

WAVENEY, LOWER YARE AND LOTHINGLAND INTERNAL DRAINAGE BOARD

FINANCIAL REGULATIONS

GOVERNANCE

WATER MANAGEMENT ALLIANCE

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Reviewed by: Waveney, Lower Yare and Lothingland IDB

The Financial Regulations are designed to ensure that the Board's resources are properly managed, accounted for and controlled. They also apply to the King's Lynn IDB T/A the Water Level Management Alliance (hereinafter referred to as the "WMA"), of which this Board is a Member.



Financial Regulations

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A. SUMMARY

1. These Financial Regulations are designed to supplement the Board's Standing Orders to ensure that its resources are properly managed, accounted for and controlled. They also apply to the King's Lynn IDB T/A the Water Level Management Alliance (hereinafter referred to as the "WMA"), of which this Board is a Member.
2. The Chief Executive shall be responsible for maintaining adequate and effective controls and procedures in the manner and format he/she considers to be best. The Chief Executive shall, where appropriate, prepare additional rules of procedure/guidance, supplementary to these Regulations.
3. The Finance and Rating Manager shall be responsible to the Chief Executive for setting up and maintaining the financial and management accounting/reporting systems, processes, procedures and coding lists. Such systems shall be fully documented by the Finance and Rating Manager and shall not be changed without the Chief Executive's prior written consent.
4. The Finance and Rating Manager shall be the Board's Responsible Financial Officer, as defined in the [Accounts and Audit Regulations 2015](#) and is responsible to the Chief Executive for ensuring that the Board complies with these Regulations, the [Local Audit \(Smaller Authorities\) Regulations 2015](#) (as an opted-in authority) and the [Smaller Authorities \(Transparency Requirements\) Regulations 2015](#).
5. The Chief Executive shall be responsible to the Board for securing economy, efficiency and effectiveness in its use of resources.
6. The Chief Executive shall ensure that the Board's Financial Statements and Annual Return for the year ending 31 March are prepared by the Finance and Rating Manager no later than 30 June every year and that they are completed in accordance with Proper Practices, as set out in the Practitioners Guide to the preparation of Financial Statements for Smaller Authorities.
7. The Chief Executive shall ensure that the Board considers and approves its Financial Statements and Annual Return for the year ending 31 March by no later than 30 June every year, or by any other date specified in the Accounts and Audit Regulations.



8. Any variation to these Financial Regulations shall only be made by resolution of the Board. The Chief Executive and the Responsible Financial Officer will ensure that these Financial Regulations are followed and, for the avoidance of doubt, shall be empowered to do the same.

B. SCHEME OF BUDGET DELEGATION

1. The Chief Executive shall be the primary budget holder.
2. The Finance and Rating Manager shall be a budget holder and, as the Responsible Financial Officer, is responsible to the Chief Executive and the Board for the overall management of the Board's Finances, the Rate Estimates, and all Budgets, in accordance with these Financial Regulations and any supplementary rules of procedure/guidance issued by the Chief Executive. The Finance and Rating Manager is also responsible to the Chief Executive and the Consortium Management Committee for the overall management of the WMAs Finances and all Shared Budgets.
3. The Project Development Manager shall be a budget holder and is responsible to the Chief Executive for preparing and managing the Board's approved Capital Works Studies Budget in accordance with these Financial Regulations and any supplementary rules of procedure/guidance issued by the Chief Executive.
4. The Project Delivery Manager shall be a budget holder and is responsible to the Chief Executive for preparing and managing the Board's approved Capital Works Delivery Budget in accordance with these Financial Regulations and any supplementary rules of procedure/guidance issued by the Chief Executive.
5. The Area Manager shall be a budget holder and is responsible to the Chief Executive for preparing and managing the Board's approved Maintenance Works Budget, the Plant/Labour Operating Accounts, the Mobile Plant Renewals Budget, Stock Control Account and Rechargeable Works Budget, in accordance with these Financial Regulations and any supplementary rules of procedure/guidance issued by the Chief Executive.



6. The Chief Executive shall have the full power and authority of the Board to overrule any decision taken by another budget holder to procure goods and services, charge, allocate or otherwise commit expenditure, if the Chief Executive feels that it is in the best interests of the Board to do so.
7. Each Budget holder can elect to appoint up to 3 deputies to act on their behalf, providing such appointments are approved in writing by the Chief Executive, or, in the case of the Chief Executive approved by resolution of the Board (“approved deputies”). The Operations Manager will be one of the Area Manager’s standing approved deputies and shall therefore be permitted to raise Purchase Orders and approve Supplier Invoices on behalf of the Area Manager. However, the Area Manager shall always remain responsible for the actions of the Operations Manager. Where other appointments are made the budget holder shall also always remain responsible for the actions of their approved deputies. However, budget holders can at any time elect to remove any of their approved deputies (including the Operations Manager), providing such requests are approved in writing by the Chief Executive, or, in the case of the Chief Executive approved by resolution of the Board.
8. No other employee (shared or otherwise) shall be empowered to enter into contracts on behalf of the Board or other WMA Member Boards. Nor shall any other employee (shared or otherwise) commit the Board or other WMA Member Boards to a particular course of action or provide such an undertaking/assurance to anyone or any third party without the relevant budget holder’s prior written consent.
9. Board members shall not individually have the power to commit the Board to any contract unless the Board has made a statutory resolution specifically authorising this course of action, which should be reviewed annually. In the case of shared expenditure, Board members shall not individually have the power to commit the WMA Member Boards to any contract unless the Consortium Management Committee has made a resolution specifically authorising this course of action, which should be reviewed annually.
10. No budget holder or other employee (shared or otherwise) shall procure goods and services, charge, allocate or otherwise commit expenditure against a budget that they have no budgetary responsibility for. Budgetary responsibility is clearly set out in and limited to items B1 to B7 above.



