

**Financial Regulations and Procedures
(Including Existing Procurement Policy)**

19th October 2023

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INTRODUCTION

These Financial Regulations are designed to supplement the Conservators Standing Orders and to ensure that the funds and assets of the Conservators are properly accounted for and controlled.

Any variation of these Regulations or accounting systems shall only be made by a resolution of the Conservators.

The Treasurer shall, where appropriate, prepare additional rules of procedure, supplementary to these Regulations, to ensure the maintenance of financial control and security.

The Treasurer shall be responsible for determining the format of the Conservators accounting systems, annual Accounts and supporting records and shall ensure that the accounting systems determined by him are observed and that the accounts of the Conservators and supporting records are kept up to date.

The Treasurer shall be responsible for maintaining an adequate and effective internal audit of the accounts of the Conservators in the manner they consider to be best.

The Treasurer shall ensure that the Conservators annual Accounts are prepared as soon as possible after 31ST March, and in accordance with the dates as set out in the Accounts and Audit Regulations 2015 (as amended).

The Conservators can delegate to a Committee supported by the Clerk, Treasurer and Ranger, to undertake various administrative duties and make recommendations to the full Conservator membership.

PROCUREMENT & CONTRACTS

Elements requiring the agreement of the Conservators

Procurement plan

Membership of the selection committee

Budget – both procurement and operational

Specification of requirements for suppliers

Public communication channels for advertising, or pre-selected supplier [long] list

Choice of supplier, and whether needs to be local

Who signs contract/agreement?

Key dates:

Go-to-market date

Deadline for receipt of tenders

Supplier recommendation

Role of the Committee and Clerk

- Plan procurement
- Prepare budget (procurement cost, if any, and operating cost)
- Prepare requirements specification
- Recommend public communications channels, and ‘copy’ for such
- Release opportunity in the marketplace
- Conduct/oversee scrutiny of tenders and select
- Set selection criteria
- Set tender window
- Recommend long list, short list, and final choice to Conservators
- Oversee implementation

The Committee and Clerk will determine whether selection criteria will be made known to potential suppliers in the specification of requirements.

Potential supplier – long list

Consider suppliers’ commercial ability and scale to deliver the service required before inclusion on the long list.

Each potential supplier shall be required to notify the Clerk in writing (or email) of their willingness to be included in the procurement process, before specification of requirements is issued (i.e., ensure we are most likely to have the required number of potential supplier responses before we issue).

Each potential supplier shall be required to notify the Clerk in writing necessary information to fully complete our Contractor H&S checklist.

Include current supplier unless they explicitly decline.

These procedures shall be employed in connection with the procurement of goods and services:-

For all contracts other than for work on trees the following procedures shall apply:

<u>Estimated Value of Goods / Services</u>	<u>Action to be taken</u>
< £2,000	Written quotations not required, but wherever possible two quotations should be obtained
£2,001 - £5,000	Obtain 2 written quotations to be approved by the Committee
£5,001 - £25,000	Obtain 3 written quotations to be approved by the Committee
£25,001 and over	Obtain 3 tenders

For contracts that involve work on trees the following procedures shall apply:

<u>Estimated Value of Goods / Services</u>	<u>Action to be taken</u>
< £4,000	Written quotations not required, but wherever possible two quotations should be obtained
£4,001 - £7,500	Obtain 2 written quotations to be approved by the Committee
£7,501 - £25,000	Obtain 3 written quotations to be approved by the Committee
£25,001 and over	Obtain 3 tenders

Where emergency tree work is required, a single quotation can be accepted for work up to £4,000, but the Clerk will ensure the Conservators are advised where appropriate. However, where it is considered there are valid reasons for departing from the procedures above, the Conservators written approval shall be obtained.

Tender selection committee

Composition is agreed before process of inviting tenders begins.

Composition is based on skills and experience, and balance across the Conservator groups and officers.

Agreed external parties, where there are gaps, are used to ensure it includes skills and experience deemed necessary.

Tendering may be selective or open, although, whenever possible, selective tendering shall be used, and tenders invited to ensure that the required number of tenders are actually received.

The Tender contents required, and the requirements specification will be set by the Committee and Clerk.

