



Durham Aged Mineworkers' Homes Association

FINANCIAL REGULATIONS

Edition 28

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1.0 Financial Administration

- 1.1 The Board of Trustees("Board") is responsible for regulating and controlling/monitoring the finances of the Association.
- 1.2 The Finance Director shall be responsible to the Chief Executive for the proper administration of the Association's financial affairs.
- 1.3 As the Association's financial adviser, the Finance Director shall report to the Board on the level of resources proposed to be utilised in each financial year and shall keep the Board informed on the Association's finances and financial performances.
- 1.4 The Board is responsible for making, and amending from time to time, such financial regulations as it considers necessary and desirable for the supervision and control/monitoring of the finances, accounts, income, expenditure and assets of the Association, in conformity with these Financial Regulations.
- 1.5 The Board, Committees and Senior Officers shall be responsible for the observance of the Association's financial standing orders and financial regulations in all aspects of their responsibilities.
- 1.6 Each Senior Officer is responsible for the accountability and control of staff and the security, custody and control of all other resources including plant, buildings, materials, cash and stores appertaining to their spheres of responsibility.

2.0 Financial Planning

- 2.1 The Finance Director shall submit to the Board, the "Annual Financial Plan": a programme of capital expenditure and its funding of estimates as well as expenditure for such future period(s) and by such date(s) as the Board shall require.
- 2.2 The Board shall consider the aggregate effect of these programmes and estimates upon the Association's financial resources and shall authorise the level of expenditure for the ensuing financial year.
- 2.3 Each member of the Board shall be provided with a copy of the proposed capital programme and revenue estimates together with a statement by the Finance Director of their effect on the Association's finances.
- 2.4 The Board shall be responsible for stress testing the Annual Financial Plan with the assistance of the Finance Director, and ensuring it is sufficiently robust to safeguard the longevity of the Association.

3.0 Budgetary Control

- 3.1 It shall be the duty of the Chief Executive, the Finance Director and the Operations Director (the "Senior Management Team", "SMT") to monitor and regulate financial performance.
- 3.2 The SMT may not incur expenditure, which cannot be met from the amount provided in the current revenue estimates (including any re-allocation made in accordance with standing order 4.3 below) unless authorised by the Board.
- 3.3 Nothing in these standing orders shall prevent the SMT from incurring expenditure which is essential to meet any immediate needs created by a sudden emergency, subject to their action being reported to the Board.
- 3.4 The inclusion of items in approved revenue estimates or capital programmes shall constitute authority to incur such expenditure save to the extent to which the Board shall have placed a reservation on any such item or items. Expenditure on any such reserved items may be incurred only if and when such reservations has been removed.

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- 3.5 Notwithstanding the nature of the item involved, no item costing less than £1,000, unless aggregated as part of a larger grouping of items, will be deemed to be capital in nature, and all such items will be written off to revenue in full in the year of purchase.
 - 3.6 The Finance Director shall prepare quarterly management accounts within six weeks of the end of each quarter and report them to the next scheduled meeting of the Board. The Finance Director will also prepare and report the draft annual statutory accounts in respect of the financial year just ended, to a scheduled Board meeting as determined by the Board and provide full, audited year-end accounts within six months of the financial year-end.
 - 3.7 Where a Senior Officer proposes a new policy, a variation of existing policy, or a variation in the means or timescale of implementing existing policy which significantly affects or may affect the Association's finances, they will submit a report to the Board.

4.0 Petty Cash

- 4.1 Petty Cash floats will be held for the purpose of meeting small disbursements and properly authorised expenses at each of the Association's residential homes and sheltered homes as well as at the office. The level of each float will be set by the Finance Director and will be determined by expense flows, security and insurance considerations.
- 4.2 All Concierges and the SMT are authorised to approve petty cash vouchers.
- 4.3 Following completion of an expenses analysis sheet supported by petty cash vouchers, approved by a member of the SMT, reimbursement will be made to restore the float back to its original level.
- 4.4 Requests for reimbursement should be made as and when required but no more than once each week.
- 4.5 No reimbursement should be made without an approved expenses analysis sheet and supporting petty cash vouchers.

5.0 General

- 5.1 Each Manager or Senior Officer shall consult with the Finance Director on any matter within their responsibility, which is liable materially to affect the finances of the Association before reporting to the Board.