11. All correcting journals shall always be authorised and approved by the Chief Executive or the Finance and Rating Manager.
12. All of the Board's employees (shared or otherwise) and members have a responsibility for health and safety, protecting the environment and carbon reduction, compliance with policies, procedures and codes of practice, for the general security of the Board's property, and, for economy efficiency and effectiveness in the use of resources.
13. All employees (shared or otherwise) shall familiarise themselves with and observe the Board's [Schedule of Reserved Matters](#) and [Scheme of Delegation](#).
14. The Chief Executive shall be empowered to make changes to the nature and extent of any budget holders' responsibility other than his/her own, as set out in Section B above.
15. Failure to comply with any aspect of these Financial Regulations may result in disciplinary action being taken against the individual(s) concerned. Serious breaches by employees may be treated by the Board as gross misconduct, or in the case of shared employees may be treated by the Consortium Management Committee as gross misconduct, which could lead to summary dismissal/termination of employment. Serious breaches by Board Members may result in them having to resign, in accordance with the Members Code of Conduct and the arrangements for dealing with complaints made about members under the Code of Conduct.

C. MANAGING BUDGETS & REPORTING

1. The Finance and Rating Manager shall be responsible to the Chief Executive for preparing the Board's Estimates/Budgets with budget holders, for monitoring Income and Expenditure during the course of the year and alerting the Chief Executive to any material variances, and, for providing budget holders with the financial information that they want in the format that they require to enable them to properly prepare/manage their budgets as and when they require or the Chief Executive requires. The Finance and Rating Manager shall also be responsible for advising, supporting and assisting budget holders to prepare their budgets and fulfil their responsibilities as stated in B1 to B7 above.



2. The Finance and Rating Manager shall present the Chief Executive with the proposed Rate Estimates for the Board in the manner/format prescribed by the Chief Executive by no later than 15 December every year. As part of this process the Finance and Rating Manager shall provide other budget holders with the necessary information they need to prepare their budgets in the manner required by the Chief Executive. After having acquired the detailed budgets with accompanying notes from each budget holder, the Finance and Rating Manager shall proofread and go through each detailed budget with the budget holder before presenting the proposed Rate Estimates to the Chief Executive.
3. It is the Finance and Rating Manager's responsibility to ensure that the Chief Executive is presented with the proposed Rate Estimates as before stated by no later than 15 December every year and it is the budget holder's responsibility to provide the Finance and Rating Manager with the detailed budgets and supporting information when required. It will not be acceptable for other budget holders to present the Chief Executive or the Finance and Rating Manager with partially drafted Estimates and expect the Chief Executive or the Finance and Rating Manager to substantially complete or redo them.
4. The Chief Executive shall ensure that the Board considers and approves the Rate Estimates before 15 February each year, in order that the Drainage Rates and Special Levies can be determined in accordance with the Land Drainage Act 1991.
5. Any drainage rate refunds due for whatever reason shall be approved by the Chief Executive or the Finance and Rating Manager prior to being paid or otherwise accounted for.
6. The Chief Executive, Finance and Rating Manager and the Rating Officer shall all be empowered to prosecute drainage rate defaulters on behalf of the Board.
7. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that the Drainage Rates and Special Levies are substantially collected by 1 November each year. Liability Orders should have been issued by no later than 30 November each year.
8. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all Rating queries are actioned within 30 working days or within such



time as may be otherwise stated in the Board's [Register of Drainage Hereditaments: Maintenance and Inspection Policy](#).

9. The Finance and Rating Manager shall advise the Chief Executive immediately should a Billing Authority fail to make their Special Levy payment to the Board at the agreed time, or where significant Drainage Rates due become doubtful.
10. Every budget holder is responsible for ensuring that actual expenditure on each of their budget codes does not exceed the budget as approved/varied by the Board and shall regularly monitor income/expenditure to this end. Budget holders shall always get prior approval from the Chief Executive for material adverse variances to any of their budget codes that are anticipated. The Chief Executive shall always seek prior approval from the Board for significant variances, in accordance with item 1.3 of the Board's Reserved Matters.
11. The Chief Executive (or appointed deputy), Finance and Rating Manager (or appointed deputy) and Area Manager (or appointed deputy) shall attend all Board meetings. All employees (shared or otherwise) shall attend Board meetings and/or Board Committee meetings when requested by the Board or the Chief Executive.
12. The Chief Executive shall be the only employee who can convene a scheduled Board meeting or a Board Committee meeting, unless otherwise stated in the Committee's Terms of Reference.
13. The Project Development Manager shall prepare a Report for each Board meeting and Board Committee meeting, detailing amongst other things the progress made on accessing funding to deliver approved capital schemes during the reporting period as compared to approved budgeted costs. The Project Development Manager shall present their completed Report to the Chief Executive 10 working days before the Board/Board Committee meeting date.
14. The Project Delivery Manager shall prepare a Report for each Board meeting and Board Committee meeting, detailing amongst other things the progress made on delivering approved capital schemes during the reporting period as compared to approved budgeted costs. The Project Delivery Manager shall present their completed Report to the Chief Executive 10 working days before the Board/Board Committee meeting date.



15. The Area Manager shall prepare an Operations Report for each Board meeting and Board Committee meeting, detailing the maintenance work that has been carried out during the reporting period and the cost of such work, in a manner prescribed by the Chief Executive or the Board, and, when appropriate, will propose new capital schemes for the Board's consideration, in a manner prescribed by the Chief Executive or the Board. The Report will also include the consideration of all relevant Health & Safety matters. The Area Manager shall present their completed Report to the Chief Executive 10 working days before the Board/Board Committee meeting date.
16. The WMA Group's Sustainable Development Manager shall prepare a Planning Report for each Board meeting and as otherwise required, detailing amongst other things the invoices raised for development contributions, commuted obligations, byelaw/land drainage consents, acknowledgements and any other sundry income that has been generated through the Planning and Enforcement function, in a manner prescribed by the Chief Executive or the Board. The Sustainable Development Manager shall present their completed Planning Report to the Chief Executive 10 working days before the Board/Board Committee meeting date.
17. The WMA Group's Environmental Manager shall prepare an Environmental Report for each Board meeting and as otherwise required, in a manner prescribed by the Chief Executive or the Board. The Environmental Manager shall present their completed Environmental Report to the Chief Executive 10 working days before the Board/Board Committee meeting date.
18. The Finance and Rating Manager shall provide budget holders and others with all of the information, help and assistance they need to draft the management accounting aspects of their Reports for the Board or Board Committees. The Finance and Rating Manager shall also prepare a Financial Report for each Board meeting and Consortium Management Committee meeting, and, shall prepare any other management accounting/financial report that may be required by the Board, Board Committee, Consortium Management Committee, WMA Pay and Conditions Sub Committee, or budget holder as directed by the Chief Executive. The Finance and Rating Manager shall present their completed Report to the Chief Executive 10 working days before the Board/Board Committee meeting date.