Contents will at least address:

- Services required and, where it adds clarity, what is excluded

- Remuneration basis, and payment terms

- Supplier performance requirements, and penalties

- Early termination

- Options, if any, for extending the period for which services are supplied

- Consideration of changes to requirements, if any, while contract is in force

- Consideration of dispute resolution

Tender window

Potential suppliers will be given at least 20 working days to respond, with their tenders – actual time given may be extended, depending on complexity of the procurement, etc.

Tenders shall be opened, not earlier than the closing date prescribed in the tender documents, in the presence of the Clerk, the Ranger and the Treasurer or other suitable member. A declaration shall be signed to such effect by the persons present at the opening of the tender(s).

Decisions made

Chosen supplier will be advised of Conservators' decision, and their acceptance is to be provided in writing/email.

Subsequently, suppliers not chosen will be advised of Conservators' decision.

Subsequently, choice of supplier may be made public.

Where a tender is accepted other than the lowest, this should be explained, and the Conservators written approval shall be sought.

RESPONSIBILITY OF EMPLOYEES

All employees of the Conservators have a general responsibility for the security of the property of the Conservators for the avoidance of loss and for economy, efficiency and effectiveness in the use of resources.

BUDGETS

The Treasurer shall be responsible for the preparation of annual Budgets.

The Budgets should be determined at the commencement of each year – using the best information available.

The Budgets shall be approved by the Conservators each year.

The Treasurer shall be responsible for seeking reasons and causes for deviation from the Budgets and shall inform the Conservators of all material variances.

BANKING

The Conservators will determine the manner in which the bank accounts, which must be in the Conservators name, are operated and the Treasurer shall inform the banks accordingly.

All payments shall be made by either cheque, online payment or direct debit.

The bank accounts will be operated on the following basis:- All payments will be authorised by any two signatories, who currently are the Clerk (G Stapeley), the Treasurer (A Leale-Green) and a Conservator (S Lacey)

The salaries and wages of the employees are determined by the Conservators on an annual basis and paid by BACS and operated by Tunbridge Wells Borough Council.

INCOME

The primary income is a Precept from Tunbridge Wells Borough Council.

The Treasurer shall be responsible for ensuring that all monies received are properly brought to account in the Conservators accounting records.

PURCHASES OF GOODS AND SERVICES

The Clerk to the Conservators shall have the authority to effect the purchase of goods and services that are in a budget approved by the Conservators.

It shall be the duty of the Clerk to ensure that goods and services ordered are necessary for the efficient working of the Conservators operations.

All invoices for payment shall be examined, coded and approved by the person responsible for the order and certified by the Clerk, the Treasurer or the Ranger to the Conservators.

See "Contracts" Section above for further Financial Regulations in connection with the purchase of goods and services.

EMPLOYEES

The Conservators approval shall be required for the employment of any unbudgeted employees.

The Clerk shall have authority to employ additional temporary employees, provided the revenue consequences are contained within the current annual Budget.

The Conservators have the final determination of pay and their pay reviews, for all employees the latter will be at least annually.

The Conservators have employed Tunbridge Wells Borough Council to be responsible for the proper compilation of the payroll.

All employees of the Conservators shall conduct themselves in a polite and courteous manner as expected by the Conservators.

Employees must declare to an appropriate responsible officer any financial or other interest, which could conflict with the Conservators interests.

It is a criminal offence for an employee to receive or give any gift, loan, fee reward or advantage for doing or not doing anything, or showing favour or disfavour, to any person in their official capacity as an employee.

In terms of hospitality and gifts, only usable gifts of a small value may be accepted by individual employees or a section as a whole. Under no circumstances may cash

be accepted as a gift.

Hospitality must be recorded in a Hospitality Book to be kept at the Conservators offices.

Where an outside organisation is seeking to sponsor a Conservators activity (whether by invitation, tender, negotiation or voluntary), the basic rules concerning acceptance of gifts and hospitality shall apply.

EMPLOYEES' ALLOWANCES

All employees claims for payment of car allowances, subsistence allowances, travelling and any other incidental expense shall be submitted as required duly certified, in a form approved by the Treasurer.

The certification by or on behalf of the responsible officer shall imply that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Conservators.

An employee shall not certify a claim form made payable to him/herself.

Claim forms submitted more than six months after the expenditure has been incurred shall be paid only on the approval of the Chairman.

Payments to Members, (including co-opted Members of the Conservators or its Committees), who are entitled to claim travelling or other allowances will be made by the Chairman upon receipt of the completed prescribed form.