6.0 Budget

- 6.1 The detailed form of capital and revenue estimates shall be in a form agreed by the Board.
- 6.2 Estimates of income and expenditure and capital expenditure and funding shall be prepared by the Finance Director, after consultation with the SMT, Managers and relevant Officers, who will then collate the estimates and report to the Board (see 3.1)
- 6.3 Any proposal to acquire land or buildings will be subject to the prior authority of the Board.
- 6.4 Any proposal to the Board which would involve the incurring of expenditure during a period in respect of which the Board has approved a budget or a programme of capital expenditure shall be accompanied by a report indicating the sufficiency or otherwise of the finance provision in the budget and/or programme.
- 6.5 The Finance Director shall furnish the rest of the SMT and each Manager and Senior Officer with monthly or quarterly statements, as appropriate, of the income & expenditure received and incurred in respect of those budget headings for which he/she is deemed to be responsible.

7.0 Accounting Procedures

- 7.1 All accounting procedures and records of the Association and its officers shall be determined by the Finance Director in accordance with requirements of statutory agencies, authorities, and as may be required by the Board.
- 7.2 All accounts and accounting records of the Association shall be compiled in accordance with authorised accounting procedures.
- 7.3 The Finance Director shall prepare all the accounts of the Association.
- 7.4 The following principles shall be observed where possible in the allocation of accounting duties:
 - a) The duties of providing information about money due to or from the Association and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or paying them.
 - b) Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.

8.0 Audit

- 8.1 The overall audit function is the responsibility of the Audit & Risk Committee whose terms of reference are detailed in Part G Section 1 of General Standing Orders.
- 8.2 As part of their responsibilities the Audit and Risk Committee shall establish an Internal Audit function in order to carry out an examination of the accounting, financial and other operations of the Association in accordance with an agreed Internal Audit Plan.
- 8.4 The Designated Internal Auditor (DIA), shall have authority to:
 - a) Enter at all reasonable time on any of the Association's premises or land.
 - b) Have access to all records, documents and correspondence relating to any financial and other transactions of the Association.
 - c) Require and receive such explanations as are necessary concerning any matter under examination, and
 - d) Require any employee of the Association to produce cash, stores or any other Association property under his control.
- 8.5 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Association or any suspected irregularity in the exercise of the functions of the Association, the Officer concerned shall immediately notify the DIA (or, if the DIA is concerned, the Chair) who shall take such steps as he/she considers necessary by the way of investigation and report.
- 8.6 The DIA shall offer a confidential method for receiving such notifications and in the first instance at the first opportunity discuss the matter raised, and any follow up actions they may consider appropriate with the Chair of Audit and Risk Committee, or if the matter of concern directly involves the Chair of Audit and Risk, the Chair of the Board, or such other Member of the Board of Trustees who they may consider appropriate in their absence.
- 8.7 As part of the Association's audit function the Audit and Risk Committee will regularly review the outcome of the following and report to The Board :
 - a) The effectiveness and independence of the External Auditor.
 - b) The proper procedures for the selection and periodical review of the appointment of External Auditor.

9.0 Banking Arrangements and Cheques

- 9.1 The opening and closing of all bank accounts shall be with the approval of the Board.

- 9.2 All arrangements with the Association's bankers shall be made by or under arrangements approved by the Finance Director, who shall be authorised to operate such banking accounts, including National Giro Accounts as he/she may consider necessary.
- 9.3 All cheques, including National Giro payment forms, shall be ordered only on the authority of the Finance Director who shall make proper arrangements for their safe custody.
- 9.4 Authorised signatures on the Association's main banking accounts, including National Giro accounts and Building Societies, whether payment is by cheque or by BACs are to be either two members of the SMT, or one member of the SMT and either the Management Accountant, or in his/her absence the Finance & IT Manager.
- 9.5 No more than one signatory may sign a cheque or approve a payment electronically where they have been involved in the authorisation of the invoice.