D. PURCHASING GOODS & SERVICES (INCLUDING PLANT)

1. Budget holders and their approved deputies shall always comply with the Public Contracts Regulations and the following procedures when procuring goods and services. Quotations/Tenders will be sought as follows, other than in emergency situations; where Board approved buying groups/frameworks are used or where Board approved service level agreements are in force. These threshold amounts may be amended from time to time by resolution of the Board:

<u>Estimated Value of Goods/Services</u>	<u>Quotes/Tenders to be obtained</u>
<= £25,000	No quotations/tenders required
> £25,000 and <= £150,000	Obtain 3 written quotations
> £150,000	Obtain 3 tenders

2. The budget holder shall be responsible for ensuring that 3 quotations are sought from suppliers on the 'approved suppliers' list when the value of the goods/services is >£25,000 and <=£150,000. Where the contract sought is for capital work, the Board's Area Manager shall always be given the opportunity to submit a quotation. Where it is not possible to get 3 quotations, the Chief Executive's written approval must be obtained prior to awarding any contract.
3. Tendering may be selective or open, although, whenever possible, selective tendering shall be used from the 'approved suppliers' list when the value of the goods/services is >£150,000. Tenders will be invited from 3 such suppliers whenever this is reasonably practicable and the documentation prepared by Officers for the tendering process shall always be proportionate to the value of the contract, as estimated by the Chief Executive. Where the contract being tendered is for capital work, the Board's Area Manager shall always be given the opportunity to submit a tender. Where it is not possible to get 3 tenders, the Board's approval must be obtained prior to awarding any contract.
4. Tenders shall be opened (including those sent by email), not earlier than the closing date prescribed in the tender documents, in the presence of the Chief Executive, the Chairman or Vice Chairman or other suitable member, except where this process has been delegated by the Board to a Committee or third party. A declaration shall be signed to such effect by the persons present at the opening of the tender(s).



5. Where a tender is accepted other than the lowest, the Board's approval shall be obtained, or a Committee's approval shall be obtained where the Committee has delegated authority from the Board for this purpose.
6. It will not be necessary to go out to tender for services where the Board otherwise agrees to share those services (in whole or in part) with one or more other Risk Management Authority, in accordance with the Land Drainage Act 1991 and the Flood & Water Management Act 2010. Such an arrangement is a collaboration and not a procurement and is therefore exempt from these Financial Regulations and the Public Contracts Regulations 2015 (Hamburg Waste & Teckal Exemptions).
7. If a budget holder would like to start trading with a new supplier that is not on the approved suppliers list or would like to remove a supplier from the approved suppliers list they must gain the appropriate authority in writing from the Chief Executive after acquiring a copy of their trading terms of business.
8. The approved suppliers list shall be maintained by the Finance and Rating Manager, as directed by the Chief Executive. The Finance and Rating Manager shall keep the approved suppliers list up to date and shall make the current list available to all budget holders.
9. The budget holder must never agree to permit a third party to provide them with goods/services on approval without obtaining a copy of their terms of business beforehand and getting prior written consent from the Chief Executive or the Finance and Rating Manager.
10. Budget holders shall fully comply with all competition law and the Bribery Act 2010. Furthermore, budget holders shall inspect the insurance policies of contractors, their safe systems of work and environmental policies, and obtain the Chief Executive's or the Finance and Rating Manager's prior written consent before awarding works contracts.
11. Budget holders shall not enter into any contract that has been reserved to the Board or delegated to a Board Committee without obtaining the Chief Executive's approval beforehand. The Chief Executive shall not permit any budget holder to enter in to such a contract if he/she considers it to be inappropriate and not without obtaining



the Board’s prior approval (see Section 5 ‘Contracts’ of the Board’s Reserved Matters), or the Board Committee’s prior approval.

12. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that the procurement of all goods and services is authorised as follows; which also includes purchasing goods and services for emergency situations, purchasing goods and services through buying groups, frameworks and via service level agreements or other arrangements that have been approved by resolution of the Board. Reference to the ‘budget holder’ here also includes reference to approved deputies. These threshold amounts may be amended from time to time by resolution of the Board:

Value of Purchase Order		Authorisation required
£	£	Authoriser(s)
>0	and <=5,000	Budget holder: <ol style="list-style-type: none"> 1. Capital Schemes budget (Studies) – Project Development Manager 2. Capital Schemes budget (Delivery) – Project Delivery Manager 3. Maintenance Works budget, Plant & Labour Operations Account, Mobile Plant Renewals budget, Stock Control Account and Rechargeable Works budget – Area Manager/Operations Manager 4. WMA budget – Finance and Rating Manager 5. Any budget/appropriation of Reserve – Chief Executive
>5,000	and <=10,000	Budget holder and Chief Executive (when different) or Finance and Rating Manager. Where the budget holder is the Finance and Rating Manager, contracts must be authorised by the Chief Executive.



>10,000 and above Budget holder and Chief Executive (when different).

Any Value All types of contract that are listed in Section 5 of the Schedule of Reserved Matters shall be authorised by the Chief Executive, after the Board has approved such contracts.

All expenditure on officer/member training, continuous professional development, courses and seminars shall only be authorised by the Chief Executive.

All expenditure where corporate credit cards are used as the means of payment shall only be authorised by the Chief Executive.

All minor emergency works shall be authorised beforehand by the Chief Executive. Materially significant emergency works must be approved beforehand by the Board or the Board's Chairman's Committee.