STORES

Stores records shall be in such a form and shall comply with such systems of control as the Clerk or Ranger shall approve.

ASSETS

All assets over £500 in value owned by the Conservators shall be accounted for in an asset register maintained by the Treasurer. The asset register shall reflect additions and disposals of assets and record the cost or valuation of the assets.

At least once a year, the Clerk shall prove the accuracy of the asset register with a physical inspection of the Conservators assets.

The asset register shall be placed before the Conservators for inspection at the earliest opportunity following the completion of the annual accounts.

Any sale of Conservators assets will be disposed of through competitive tender where the value of the asset exceeds £1,000.

AUDIT

As a requirement of the Accounts and Audit Regulations 2015 (as amended) the Treasurer and Clerk shall arrange for an internal audit of accounting, financial management and other operations of the Conservators to take place. This audit will be undertaken by an external person qualified to perform this function.

Authority of Internal Audit Auditors are authorised to:

Have access to all assets, records, documents, minutes, correspondence and control systems relating to any aspect of the Conservators.

Require and receive any information and explanation considered necessary concerning any matter under examination.

Require any employee of the Conservators to produce or account for cash, stores or any other Conservators asset under his or her control.

Have full and free access to all Employees, Members and Committees.

Allocate resources, set frequencies, select subjects, determine scope of work, and apply the techniques required to accompany audit objectives.

Auditors are not authorised to:

Perform any operational duties for the Conservators, unless in exceptional circumstances where specific approval is given by the Chairman.

Initiate or approve accounting transactions.

Direct the activities of any Conservators employee, except to the extent such employees have been appropriately assigned to assist the Internal Auditor.

In addition, all employees of the Conservators are required to assist the External Auditor, or his/her authorised representative, in the performance of his/her duties under the Audit Commission Act 1998.

FRAUD OR OTHER IRREGULARITIES

The Responsible employee or any other employee concerned shall immediately notify the Chairman and /or the Internal Auditor of any matter which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Conservators or any suspected irregularity in the exercise of the functions of the Conservators.

Any financial irregularity involving an employee of the Conservators will be considered as gross misconduct and will be dealt with in accordance with the Disciplinary Procedure of the employees Terms and Conditions of Contract.

INSURANCES

The Clerk shall, in consultation with the employees, initiate all insurance cover and negotiate all claims in consultation with other employees where necessary.

Responsible employees shall promptly notify the Conservators of all new risks, properties or vehicles needing to be insured, and of any disposals or alterations affecting existing insurances.

Employees shall notify the Conservators of any loss, liability or damage or any event likely to lead to a claim on any Conservators policy, and shall where appropriate notify the police of the relevant circumstances.

All employees of the Conservators shall be included in a suitable fidelity guarantee insurance.

The Conservators shall annually, or at such other period as they considers necessary, review all insurances held by the Conservators in consultation with other responsible employees as appropriate. Responsible employees shall consult the Chairman in respect of the terms of any indemnity which the Conservators is requested to give.

The responsible employees shall inspect insurance policies of contractors for building, plant hire, construction or engineering works to ensure as far as possible that all necessary cover has been taken out.

SECURITY

Each responsible officer is responsible for maintaining proper security at all times for all stores, materials, vehicles, equipment, documents and information under his/her control. Each employee shall consult the Clerk in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

All employees of the Conservators have a duty to comply with the requirements of the Data Protection Act 2022 and any amending legislation. Employees shall ensure that all employees are aware of their responsibilities under this legislation through the provision of suitable training and the circulation of relevant information on the subject.

No cash is held.

PROTECTION OF PRIVATE PROPERTY

Each responsible officer shall notify the Chairman of any case where steps are necessary to prevent or mitigate loss or damage of moveable property.

The Conservators shall not be liable for accidental loss or damage to the personal possessions which employees' use whilst on Conservators business that are not included under the Conservators Insurance Policies.

All recovered valuables such as jewellery, watches and other small items of a similar nature and documents of title shall be kept under safe custody as directed by the Chairman, and shall, if not claimed, be disposed of in a manner determined by him.

In the event of theft of personal items from employees, a full report shall be made by the affected employee as soon as the theft has been discovered. All such incidents shall be recorded and investigated. Where possible, the Chairman or an employee shall make appropriate recommendations to improve security.

Date of review: October 2023

Date of next review: October 2026