10.0 Delegated powers: Senior Management Team

- 10.1 The Chief Executive and at least one other of the SMT shall have the following delegated powers of authorisation. The use of any of the powers shall be reported at the next scheduled Board Meeting:
- a) Consider all requests for financial assistance from external organisations acting wholly or in part for the benefit of the Association's residents for donations up to £580 per request.
 - b) Act on requests for donations from the Residents' Welfare Fund within the available budget.
 - c) Authorise the writing off of obsolete furniture, fittings and equipment within the Association's Accounts up to a value of £1,000 per item.
 - d) Write off arrears of Maintenance Contributions up to £1,000.
 - e) Apply annual increments to staff salaries within agreed salary increment structures for the role as previously agreed with the Board.
 - f) Make *ex-gratia* payments up to £250 where there is no insurance to cover liabilities for personal effects of a member of staff from a loss that could reasonably be deemed to have been incurred in the course of their duties, and in accordance with the Association's Compensation Policy.
 - g) Maintain an approved list of contractors compliant with conditions as specified from time to time by the Board

11.0 Contracts for Building, Constructional or Engineering Work

- 11.1 Appropriate contracts, agreeable to all parties will be entered into and duly signed by authorised signatories and will clearly state the pre agreed specifications, terms and conditions. All contracts will include a recognised process for resolving any disputes.
- 11.2 Payments will be made in accordance with the terms and conditions of the appropriate contract.
- 11.3 The Association will appoint a "Client's Representative" who as part of his/her remit will advise finance of any signs that there may be any significant cost increases. Any potential problems should be addressed through the regular site meetings and their solutions discussed and agreed with the "Clients Representative".
- 11.4 The "Client's Representative" will manage accordingly, any necessary changes to the design and or specification required.
- 11.5 The "Clients Representative should only authorise all payments when satisfied that that the work has been completed satisfactorily.
- 11.6 Where completion of a contract is delayed beyond the contract period, it shall be the duty of the "Clients Representative" concerned to consider, and where appropriate, to take action in respect of any claim for liquidated damages.

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- 11.7 All officers and consultants shall have regard to the requirements of, Homes England, the Regulator of Social Housing, Charity Commission, Local Authorities and any other government regulation in respect of matters relating to such contracts.

12.0 Property Holdings

- 12.1 The Finance Department will maintain a register or registers of all properties owned by the Association in a form approved by the Finance Director recording location, extent and plan reference, purchase details, particulars of nature of interest and rents payable and particulars of tenancies granted.
- 12.2 The Association's Bankers or Solicitors shall have the custody of all title deeds under secure arrangements, where not held by the lending authority.
- 12.3 In the case of wayleaves and easements, where the benefit is only to the Association's residents, such applications can be dealt with by the SMT.
- 12.4 Where the benefit is to other than the Association's residents and the consent of the Charity Commission is required for the disposal of Real Property, all transactions will be referred to the Board for approval.
- 12.4 Where the owner of an LSE or Shared Ownership property informs the Association they are disposing of the lease to a suitable and authorised prospective purchaser; the Life Property Trustees and the Chief Executive are authorised to sign all legal documents to approve the sale.

13.0 Income

- 13.1 The collection of all money due to the Association shall be under the supervision of the Finance Director.
- 13.2 All employees shall furnish the Finance Director with such particulars in connection with work done, goods supplied or services rendered and of all other amounts due as may be required by him/her to record correctly all sums due to the Association and to ensure that accounts are rendered promptly for the recovery of income due.
- 13.3 The Finance Director shall be notified promptly of all money due to the Association and of contracts, into which involve the receipt of money by the Association and the Finance Director shall have the right to inspect any documents or other evidence in this connection as he/she may decide.
- 13.4 All receipt forms, books, tickets and other such items shall be ordered and supplied by the Finance Director, who shall satisfy himself/herself as to the arrangements for their control.
- 13.5 All money received by an officer on behalf of the Association shall, without delay, be paid to the Finance Director, or, as he/she may direct, to the Association's banking or National Giro account or transmitted directly to any other authorised body or person. No deduction may be made from such money save to the extent that the Finance Director may specifically authorise. Each officer who so banks money shall enter on the paying-slip a reference to the related debt (such as the receipt number or the name of the debtor or otherwise indicate the origin of the cheque) and a reference to the person banking the money (such as initials or full name).
- 13.6 Every transfer of official money from one member of staff to another will be evidenced in the records by the signature of the receiving officer.
- 13.7 All aspects of the procedures relating to sales shall be under the control of the Chief Executive who may delegate procedural responsibilities as he sees fit.

