

FINANCIAL REGULATIONS AND PROCEDURES

Finance



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TABLE OF CONTENTS

1. Background and purpose _____	3
2. Roles and Responsibilities – Financial Control _____	4
3. Segregation of Duties _____	9
4. Financial Planning _____	10
5. Financial Management _____	11
6. Income and Expenditure _____	15
7. Payments to Employees and Directors _____	18
8. Taxation _____	18
9. Emergency payments _____	19
10. Diversity & inclusion _____	19
11. Reference documents _____	20

1. BACKGROUND AND PURPOSE

1.1. The principles of the financial regulations for Cornwall Housing Limited (CHL) are:

- All CHL employees and representatives are required to ensure accurate recording of information and commit to upholding high standards of integrity in doing so.
- The Management Team are ultimately responsible for delivering the business plan objectives within the budget funding envelope and reviewing the opportunity to mitigate unplanned losses or reinvest unplanned gains through the forecasted outturn.
- Adequacy of Internal control to ensure:
 - **Efficient conduct of business:** Controls should ensure processes flow smoothly and operations are free from disruptions. This mitigates the risk of inefficiencies and threats to CHL's objectives and the value for money it provides.
 - **Safeguarding assets:** Controls should ensure that assets are deployed for their proper purposes and are not vulnerable to misuse, abuse or theft.
 - **Preventing and detecting fraud and other unlawful acts:** the size and complexity of an organisation like CHL has an increased risk from a diverse range of fraud and unlawful acts. Controls must be capable of addressing these.
 - **Completeness and accuracy of financial records:** CHL cannot produce accurate financial statements if its financial records are unreliable. Systems should be capable of recording transactions so that the nature of business transacted is properly reflected in the financial accounts.
 - **Timely preparation of financial statements:** CHL must be able to fulfil the legal obligations to submit accounts accurately and on time. CHL also has a duty to its shareholder and stakeholders to produce meaningful statements. Internal controls may also be applied to management accounting processes, which are necessary for effective strategic planning, decision taking and monitoring of organisational performance.
- If there are relevant areas not covered in the Financial Regulations document, please refer to the Director Resources / Head of Finance and Procurement for more information. Responsibility for ensuring that financial recording, reporting and legislation is adhered to sits with the Director of Resources.

Company Structure

1.2. CHL is Cornwall Council's housing management service, directly providing housing management services and overseeing the provision of all services to residents funded by the Housing Revenue Account. The company is an Arm's Length Management Organisation (ALMO), limited by guarantee and not having a share capital. Therefore, although owned by Cornwall Council, CHL is a separate legal

entity. The Articles of Association outline the powers of CHL and its board, including board composition, as well as powers reserved to Cornwall Council.

1.3. Alongside the Board the formal finance governance structure is complemented by:

- People and Culture (including remuneration) Committee
- Audit, Risk and Finance Committee

1.4. Financial Control within this structure will be to ensure integrity of the financial information with regards to:

- Approving the business plan
- Approving the subsequent annual budget
- Reporting monthly performance
- Reporting the forecast outturn and implementing corrective actions
- Reporting of annual accounts ready for publication

2. ROLES AND RESPONSIBILITIES – FINANCIAL CONTROL

Shareholder Representative

2.1. Under the Articles of Association there are powers reserved to the Council (CHL's Shareholder).

The following matters are reserved to the Council and at all times the Council and (CHL) Directors shall liaise and co-operate with each other with CHL gaining prior written consent of the Council before:

- (i) Adopt and vary the Business Plan otherwise than in accordance with procedures agreed with the Member Representative
- (ii) The approval of the Financial Regulations for the Company
- (iii) Agreement to enter into a contract for the supply of services, supplies or works which incur revenue expenditure in any one year in excess of 5% of the annual Company turnover, or over the term of the contract with a total value in excess of 4 x 5% of said turnover
- (iv) Enter into a contract or transaction except in the ordinary and proper course of Company's business
- (v) The approval of any Joint venture or partnership or profit-sharing agreement
- (vi) The approval of any contract or transaction except in the ordinary and proper course of business on arms-length terms
- (vii) The approval to tender for any contracts for the supply of services, or works by the company to a third party with a total contract value in excess of £5m or

- 10% of the company annual turnover, whichever is the lower, or where the Board of Directors considers there is significant risk to the Council
- (viii) The approval to acquire an interest in whole or part of any existing company or set up a new company
 - (ix) The approval to acquire or dispose of shares in any company
 - (x) The approval to acquire or dispose of a fixed asset with the value of more than £350,000.00
 - (xi) The approval to acquire or dispose of an interest in whole or part of any property of any tenure
 - (xii) The approval to provide building services for local authorities, registered social landlords or other public sector companies with an equivalent or greater value of £1m
 - (xiii) Create any fixed or floating charge or other encumbrance of the whole or part of the Company, its property or assets
 - (xiv) Other than from the Council, borrow any sum whatsoever on the company's behalf.
 - (xv) Make a loan advance of any amount or give credit (other than normal trade credit) to any person or organisation
 - (xvi) Enter into any lease agreement for a single item above £350,000.00
 - (xvii) Approval of the opening or closing of any bank accounts
 - (xviii) Approval of the External Auditor