13. All procurement of goods and services shall be authorised by the authoriser(s) as stated in D12 above, by the raising, signing and dating of an official purchase order. On so authorising the procurement of goods or services the budget holder (and secondary authoriser) will have satisfied themselves that these Financial Regulations have been complied with and that the Board's approval has been obtained, if required by the Schedule of Reserved Matters or that the Board Committee's approval has been obtained, if delegated authority has been given to the Committee by the Board.

14. The budget holder must never break down a job and string a number of purchase orders together simply to avoid having to get 3 written quotations/tenders or approval from a secondary authoriser. The budget holder must never request a supplier to falsify, hide or misconstrue any accounting document.

15. The following information must be clearly stated on each purchase order:



1. The name of the supplier and supplier code as they appear on the approved suppliers list.
 2. The agreed price of the goods/services required, other than in an emergency.
 3. The internal code(s) to which the item(s) will be allocated and thereby charged to in the Board's Financial Statements, or in the case of shared expenditure, in the WMAs Financial Statements. (The Finance and Rating Manager shall ensure that each budget holder has an up-to-date coding list for their area of budgetary responsibility).
 4. The date(s) by which the goods/services will be provided (a delivery date must always be agreed with the supplier at the time of placing the order).
 5. How the goods/services are to be paid for i.e. by BACS, Direct Debit, Cheque or Credit Card.
16. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all budget holders comply with the procurement procedures as set out in Section D and crucially that no one purchases goods or services, charges, allocates or otherwise commits expenditure against a budget that they have no budgetary responsibility for. The Finance and Rating Manager shall inform the Chief Executive immediately, if he/she establishes that an employee (shared or otherwise) has procured goods or services, charged, allocated or otherwise committed expenditure against a budget that they have no budgetary responsibility for.
17. All quotes/tenders, delivery notes, invoices for payment and credit notes shall be matched to the official purchase order, examined, coded and certified as correct by the budget holder and secondary authoriser (where appropriate) as shown in D12, before they are proposed for payment. If the budget holder or co-authoriser deems any invoice/credit note to be incorrect (other than a Utility Bill) they shall notify the Finance and Rating Manager immediately, who shall not process such invoices/credit notes for payment until otherwise requested by the budget holder and co-authoriser. The quotes/tenders, purchase orders and delivery notes, shall all be filed together with the invoices/credit notes chronologically by the Finance team, or as otherwise directed by the Chief Executive.



18. The Finance and Rating Manager shall ensure that all Invoices which have been approved in accordance with D16 are proposed for payment within 30 days of the Invoice tax point date, unless otherwise requested by the Chief Executive. A Schedule of Proposed Payments shall be prepared by the Finance and Rating Manager twice a month, or as otherwise directed by the Chief Executive.
19. The Schedule of Proposed Payments shall be authorised by the Chief Executive (or an approved deputy) and the Finance and Rating Manager (or an approved deputy) prior to making payment.
20. If a supplier contacts the Board purporting to have changed their bank details etc, this will be independently verified by the Finance and Rating Manager before amending the records and making any further payments to the supplier.
21. Where it is considered that there are valid reasons for departing from the procedures in Section D, the Board's approval shall be obtained, or if a Committee has been setup by the Board with the power to do this, then the Committee's approval shall be obtained, or in the case of shared expenditure then the Consortium Management Committee's approval shall be obtained.

E. BANK MANDATE AND INVESTMENTS

1. No changes shall be made to the Board's banker or the bank mandate without prior consent of the Board, as stated in item 12.1 of the Reserved Matters.
2. The Chief Executive shall be responsible for advising the Board's bankers in writing of the conditions under which the Board would like each of its bank accounts to be operated.
3. None of the Board's bank accounts shall be overdrawn and no loans shall be taken out without the Chief Executive's prior written consent and a statutory resolution from the Board, in accordance with items 5.2 and 5.3 in the Reserved Matters and s55 of the Land Drainage Act 1991.
4. Approved signatories for the Board's bank accounts are as follows:
 1. Chief Executive



2. Finance and Rating Manager
3. Finance and Rating Officers
5. All payments from the Board's bank accounts shall be made in the most efficient/secure manner (e.g. electronically), as determined from time to time by the Chief Executive, but always in accordance with the Board's Safeguarding Public Money Policy.
6. Any cheques issued shall be signed by both the Chief Executive and one of the other approved signatories shown in E4. All electronic payments shall be authorised by the Chief Executive (or an approved deputy) and the Finance and Rating Manager (or an approved deputy) prior to being made.
7. All bank transfers and Investments shall be authorised by both the Chief Executive and one of the other approved signatories shown in E4, in accordance with the Board's Investment Policy. Such transfers and investments shall be made in the most efficient/secure manner (e.g. electronically), as determined from time to time by the Chief Executive.
8. The Finance and Rating Manager shall maintain a Register of Passwords and Contact Details to enable other approved signatories to use and obtain support on all banking software.
9. All bank accounts shall be reconciled at least weekly by the Finance and Rating Manager. The Finance and Rating Manager will present 1 in every 12 of the bank account reconciliations for each bank account to the Chief Executive for approval.
10. Payments should never be made to anyone on the strength of an email request from a budget holder without being authorised in the proper manner, as set out in section D of each Board's Financial Regulations.
11. When the Finance and Rating Manager or Finance and Rating Officer receives an email instruction to pay someone purporting to come from the Chief Executive, the payment will only be made:
 - a. if the email has come from the Chief Executive using his/her WLMA domain, e.g. phil@wlma.org.uk, and



- b. if the email has an Invoice attached to it; made out to the WLMA or one of its Member Boards quoting a valid Purchase Order Number, and/or where a clear explanation is given by the Chief Executive detailing what the payment is for and where the expenditure should be coded to, and crucially
 - c. after the request has been verified by the Finance and Rating Manager either in person or on the telephone with the Chief Executive him/herself.
 - d. Only when these 3 checks have been made will the payment be processed by BACS transfer, which will be subject to the usual 3-day clearance period. Payment will never be made by CHAPS transfer where funds are cleared immediately the payment is made, unless otherwise requested by the Chief Executive physically in person.
 - e. If the Chief Executive requests that the payment be made by CHAPS transfer, the Finance and Rating Officer or Finance and Rating Manager will complete a manual payment requisition for the Chief Executive to sign, thereby authorising the CHAPS transfer and confirming financial values, coding (where necessary), the person/company to be paid and the bank details to which the bank transfer will be made.
12. The WMA will insure against cybercrime attacks arising from phishing emails, viruses and data theft etc., subject always to the adequacy of cover provided and the affordability of premiums.