14.0 Insurances

- 14.1 The Finance Director shall arrange all insurance cover and negotiate all claims either in consultation with or by delegation to other officers where appropriate.
- 14.2 Officers shall promptly notify the Finance Director in writing of all matters which might affect the Association's insurances, including new risks, losses, possible claims for accident or damage, and will give such assistance as may be required to formulate claims or deal with matters arising.
- 14.3 All employees of the Association shall be included in a suitable Fidelity Guarantee insurance.
- 14.4 The Finance Director shall annually or more regularly if appropriate, review all insurances in consultation with the SMT and shall report thereon to the Board.

15.0 Inventories

- 15.1 Inventories shall be maintained, recording an adequate description of furniture, fittings, equipment, plant and machinery.
- 15.2 Each Concierge Officer and Senior Officer shall be responsible to the Finance Director for maintaining an annual check of all items on the inventory, for taking action in relation to surplus deficiencies and noting the inventory accordingly.
- 15.3 The Association's property shall not be removed otherwise than in accordance with the ordinary course of the Association's business or used otherwise than for the Association's purposes except in accordance with specific directions issued by the Senior Officer concerned.

16.0 Treasury Management

- 16.1 A Treasury Policy Statement setting out the Associations strategy and procedures shall be adopted by the Association and thereafter its implementation and monitoring approved by the Board.
- 16.2 All money in the hands of the Association shall be aggregated where possible, or appropriate, for the purposes of treasury management.
- 16.3 All investments of money under its control shall be made in the name of the Association or its Trustees approved by the Board.
- 16.4 All securities which are the property of (or in the name of) the Association or its Trustees shall be held in safe custody except when held by a lending authority.
- 16.5 All trust funds shall be in the name of the Association or its Trustees.
- 16.6 All borrowing shall be affected in the name of the Association or its Trustees.
- 16.7 All executive decisions on borrowing, investment or financing shall be made by the Board in accordance with the Treasury Policy Statement.
- 16.8 The Finance Director shall report to the Board not less than four times in each financial year on the activities of the treasury management operation and in accordance with the approved Treasury Policy Statement.
- 16.9 The Finance Director shall maintain records of all borrowing of money by the Association.

17.0 Legacies & Donations

- 17.1 Legacies, donations etc. of up to £2,000 in the absence of any other instruction from the giver are to be placed in the Resident's Welfare Fund. The use of legacies with no specific instructions above this amount will be determined by the Board.

18.0 Procurement of Building Works

- 18.1 The aim of the procurement function within the Association is to ensure best possible value, for expenditure, to the association and their customers by ensuring transparency, integrity, economy, openness, fairness, competition and accountability
- 18.2 Agreed annual maintenance/replacement program requirements are to be advised to the Procurement Officer via completed "Procurement Activity Request" detailing all necessary information to enable tender to be raised on the Delta E Procurement system.
- 18.3 The tender process will be managed at each stage by the Procurement Officer (along with any other stakeholders) via the "Delta" system.
- 18.4 On completion of the tendering process the contract will be awarded to the most suitable and cost effective supplier as identified via the automatic scoring system within Delta.
- 18.5 All awarded contract's details will be entered into the "Contracts Manager" section of Delta and will be set with a flag date of 3 months prior to expiry, to enable necessary action to be taken in a timely manner.

19.0 Approved Contractors

- 19.1 Approved lists of Contractors and Consultants are to be maintained and the suitability of the firms is to be regularly reviewed by the Operations Director.
- 19.2 Only contractors from the approved list are to be used, other than in exceptional circumstances, approved by the Operations Director in consultation with the Procurement Officer, or where OJEU rules apply. In such cases the explanation for using the contractor or consultant should be documented and made available for inspection by the DIA if required.
- 19.3 Where a tender from a successful contractor meets our specified criteria and completes the qualifying paperwork, they are to be added to the approved supplier list.
- 19.4 When a new Contractor is added to the approved list for maintenance works, the Operations Director will ensure that the necessary insurance status of the Contractor is in order. This should be done before any work is undertaken and continually monitored.

20.0 Authorised Signatories

- 20.1 In order that Board decisions may be carried out, in instances where the signatures of Trustees are not required, designated senior officers are authorised to sign all necessary documents.
- 20.2 In addition to the designated Senior Officers, the SMT are authorised to make electronic submissions to Homes England, the Regulator of Social Housing and the Charity Commission.
- 20.3 The Board may in exercise of the powers contained in Section 82 of the Charities Act 1993 (as amended) authorise any of the Property Trustees (not being less than 4 in number) to execute on behalf of the Board assurances or other deeds and instruments giving effect to transactions to which the Property Trustees are a party.