Cornwall Housing Board

2.2. The Board is responsible for:

- (i) Satisfying itself as the integrity of financial information
- (ii) Setting and approving each year's business plan and subsequent annual budget
- (iii) Reviewing the monthly financial reporting, including the forecast outturn.
- (iv) Approving corrective actions as necessary to mitigate financial risk and reinvest financial opportunities, in co-operation with the Shareholder
- (v) Reviewing and approving the Annual Statement of Accounts
- (vi) Establishing, overseeing and regularly reviewing a framework of delegations to committees and staff
- (vii) Establishing, overseeing control and risk management frameworks in order to safeguard the assets, compliance and reputation of the organisation
- (viii) Establishing and overseeing a robust internal control framework and seeking regular assurance about the effectiveness of key controls to ensure compliance
- (ix) Recommending appointment of the external auditor to the shareholder

- (x) Reviewing and approving the financial limits as set out in the Scheme of Delegation

Head of Governance

2.3. The Head of Governance has some financial reporting responsibilities as set out in the Scheme of Delegation, which are:

- (i) Completion of the Annual Return to Companies House
- (ii) Submission of the Annual Accounts to Companies House

Audit, Risk & Finance Committee

2.4. The Audit and Risk Committee's purpose is to:

- (i) Monitor and assess internal controls to ensure company is operating at appropriate levels of risk
- (ii) Review operations are in line with regulatory and code of governance expectations
- (iii) Set and oversee efficient operation of the Risk Management Framework
- (iv) Monitor the integrity of the CHL financial statements
- (v) Oversee internal and external audit functions
- (vi) Provide assurance to the Board that controls are effective, compliance is delivered and CHL is financially viable
- (vii) Oversee the organisations finances, including budgetary control, setting and business planning

Director of Resources

2.5. Within the context of the Financial Regulations for CHL, the Director of Resources remit is to:

- (i) Execute appropriate controls as agreed by the board which comply with the Company's policies and accounting practices and monitor compliance with them
- (ii) Recommend the Company Annual Statements of Account for approval to Board
- (iii) Prepare and publish the Annual Statements of Account, in accordance with the timetable and arrangements specified by legislation
- (iv) Make arrangements for the audit of the Annual Statements of Account
- (v) Ensure that claims for funds, including grants, are made by the due date and in compliance with the grant terms and conditions
- (vi) Make arrangements for the annual Internal Audit programme

- (vii) Ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit is actively promoted
- (viii) Amend or make changes to the CHL Scheme of Delegation

Head of Finance and Procurement

2.6. In order to facilitate effective financial controls throughout the organisation and in reference to the accounting standards, the Head of Finance and Procurement will support the Director of Resources and will:

- (i) Monitor and forecast cashflow against current facility limits and associated Treasury Management
- (ii) Maintain accurate accounting records
- (iii) Ensure proper professional practices are adhered to in relation to the standards, performances and development of finance staff
- (iv) Act on recommendations from the External Auditor's Annual Audit Letter and reports
- (v) Ensure there is an appropriate framework of budgetary control and forecasting
- (vi) Ensure robust financial controls are adhered to
- (vii) To directly assist the Senior Managers in their financial responsibilities and give expert advice and insight
- (viii) To report period management accounts and forecast outturn to the Board
- (ix) To proactively recognise financial risks and opportunities, while assisting in identification of mitigating actions and relevant business decisions, offsetting factors or virements to maximise performance of the budgeted funds in line with the objectives of CHL and its Shareholder
- (x) Assist with creation of budgets and reporting within agreed systems and timeframes
- (xi) Support the company with commercial planning, adding financial process and rigour as required
- (xii) Ensure a clear change process is implemented in light of any adjustments agreed by the board which affects the gathering of financial data

Senior Managers

2.7. Responsibility to ensure financial delivery is achieved within the framework of control as set out by the Director of Resources and monitored by the Head of Finance and Procurement.

- (i) Putting in place appropriate budget management and delegation arrangements to ensure the effective use of resources, the safeguarding of assets and the operation of a system of appropriate internal controls

- (ii) Promoting appropriate financial management standards within their teams, monitoring adherence to the standards and ensuring that relevant training is provided to those staff with financial management responsibilities
- (iii) Advising the Head of Finance and Procurement of any outside of budget spends that cannot be absorbed into their own P&L or will require a virement and / or a change to forecast
- (iv) Co-creating with the Finance Team commercial plans for addressing items that will mean the Profit / Loss delivery will be different from the budget
- (v) Seeking approval for financial commitments in line with set levels of authority before commitments are made
- (vi) Not making changes to financial policies or procedures. Requests for changes to policy and procedure can be made to the Director of Resources but no changes can be implemented before the change has been communicated and approved
- (vii) Ensuring appropriate levels of segregation of duties are in place to safeguard company assets
- (viii) Contributing to the development of performance plans
- (ix) Contributing to the development of corporate objectives and performance targets