F. COLLECTING MONEY

1. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all monies received are properly recorded in the Board's accounting records.
2. No cash shall be collected at any of the Board's District/Satellite offices. All Ratepayers/Sundry Debtors shall be directed to the WMA Member Boards central office.



3. An official receipt shall be generated for every sum received by the Board in cash and must show:
 - (a) Date of receipt
 - (b) Amount received and from whom
 - (c) Type of remittance
 - (d) Reason for payment
4. Electronic copies of all receipts issued shall be retained for at least six years.
5. Board monies shall not be used for the encashment of private cheques.
6. All cheques, cash etc. received shall be banked daily. Disbursements shall not be made from cash received.

G. SUNDRY DEBTORS

1. The Finance and Rating Manager is responsible to the Chief Executive for raising and collecting sundry debts due.
2. Before carrying out any rechargeable work, the budget holder will check with their Line Manager that they are permitted to carry out such work. No one other than a budget holder (or an appointed deputy) is permitted to carry out rechargeable work.
3. Each budget holder shall ensure that their customer signs the Board's Estimate and Terms of Business before carrying out any rechargeable work on their behalf. Each budget holder shall also be responsible for providing the Finance and Rating Manager with the necessary information to enable rechargeable work to be properly accounted for and invoiced, and any other debts due to be properly invoiced. The budget holder shall advise the Finance and Rating Manager immediately the job has finished or whenever else an Invoice is to be raised for goods provided or services rendered, under their control.
4. The Sustainable Development Manager shall be responsible for providing the Finance and Rating Manager with all of the necessary information expeditiously to enable the Debtor to be properly invoiced for development contributions, commuted maintenance sums, easements, consenting and wayleave fees etc.



5. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all such Invoices are properly raised expeditiously after being authorised by the budget holder, and, that the amounts due are collected promptly.
6. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all other periodic debts due to the Board are properly raised when required and collected promptly. Such periodic debts will be maintained in a separate database by the Finance and Rating Manager, as instructed by the Chief Executive.
7. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all rents are reviewed by a Chartered Surveyor at least once every 5 years.
8. The Finance and Rating Manager shall always obtain the Chief Executive's approval for highland water claims before sending the Invoice(s) to the Environment Agency on the dates specified by the Environment Agency.
9. The Finance and Rating Manager shall respond to all queries raised by Sundry Debtors within 30 working days from the date of receiving the query. Any refunds due to debtors for whatever reason shall be approved by the Chief Executive prior to being paid or otherwise accounted for.
10. The Finance and Rating Manager shall keep the relevant budget holder informed of all balances due from Sundry Debtors at least monthly, by providing them with (or with access to) a Closing Balances Report in the format prescribed by the Chief Executive.
11. The Finance and Rating Manager shall ensure that all debts are substantially collected within 30 days from the Debtor Invoice tax point date. The Finance and Rating Manager shall advise the Chief Executive of any debt that becomes 3 months overdue or whenever a debt becomes doubtful, whichever earlier.
12. The Chief Executive and the Finance and Rating Manager shall be empowered to collect all sundry debts due on behalf of the Board and WMA Member Boards.



13. The Finance and Rating Manager shall obtain the Chief Executive's approval before instigating legal proceedings to collect any outstanding sundry debt.

H. EMPLOYING/MANAGING STAFF

1. The Chief Executive shall be responsible to the Board for all matters regarding its employees and shall be responsible to the Consortium Management Committee for all matters regarding shared employees.
2. The Consortium Management Committee shall always seek independent advice before recruiting a new Chief Executive. This advice will be circulated to Board representatives in advance of Consortium Management Committee meetings.
3. The Board's approval shall be required for the employment of additional permanent staff to fill new roles, in accordance with items 2.4 and 5.1 of the Reserved Matters (other than for shared employees). Authority to employ such additional staff that are shared with other WMA Member Boards has been delegated to the Chief Executive and the Consortium Management Committee.
4. The Chief Executive shall have the authority to employ temporary staff and replace permanent staff; provided the employment costs are contained within the Rate Estimates/Budgets approved by the Board, or in the case of shared staff within the WMA budget approved by the Consortium Management Committee.
5. The Chief Executive shall be the only Officer that has the power to offer anyone any form of employment on behalf of the Board (or WMA Member Boards) or to dismiss a Board employee (or shared employee), or otherwise approve disciplinary action being taken against any of the Board's employees (or shared employees).
6. Board members shall not individually have the power to formally offer anyone any form of employment on behalf of the Board or to dismiss a Board employee, or otherwise take disciplinary action against any of the Board's employees unless the Board has specifically authorised such action by statutory resolution, or in the case of a shared employee, unless the Consortium Management Committee has specifically authorised such action by resolution. Such power shall vest with the Board itself via the Chairman, Vice Chairman or Chief Executive (or a Board Committee setup for this



purpose), or in the case of a shared employee with the Consortium Management Committee via the WMA Chairman, Vice Chairman or Chief Executive.

7. Board members shall not individually give instructions to any of the Board's employees, unless the Board has made a statutory resolution specifically authorising this approach, or in the case of a shared employee, unless the Consortium Management Committee has specifically authorised such action by resolution. Such instruction shall come from the Board itself via the Chairman, Vice Chairman or Chief Executive (or a Board Committee setup for this purpose), or in the case of a shared employee from the Consortium Management Committee via the WMA Chairman, Vice Chairman or Chief Executive.
8. Line Managers shall be responsible to the Chief Executive for managing the day-to-day activities of certain employees as shown in the Board's Organisation Chart or in the case of shared employees as shown in the WMAs Organisation Chart. The nature and extent of this responsibility shall be determined by the Chief Executive.

