employed in the procurement of goods and services unless the goods or services are a single source supply:

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Estimated Value of Goods and Services (per transaction)	Procedure
Up to £5,000	At the Clerk's discretion
£5,000 to £20,000	Two quotations/estimates and agree with Chairman
£20,000 and over	Obtain Board approval after obtaining three or more estimates/quotations and comply with EU Procurement legislation where appropriate.
Grant aided schemes/large contracts	Obtain tenders, consult Board and obtain Board approval. Complying with EU Procurement legislation where appropriate. For small contracts within a Grant Aided Scheme, follow the above procedures.
Major emergencies or breakdowns	Use Board's approved contractor and advise Chairman ASAP/obtain ratification by Board at next meeting

The Board shall not be obliged to accept the lowest quotation or tender but shall consider all aspects of the submitted documents to determine that best value for money is being obtained.

- 11.3 The Clerk shall have the authority to effect the purchase of good and services each up to the value of £5,000 not previously approved as part of the Board's budgeted expenditure.
- 11.4 The Board's or Chairman's approval shall be sought for amounts in excess of the above figure unless the goods or services have been approved as part of the Board's annual expenditure and accounted for within the approved estimates
- 11.5 All tenders received by the Board shall be opened in the presence of the Chairman or Vice Chairman and the Clerk, Finance Officer or another Officer of the Board. Tenders must be returned without any evidence of return Sender otherwise will be regarded as non compliant and void. Tenders must be returned on the correct format paperwork otherwise will be regarded as non compliant and void. Tenders should be returned with the correct return labels otherwise will be regarded as non compliant and void.

## 12. RETENTION OF DOCUMENTS

- 12.1 All documents relating to the accounts, salaries, pensions, insurances shall be kept for the statutory period following which they can be destroyed.

## 13. REVIEW OF THE REGULATIONS

- 13.1 If the Clerk at anytime considers that these Financial Regulations are inadequate and should be reviewed the matter should be brought to the Board's attention.
- 13.2 Notwithstanding the above these Regulations should be reviewed every five years following their adoption.

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**These Regulations were approved by the Scunthorpe and Gainsborough Water Management Board at their meeting on 23 June 2015.**

..... **Chairman**

..... **Clerk**