21.0 Procedure for Works Estimated Not to Exceed £10,000

- 21.1 The following tender procedure is to be adopted when the estimated value of the works does not exceed £10,000.
- 21.2 For works estimated up to £5,000 in value, a quotation is not required, (but is desirable) except where it is required by the funding authority.
- 21.3 For works estimated between £5,001 and £10,000 in value, competitive tendering is not required, but a minimum of three quotations are required and the following procedure is to be followed:
- a) Contractors for tenders are to be selected by the Procurement Officer in consultation with the Operations Department having due regard to the current organisation, location and capacity of the contractors involved.
 - b) Quotations, where possible, are to be requested and returned via the Delta E-Sourcing system so that they are fully auditable, and all details submitted onto the electronic Tendering Register.
 - c) The lowest quotation will normally be accepted, unless there are contributing factors that will add value or reduce risk to the association or its residents, in this case the most appropriate contractor may be selected regardless of the quotation value.
 - d) If the work was originally estimated to be below £10,000 and the lowest quotation received exceeds this amount by up to 10% the Procurement Officer in consultation with the Operations Department is empowered to accept the lowest quotation, If the quotation exceeds the 10% tolerance contracts may not be entered into without the approval of the Chief Executive or the Finance Director.
 - e) In instances where it is not possible to obtain the required number of quotations, a lesser number may be acceptable. The Finance Director has the authority to approve the use of specialist service providers where the company cannot viably obtain alternative quotes. Examples are Legal Specialists, Computer Software/Hardware providers, Property Valuer & Architects.
 - f) Where other than the lowest quotation is to be accepted, contracts may only be entered into with the approval of the Chief Executive or the Financial Director.
 - g) Subject to compliance with these procedures and the cost of the works being funded from an approved budget, the Finance Director or the Procurement Officer will be empowered to enter into contracts on behalf of the Association and to ensure the Association's full rights are exercised and obligations met.
- 21.4 Schedule of Authorised Signatories (Works Orders and Invoices)

Works Cost	Minimum Level of Authority Order	Minimum Level of Authorisation – Invoice	How Issued
Up to £5,000 all other works	TI, AHO, CSA, AMC	TI, AMC (if they did not issue order)	Direct works order
£5,001 to £10,000	TI, AHO, CSA, AMC	TM	Direct works order after three quotations

Key: TM - Technical Manager
 AMC - Asset Management Co-ordinator
 TI - Technical Inspector
 AHO - Area Housing Officer
 CSA - Customer Service Advisor

- 21.5 Any variation exceeding £1,000 must be authorised by the Operations Director
- 21.6 A Direct Works Order shall be in the form approved by the Finance Director