I. STOCK IN STORES/DELIVERED TO SITE

1. Stock records shall be in the form prescribed by the Chief Executive and will comply with the systems of control as stated by the Chief Executive or the Finance and Rating Manager.
2. The Area Manager shall be responsible to the Chief Executive for all matters relating to the security of the stock in stores or delivered to site and for managing stock in and out. The Finance and Rating Manager shall be responsible to the Chief Executive for properly accounting for stock movements/balances and for undertaking regular stock checks, and, for properly managing the stock of office consumables and stationery.
3. All goods received shall be checked by the Operations Manager (or the Finance and Rating Manager for deliveries to the office) as regards quantity and/or weight and inspected as to quality and specification in accordance with the Board's ISO 9001 procedures. A delivery note shall be obtained from the supplier, wherever possible, and signed by the person receiving the goods. When signing, the person receiving the



goods on behalf of the Board must always cross out the good condition statement on the delivery note.

4. All goods issued from stores or from site shall be properly accounted for and recorded by the Operations Manager.
5. All breakages and losses of goods held in store or on-site shall be recorded and reported to the Chief Executive or the Finance and Rating Manager to take appropriate action.
6. One of the Finance and Rating Team shall carry out a physical check of all items/quantities in stock at least once a year and the stock taking records shall be signed by the Area Manager (as the responsible person).

J. ASSET ACCOUNTING/MANAGEMENT

1. All assets over £5,000 in value owned by the Board shall be accounted for in an asset register maintained by the Finance and Rating Manager under arrangements controlled by the Chief Executive. All shared assets over £5,000 in value owned by the WMA Member Boards shall also be accounted for in an asset register maintained by the Finance and Rating Manager under arrangements controlled by the Chief Executive. The fixed assets register shall reflect additions and disposals of assets and record the cost or valuation of the assets.
2. All capital improvement work, asset replacement/refurbishment and mobile plant replacement will be financed and accounted for in accordance with the Board's Capital Financing and Reserves Policy.
3. All small tools over £100 and less than £5,000 in value owned by the Board shall be recorded in the Small Tools Register, which the Area Manager will keep up to date in a manner prescribed by the Chief Executive or the Finance and Rating Manager.
4. At least once a year, one of the Finance and Rating Team shall confirm the accuracy of the Fixed Assets Register and the Small Tools Register by carrying out a physical inspection of the Board's assets.



5. The Fixed Assets Register shall be placed before the Board or a Board Committee for inspection at least once a year in the format prescribed by the Chief Executive.
6. The sale of Board assets will be disposed of through competitive tender where the book value of the asset exceeds £50,000, unless it is being part-exchanged or traded-in when acquiring another asset, or otherwise sold for a budget price approved by the Board. Assets with a book value of less than £50,000 shall be disposed of in the most efficient manner, as determined by the Chief Executive. The Area Manager must co-authorise any asset that is scrapped or decommissioned before it is removed from the Board's Fixed Assets Register or Small Tools Register, in a manner approved by the Chief Executive.
7. Tenders shall be marked as confidential and will be submitted in a sealed envelope, or if sent by email shall be marked in the subject line as confidential and shall be opened, not earlier than the closing date prescribed in the presence of the Chief Executive to the Board and the Chairman or Vice Chairman of the Board or other suitable member. A declaration shall be signed to such effect by the persons present at the opening of the Tender(s).
8. Where a Tender is accepted, other than the highest, Board approval shall be obtained, or a Committee's approval shall be obtained, providing such Committee has delegated authority from the Board for this purpose.
9. Net profits on disposal of fixed assets may be transferred to the appropriate Earmarked Reserve at the end of every financial year, as and when they arise.
10. Where it is considered that there are valid reasons for departing from the procedures in (J) above, the Board's approval shall be obtained, or if a Committee has been setup by the Board with the power to do this, then the Committee's approval shall be obtained, or in the case of shared assets then the Consortium Management Committee's approval shall be obtained.
11. The Finance and Rating Manager shall be responsible to the Chief Executive for ensuring that all road tax renewals and insurances are processed expeditiously, so that none of the Board's plant and vehicles (shared or otherwise) is ever without a valid road fund licence or insurance.



12. The Area Manager shall be responsible to the Chief Executive for documenting and maintaining the Board's Asset Management Plan and the refurbishment profiles that are defined in the Capital Financing and Reserves Policy.

K. AUDIT

1. As a requirement of the Accounts and Audit Regulations 2015 the Chief Executive or the Responsible Financial Officer shall arrange for an internal audit of internal control, accounting, financial management and other operations of the Board to take place. This audit will be undertaken by an external independent person qualified to perform this function and their appointment shall be approved by the Board, in accordance with item 7.9 of the Reserved Matters.

1.1 Authority of Internal Audit

Internal Auditors are authorised to:

- a) Access/enter at all reasonable times any Board premises or land,
- b) Have access to all assets, records, documents, minutes, correspondence and control systems relating to any aspect of the Board,
- c) Require and receive any information and explanation considered necessary concerning any matter under examination,
- d) Require any employee of the Board to produce or account for cash, stores or any other Board asset under their control,
- e) Request access to records belonging to third parties, such as contractors or partners,
- f) Have full and free access to all Officers, Members and Board Committees,
- g) Allocate resources, set frequencies, select subjects, determine scope of work, and apply the techniques required to accompany audit objectives.

Internal Auditors are not authorised to:

- a) Perform any operational duties for the Board, unless in exceptional circumstances where specific approval is given by the Chief Executive,
- b) Initiate or approve accounting transactions,



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

1.2 Internal Auditor's Report

The Chief Executive shall ensure that the Board is presented with the Internal Auditor's Report each year and reviews his/her performance.

2. The Finance and Rating Manager shall collate and send all requested information to the External Auditor within their prescribed timeline. The Finance and Rating Manager shall also respond to all other requests for information from the External Auditor, the Internal Auditor, the National Audit Office, Smaller Authorities Audit Appointments or the Government's Specified Person for commissioning and procuring external audit services, within 30 working days of the request being made.
3. In addition, 'all employees' of the Board (including shared employees) are required to assist the External Auditor or his/her authorised representative in the performance of his/her duties under the Local Audit and Accountability Act 2014.

L. FRAUD OR OTHER IRREGULARITIES

1. The budget holder or any other officer concerned shall immediately notify the Chief Executive or the Responsible Financial Officer and/or the Internal Auditor of any matter which involves, or is thought to involve, irregularities concerning cash, stock or other property of the Board or any suspected irregularity in the exercise of the functions of the Board, in accordance with the Anti-Fraud and Corruption Policy.
2. Any financial irregularity or breach of procedures involving an employee of the Board (or shared employee) will be considered as gross misconduct and shall be dealt with in accordance with the Board's/WMAs Disciplinary Procedures.

M. WRITE OFFS

1. The Chief Executive shall have the authority to write off the following amounts:



- (a) any debt under £750 being the material amount referred to in item 3.9 of the Board's Reserved Matters, as amended from time to time by the Board,
 - (b) damaged or stolen goods for which it is not considered that the Board may make a valid insurance claim, where those goods do not form part of a stock account,
 - (c) surplus goods and materials,
 - (d) goods, vehicles or materials that are considered to have no material value due to deterioration or obsolescence.
2. Budget holders and/or the staff shall inform the Chief Executive of any material item under M1 (a) – (d) above that they consider should be written off together with:-
- details of the item or debt to be written off,
 - the circumstances necessitating the write off,
 - the reasons why he/she considers that the debt is irrecoverable or that no proceeds on sale would accrue to the Board.
3. Where any items to be written off constitute part of a stock account, the procedures for recording the write off within the Board's Accounts and the method of disposing of the goods shall be approved by the Chief Executive. The Finance and Rating Manager shall then ensure that the appropriate adjustments are made to the Board's accounting records.

N. SALARIES AND WAGES

1. The Consortium Management Committee shall always seek independent advice before making any significant non-contractual termination payments to the Chief Executive.
2. The Board shall always seek the Chief Executive's advice before agreeing to make any significant non-contractual termination payments to its employees.
3. The Finance and Rating Manager shall be responsible to the Chief Executive for the proper compilation of the payroll(s), as determined by the Chief Executive.



4. The payment of all salaries and wages, compensation and other emoluments to all present or former employees shall be made by the Chief Executive or under arrangements controlled by him/her.
5. NO CHANGES shall be made to any employee's pay (shared or otherwise), emoluments, entitlements, terms and conditions of employment or contract of employment without the prior written consent of the Chief Executive. Where such changes have been authorised by the Chief Executive, the budget holders will ensure that such changes are communicated to the relevant employee(s) in a manner approved by the Chief Executive.
6. All annual holiday entitlements (including any carried forward provisions) shall be agreed with the Chief Executive at the beginning of every financial year and signed off by him as such, in accordance with the Board's Employee Handbook.
7. All time-off in lieu, sick leave, working-from-home arrangements and other absences from work or the workplace shall be approved in writing by the Line Manager and/or the Chief Executive.
8. Each Line Manager shall notify the Chief Executive immediately, and in the form prescribed by the Chief Executive, of all matters affecting payments of salaries and wages, and, in particular:
 - a. resignations, suspensions, secondments and transfers,
 - b. absences from duty for sickness, unpaid leave or other reason, but not normal leave,
 - c. information necessary to maintain records of service for superannuation, income tax, national insurance and the like.
9. Time sheets, Plant sheets and other pay documents shall be in a form prescribed by the Chief Executive and shall be certified in writing by the employee and the budget holder(s). It is the line manager's responsibility to ensure that claims are legitimate, that the hours worked are coded accurately and are approved by the appropriate budget holder(s). All projects that include staff time recharges must be approved by the Chief Executive before any such allocation of staff time.



10. All proposed payments of salaries and wages shall be authorised by the Chief Executive (or an approved deputy) and the Finance and Rating Manager (or an approved deputy) prior to being made.

O. EMPLOYEES CODE OF CONDUCT

1. All employees of the Board (including shared employees) shall conduct themselves in a polite, courteous and professional manner, in accordance with the Employees Code of Conduct and Employee Handbook.
2. Employees (shared or otherwise) must declare to the Chief Executive any financial or other interest, which could conflict with the Board's interests. Employees must always follow the Board's policies and represent the Board accordingly.
3. The Board's assets and/or resources shall not be used for private purposes without receiving prior written consent from the Chief Executive.
4. In terms of hospitality and gifts, only usable gifts of a small value may be accepted by individual staff or a section as a whole and must be approved by the Chief Executive. Under no circumstances may cash be accepted as a gift.
5. Hospitality and gifts must be recorded in the Register of Gifts and Hospitality, which is maintained by the Chief Executive and kept at the Board's central office.
6. Where an outside organisation is seeking to sponsor a Board activity (whether by invitation, tender, negotiation or voluntary), the basic rules concerning acceptance of gifts and hospitality shall apply, as set out in the Anti-Fraud and Corruption Policy.

P. MEMBERS' AND EMPLOYEES' EXPENSES/ALLOWANCES

1. All claims for payment of car allowances, subsistence allowances, travelling expenses and all other incidental expenses shall be submitted to the Line Manager or the Chief Executive duly certified with receipts where appropriate, in a form approved by the Chief Executive.



2. No mileage claim, reimbursement of expenses or allowances shall be paid to employees (shared or otherwise) until such claims have been certified by the budget holder, Line Manager or the Chief Executive (for office staff). On certifying such claims the budget holder, Line Manager or the Chief Executive will be satisfied that the journeys were authorised, the expenses were properly authorised and necessarily incurred, and, that any allowances claimed are due to be paid by the Board. It is important for employees to note that the cost of journeys and other expenses will not be reimbursed unless the employee has received prior authorisation from the budget holder or the Chief Executive (for office staff).
3. No mileage claim, reimbursement of expenses or allowances shall be paid to Board members until such claims have been certified by the Chief Executive. On certifying such claims, the Chief Executive will be satisfied that the journeys were authorised, the expenses were properly authorised and necessarily incurred, and, that any allowances claimed are due to be paid by the Board. Please refer to the Board's Chairman's Allowance and Members Expenses Policy for further detail.
4. Employee claim forms submitted more than 6 months after the expenditure has been incurred shall be paid only with the approval of the Chief Executive. Members claim forms submitted more than 6 months after the expenditure has been incurred shall be paid only with the approval of the Board.
5. Fraudulent mileage claims will result in disciplinary action being taken against the individual(s) concerned. Serious breaches by employees will be treated by the Board as gross misconduct, or in the case of shared employees will be treated by the Consortium Management Committee as gross misconduct, which could lead to summary dismissal/termination of employment. Serious breaches by Board Members may result in them having to resign, in accordance with the Members Code of Conduct and the arrangements for dealing with complaints made about members under the Code of Conduct.