22.0 Procedure for Works Estimated to Exceed £10,000

- 22.1 The number of Contractors invited to tender for a particular project will vary with the size and complexity of the project. Contractors from the approved list will be considered in the first instance, however if it is appropriate to advertise the tender then external contractors will also be invited to participate. When possible at least 4 contractors will be included in any tender activity.
- 22.2 All Tenders (including for Homes England funded works other than new build) are to be invited on the basis that the contract for the works will be in accordance with a suitable current Standard Form of Building Contract. For Homes England funded new build projects, procurement will be via Karbon Housing Group or a developing contractor/house builder in receipt of Homes England funding.
- 22.3 In line with The Public Contracts Regulations 2015 (Regulation 22), as of 18th October 2018 all Procurement activity above £164,176 must be processed through an E-Tendering system. However, due to complete auditability the association will process all Procurement activity through the Delta E-sourcing system. This is inclusive of quotes for buys between £5,000 and £10,000 and Tender activity for contracts from £10,001 and up to the following OJEU thresholds affective to 21st December 2021:
- Supply/Services and Design Contracts £ 181,330
 - Works Contracts £ 4,773,252
 - Social and other specific services £ 633,550
- Thresholds applicable after 21st December 2021 to be amended in line with those indicated with relevant OJEU regulations published at the time.
- 22.3.1 If the contract is for an ongoing requirement, then the value of the contract is based over 4 years. Unless the contract is for a one-off purchase or a limited requirement; in which case it will be the value of that particular purchase.
- 22.3.2 All Tender submissions will be locked within the Delta E-Sourcing system until the time and date specified as the Tender deadline. At which point the Tender documents will be accessible for the Procurement Officer and the relevant stakeholder within the association who is responsible for the project.
- 22.3.3 All Tender Submissions will be scored automatically in Delta and analysed following the specified valuation process outlined in the tender document. This may differ for each project and will be based on both the quality of the service proposed and the quotation provided.
- 22.3.4 Details of all contracts awarded are to be entered into the Contract Manager section of the Delta E Sourcing system. The system will then automatically flag when a contract is nearing completion/renewal date so that required action may be taken in timely manner.
- 22.4 Details of each tender exercise along with all relevant documentation will remain on the Delta E-Sourcing system enabling full transparency. Details can be easily accessed if and when required, should the need arise.
- 22.4.1 Where other than the lowest quotation is to be accepted, supporting evidence is to be documented and advised to all involved departments and the Board, and lending authority if applicable
- 22.5 The Association will update the Board on upcoming projects/tenders at the next meeting, and only with approval will the projects be added to the Association's approved programme and contracts entered in to.
- 22.6 Where a consultant is appointed and issued certification, the Operations Director is authorised to certify invoices for payment.

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- 22.6.1 Where no external consultant is appointed, the authorisation for payment of invoices will be either the Operations Director or the Chief Executive.
- 22.7 In the event of contract variations, either on an individual or on an accumulated basis, the following minimum authority is required:
- Up to 4.99% or £15,000, whichever is the lesser, by the Operations Director.
 - 5% - 9.99% or £15,001 - £50,000, whichever is the lesser, by the Chief Executive.
 - 10% or £50,001 and above, whichever is the lesser: the contract should be reviewed, and if necessary, Board permission sought to revise the contract.
- 22.8 Regular monitoring of the contract by the contract owner/manager should help negate or mitigate any such increases, which will be investigated and appropriately actioned as and when they may arise
- 22.9 Where a Purchasing Consortium is used for the purchase of Goods or Services, then the above process will not apply; as only EU compliant Frameworks will be used".
- 22.10 In the event of any errors being discovered following the receipt of Tenders then these should be dealt with under the provisions of JCT tendering practice note 2017 alternative 1.
- 22.11 All Contractors tendering should be informed of the outcome as soon as possible in accordance with "The JCT Code of Practice for Single Stage Selective Tendering".
- 22.12 The Delta E-Procurement System will be made available for inspection by any member of the Board at any reasonable time during normal office hours.
- 22.14 Subject to this and Homes England procedures having been complied with, and the proposed works coming within the Association's approved programme together with having received the appropriate Project Approvals contracts may be entered into.
- 22.15 Details of all negotiated tenders shall be placed in the tender register and or the Delta E-Procurement System, setting out Name of Contractor, Estimated Tender Sum, and any documented evidence to support the necessity for the negotiation.
- 22.16 The Tender Register will be retained in a safe place by the Operations Director and as a web based system the Delta E-Procurement system will be available to access by the Board as required.
- 22.17 Where appropriate, a standard JCT (Joint Contracts Tribunal) contract (but not limited to) will be issued and signed by a member of the SMT and a copy will be kept on file. Alternative standard or bespoke contracts will be used when better suited to a particular requirement.
- 22.18 Where a consultant is appointed and issued certification, the Operations Director is authorised to certify invoices for payment.
- 22.19 Where a purchasing organisation or consortia is used to purchase goods and services, Officers be authorised to purchase up to £75,000 of goods and services without applying all the criteria set out in these Standing Orders.
- 22.20 All invoices for payment of sums for works values above £10,001 shall be authorised as follows:-
- a) Amounts of £10,001 and up to £50,000: Any one of the SMT (usually Operations Director, unless not available),
 - b) Amounts of £50,001 and over: Chief Executive.

23.0 Orders for Work (Other than Building Works), Goods and Services

- 23.1 Official orders shall be issued for all work goods and services to be supplied to the Association except for suppliers of public utility services, periodic payments such as rent or rates, petty cash purchases or such other exceptions as the Finance Director may approve.