Q. INSURANCES

1. The Chief Executive shall initiate all insurance cover after consulting with the Board and other budget holders where necessary.



2. The Finance and Rating Manager shall be responsible to the Chief Executive for arranging Insurances and expeditiously submitting all insurance claims that the Chief Executive agrees should be pursued. Budget holders shall be responsible to the Chief Executive for providing the Finance and Rating Manager with all of the necessary information he/she deems necessary in order to successfully make an insurance claim.
3. Budget holders shall promptly notify the Chief Executive or the Finance and Rating Manager of all new risks, properties or vehicles needing to be insured, and of any disposals or alterations affecting existing insurances.
4. Budget holders shall immediately notify the Chief Executive and the Finance and Rating Manager of any loss, liability or damage or any event likely to lead to a claim on any of the Board's insurance policies and shall where appropriate notify the police of the relevant circumstances.
5. All employees of the Board (including shared employees) shall be included in a suitable fidelity guarantee insurance.
6. Budget holders shall only ever provide an indemnity which the Board is requested to give after receiving prior written consent from the Chief Executive. No other employees (shared or otherwise) shall be empowered to provide such indemnities, assurances, undertakings or commitments.

R. SECURITY

1. The Chief Executive shall be responsible to the Board for ensuring that the Board's assets are safe and secure.
2. The Board's cash balances and Earmarked Reserves will be managed by the Chief Executive and the Finance and Rating Manager in accordance with the Investment Policy, the Capital Financing and Reserves Policy and the Safeguarding Public Money Policy.
3. The Area Manager shall be responsible to the Chief Executive for the proper safety and security of the Board's fixed plant, buildings, property, documents and information under his/her control.



4. The Area Manager shall be responsible to the Chief Executive for the proper safety and security of the Board's mobile plant, vehicles, equipment, stock in stores and delivered to site, documents and information under his/her control.
5. The Finance and Rating Manager shall be responsible to the Chief Executive for the proper safety and security of all cash, office equipment, documents and information under his/her control.
6. The Sustainable Development Manager shall be responsible to the Chief Executive for registering all of the Board's land where clear and unambiguous title can be established, in order to safeguard the Board's property.
7. The Sustainable Development Manager shall be responsible to the Chief Executive for filing and maintaining a Register of all Legal Agreements, including but not limited to title deeds, seal books, constitutional documents, easements, consents, acknowledgements, rental agreements, licences and sundry arrangements, as instructed by the Chief Executive.
8. The WMA Group's ICT Manager shall be responsible to the Chief Executive for maintaining the Register of Software Licences and Office Equipment Support Contracts, as instructed by the Chief Executive.
9. No employee shall install software onto a computer without prior written consent from the ICT Manager or the Chief Executive. All employees shall comply with the use of computers, email and internet policy, as set out in the Employee Handbook.
10. All employees shall inform the Chief Executive in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
11. All officers of the Board (shared or otherwise) have a duty to comply with the requirements of the Data Protection Act 2018 and any amending legislation. The Chief Executive and ICT Manager shall ensure that staff are aware of their responsibilities under this legislation through the provision of suitable training and the circulation of relevant information on the subject.



12. Maximum limits for cash holdings of more than £1,000 shall not be exceeded without express permission from the Chief Executive.
13. Keys to safes, cash boxes and similar receptacles are to be carried on the person of those responsible at all times. Such persons shall be determined by the Chief Executive or the Responsible Financial Officer.
14. Keys to the Board's buildings and property shall be controlled by the Chief Executive. The list of such key holders shall be maintained by the Area Manager and he/she shall provide a copy of this list to the Chief Executive annually and whenever else required.

S. PROTECTION OF PRIVATE PROPERTY

1. Each budget holder shall notify the Chief Executive of any case where steps are necessary to prevent or mitigate loss or damage of employees' property.
2. The Board shall not be liable for accidental loss or damage to the personal possessions which employees' use whilst on Board business, such as a car.
3. 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 Chief Executive, and shall, if not claimed, be disposed of in a manner determined by him/her.
4. In the event of theft of personal items from staff, 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 in accordance with the Board's Anti-Fraud and Corruption Policy.

T. REVIEW

1. These Financial Regulations shall replace all previous arrangements that existed prior to 2020. The previous Financial Regulations, Guidance for Budget Holders and all previous arrangements are therefore terminated with immediate effect.



2. The Board reserves the right to make reasonable changes to these Financial Regulations at any time in future, providing such changes do not conflict with anything in the WMA Consortium Agreement. Should the Board wish to make significant changes to the Financial Regulations it would need to secure the agreement of the other WMA Member Boards, failing which the Board may have to serve notice to leave the Consortium.
3. Failure to take action against any employee (shared or otherwise) following a breach of these Financial Regulations does not constitute a waiver of the Board's right or the Consortium Management Committee's right to take disciplinary action against the breach or future breaches of the Financial Regulations and no single or partial action taken under these Regulations shall prevent any further disciplinary action being taken or other action being taken against any employee (shared or otherwise).
4. These Financial Regulations shall be reviewed at least every three years by the Board or the WMA Group's Consortium Management Committee.



U. CERTIFICATION

The Board has reviewed and approved its Financial Regulations, which do not conflict with the Consortium Agreement, dated 15 May 2020.

By Order of Waveney, Lower Yare and Lothingland Internal Drainage Board

Certified by Mr B J Blower, Clerk to the Board

2 February 2020