23.2 Official orders for works, other than building works, goods and services shall be in a form approved by the Finance Director and signed as follows:

Gross Cost	Minimum Level of Authority - Order	Minimum Level of Authorisation – Invoice	How Issued
Up to £5,000: office furniture and equipment including IT equipment	MA, FITM or PO	MA, FITM or PO <i>(provided they did not raise the order)</i>	Direct Purchase Order
Up to £5,000: all other works goods and services	PO	MA, FITM	Direct Purchase Order
£5,001 to £10,000: office furniture and equipment including IT equipment	MA, FITM or PO	MA, FITM or PO <i>(provided they did not raise the order)</i>	Direct Purchase Order after 3 quotations.
£5,001 to £10,000: all other works, goods and services	PO	MA, FITM	Direct Purchase Order after 3 quotations.
£10,001 to £50,000: office furniture and equipment including IT equipment	MA, FITM or PO	MA, FITM or PO <i>(provided they did not raise the order)</i>	Direct Purchase Order after 3 quotations.
Up to £10,000: Training Courses	HRM	MA, FITM or PO	Direct Purchase Order
Up to £10,000: Stationery	OM	MA, FITM or PO	Direct Purchase Order
£5,001 to £10,000: Training Courses	HRM	MA, FITM or PO	Direct Purchase Order after 3 quotations.
£5,001 to £10,000: Stationery	OM	MA, FITM or PO	Direct Purchase Order after 3 quotations.

Key: MA - Management Accountant
FITM - Finance and IT Manager
PO - Procurement Officer
HRM - Human Resources Manager
OM - Operations Manager

23.3 In the case of items procured where there may be insufficient experience within the Association to format a specification, or products offered may not be homogeneous, the Finance Director will approve market testing of product offers such as are available in lieu of formal tender or quotation procedures, with the involvement of such additional staff as may offer appropriate expertise.

23.4 All invoices for payment of sums of £10,001 and over shall be authorised as follows:

- a) Amounts of £10,001 and up to £50,000: Any one of the SMT,
- b) Amounts of £50,001 and over: Chief Executive.

24.0 Payment of Accounts

24.1 Apart from sundry payments not normally exceeding £65 in each instance the method of payment for money due from the Association shall be by Bankers Automatic Clearing System ("BACS"), Bankers Direct Debit or Bankers Standing Order. All payments made by Bankers Direct Debit or Bankers Standing Order shall be signed by signatories duly authorised by the Board.

24.2 The Senior Officer or such other officer nominated in writing by him/her is responsible for examining, verifying and certifying any other payment vouchers or accounts arising from his department. Such certification shall be a full signature in handwriting by the officer. Specimen signatures are to be held by the Finance Director.

- 24.3 Before certifying an account, the certifying officer shall, save to the extent that the Finance Director may otherwise determine, have satisfied himself/herself that:
- a) The work, goods or services to which the account relates have been received, carried out, examined and approved;
 - b) The prices extensions, calculations, trade discounts, other allowances, credits and tax are correct;
 - c) The relevant expenditure has been properly incurred; is within the relevant budget provisions.
 - d) Ensure appropriate entries have been made in inventories, store records or stock books as required;
 - e) Ensure the account has not been previously passed for payment and is a proper liability of the Association.
- 24.4 Duly certified accounts shall be passed, without delay, to the Finance Director who shall examine them to the extent that he/she considers necessary, for which purposes he/she shall be entitled to make such enquiries and to receive such information and explanations as he/she may require. The Finance Director shall make sure that all statutory deductions are made before payment to contractors.
- 24.5 Any amendment to an account shall be made in ink and initialled by the officer making it, stating briefly the reasons where they are not self-evident.
- 24.6 Each Senior Officer shall maintain records capable of advising the Finance Director of all outstanding orders not yet paid.
- 24.7 Decorating vouchers for residents will be issued by the Finance & IT Manager at the request of a Technical Inspector, an Area Housing Officer, or the Asset Management Co-ordinator. The person requesting the vouchers is required to sign the decorating voucher book. A countersignature is required by a Head of Department.

25.0 Protection of Private Property

- 25.1 Concierge Officers of sheltered homes shall not keep valuables such as jewellery, watches and other such articles or documents of title belonging to the residents.

26.0 Salaries, Wages, Pensions, Training and Personal Records

- 26.1 The payment of all salaries, wages, pensions, compensation and other benefits authorised by the Board to all employees or former employees of the Association shall be made by the Finance Director under arrangements approved and controlled by him/her.
- 26.2 Staff appointments shall be in accordance with the approved establishments, grades, rates of pay and terms and conditions of the Association.
- 26.3 All information affecting employees' personal records or the payroll shall be in a form approved by the Chief Executive.
- 26.4 The payment of car allowances, mileage claims, subsistence allowances and telephone claims shall be submitted, duly certified by the appropriate Senior Officer, to the Finance Director in accordance with the provisions of the Staff Handbook.

27.0 Security

- 27.1 Each Senior Officer, Head of Homes and Concierge Officers are responsible for maintaining proper security at all times for all buildings, stock, stores furniture, equipment, cash, etc., under their control. They shall consult the Finance Director in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 27.2 Maximum limits for cash holdings shall be agreed with the Finance Director and shall not be exceeded without his/her express permission.

27.3 Keys to safes or other similar containers are to be carried on the person of those responsible at all times; the loss of any such keys must be reported to the Finance Director immediately who shall advise other senior officers as appropriate.

27.4 The Chief Executive shall be responsible for maintaining proper security and privacy of information held in a computer installation for its use.

28.0 Stocks and Stores

28.1 Each Senior Officer and the Concierge Officers shall be responsible for the care and custody of the stocks and stores under their control.

28.2 Arrangements should be made for periodical test examinations of stocks by persons other than the stock keepers and shall ensure that all stocks are checked at least once every year.

28.3 The Finance Director shall be entitled to receive from each Senior Officer such information as he/she requires in relation to stores for the accounting, costing and financial records.

28.4 Significant stock losses will be reported to the Board.

29.0 Travelling and Subsistence

29.1 All claims for payment submitted by Members, Residents Representatives and staff for car allowances, subsistence allowances, travelling and incidental expenses shall be submitted on an approved form to a member of the SMT, normally the Senior Manager in their direct chain of line management. Members of the SMT are not permitted to authorise their own claims. The Chief Executive cannot approve his/her own claims, this must be performed by another member of the SMT.

29.2 The certification by the Senior Manager shall be taken to mean that they are satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Association.

29.3 Claims submitted more than six months after the expenses were incurred will not be paid without the express approval of the Chief Executive.

29.4 SMT claims must be approved by the Chief Executive or in his/her absence, another member of the SMT before payment. The Chief Executive cannot approve his/her own claims.

29.5 Company Credit (Visa) cards will be issued to the following members of staff:

- | | |
|----------------------------|---------------------|
| • Chief Executive | Credit limit £1,000 |
| • Operations Director | Credit limit £1,000 |
| • Finance Director | Credit limit £1,000 |
| • Management Accountant | Credit limit £4,000 |
| • Finance and I.T. Manager | Credit limit £1,000 |
| • HR Manager | Credit limit £3,000 |

29.6 Company credit cards should only be used for the payment of business expenses including travel (other than the purchase of petrol) and subsistence or the purchase of goods and services on the Association's behalf provided that the employee has the necessary prior authority to make such a purchase.

29.7 Credit card holders will be responsible for obtaining receipts in order to ensure that all card transactions can be verified. All receipts should be forwarded to the Finance Assistant for processing where they will be reconciled to the card payment bill.

29.8 All SMT claims for payment of reconciled credit card bills must be certified by the Chief Executive or in his/her absence, another member of the SMT before payment. The Chief Executive cannot approve his/her own claims, this must be performed by another member of the SMT.

29.9 The Chief Executive will authorise the aggregated monthly credit card bill in certification that these requirements have been completed satisfactorily.

30.0 Review

30.1 The Audit and Risk Committee will review Financial Regulations in full on a periodic basis as considered appropriate to the Committee, and advise the Board on any revisions they may recommend.

31.0 Rules of the Association

31.1 Nothing in these Financial Regulations shall over-ride the Rules adopted by the Association.

32.0 Regulatory Authorities.

32.1 Nothing in these Financial Regulations and Delegations shall override instructions or conditions imposed by Homes England, the Regulator of Social Housing, Ministry of Health, Communities and Local Government, Charity Commission, Local Authorities or any other regulatory organisation within whose authority the Association operates.