Budget Holders

2.8. Budget holders have the responsibility of assisting with creation of and compliance to the budget as set by the CHL Board and Director of Resources. Further to this, budget holders have delegated responsibility for purchasing as set out in the Scheme of Delegation. This responsibility must be exercised within the financial management framework determined by the Director of Resources and includes:

- (i) Budgets are created and performed against in line with the most effective use of resources, the safeguarding of assets and the operation of a system of appropriate commercial controls
- (ii) Not making changes to financial policies or procedures. Requests for changes to policy and procedure can be made to the Director of Resources but no changes can be implemented before the change has been communicated and approved
- (iii) Delivering information in a timely fashion to facilitate the budget process and any analysis which may be required to support the numbers
- (iv) Support Senior Managers, Head of Finance and Procurement & Director of Resources with commercial planning, adding financial process and rigour as directed
- (v) Responsibility to assist finance staff with collection of debts when they fall due and to assist with the resolution of queries on invoices

- (vi) Responsibility to follow correct procurement procedure and assist suppliers with queries over non-payment of amounts due to them for goods or services

Internal Audit

- 2.9. The role of internal audit is to provide independent assurance that risk management, governance and internal control processes are operating effectively. Each year Internal Audit will deliver a programme of internal audit work as proposed by the Director of Resources and agreed by the Audit, Risk & Finance Committee (in consultation with Company Managing Director). This will be approved by the CHL Board.
- 2.10. The appointment of Internal Auditors will be at the proposal of the Director of Resources and agreed by the Audit, Risk & Finance Committee (in consultation with Company Managing Director). This will be approved by the CHL Board.
- 2.11. Internal Auditors are required to comply with the following ethical principles:
 - 2.11.1. Integrity - Internal auditors are expected to tell the truth and do the right thing, even when it is uncomfortable or difficult.
 - 2.11.2. Objectivity - Internal auditors must maintain professional objectivity when performing all aspects of internal audit services.
 - 2.11.3. Competency - Internal auditors must obtain and maintain the competencies to perform their duties successfully.
 - 2.11.4. Due professional care - Due professional care requires planning and performing internal audit services with the diligence, judgment, and scepticism possessed by prudent and competent internal auditors.
 - 2.11.5. Confidentiality - Internal auditors must respect the value and ownership of information they receive by using it only for professional purposes and protecting it from unauthorised access or disclosure, internally and externally.

3. SEGREGATION OF DUTIES

- 3.1. Key internal controls for CHL includes the requirement for a segregation of duties within financial processes and a four-eye principle applied. What this means, in effect, is that no one single person can both instruct a new supplier or customer, approve invoices for them and also be responsible for the payment. There must be other people in the process in order to ensure strong control with Segregation of Duties. This then reduces the risk of financial misstatement, removes opportunity for coercion and reduces the temptation to commit fraud or theft.
- 3.2. Proposal of new financial items (i.e., supplier invoices) needs to have separation between the requestor and the approver through 2 separate individuals in order to

fulfil the need for a separation between those approving costs and those requesting them and for this to be a documented audit trail, preferably through the finance system.

- 3.3. In addition to this and in line with the Articles of Association, any interest an employee of CHL has to a supplier or customer of CHL should be declared to their line manager and ultimately the Board.

4. FINANCIAL PLANNING

- 4.1. There are 3 key elements to Financial Planning which are:

- Budget,
- Forecast and the,
- Multi-Year Business Plan

Budget incl. Preparation and Business Planning

Definition

- 4.2. Income and expenditure represents sales receipts and direct and indirect costs associated with delivering the services for which the revenue is generated.

Budget process

- 4.3. The Business plan will set the direction and objectives to be achieved by the Budget. Being a multi-year plan, by its nature it may be less granular in detail than the annual Budget. The annual Budget must be constructed so as to ensure that resources are allocated in line with the approved Business plan and that there is a suitably granular annual Budget that aligns delivery to owners to optimise performance and financial return whilst achieving the organisational priorities.
- 4.4. The Director of Resources is accountable for the annual budget process; however, management of the process sits with the Head of Finance and Procurement and Team.
- 4.5. The Head of Finance and Procurement will issue guidance and a timetable for production of the budget. Senior Managers, Budget holders and the finance team must work together to prepare detailed annual budgets, in consultation with the Director of Resources for review and revision as required.

CHL Financial Planning – Fixed Assets

Definition

- 4.6. CHL expenditure is classified as fixed asset expenditure when it results in the acquisition or construction of an asset (e.g., land, buildings, vehicles, plant and equipment, IT) that:
- Will be held for use in the delivery of services; and
 - Has a useful economic life greater than one year (i.e. is expected to be used for more than one financial year)
- 4.7. The de-minimis limits for fixed asset expenditure are £1,000.
- 4.8. Note; this the term fixed asset is used in lieu of capital to avoid natural confusion with HRA spend that is Capital funded for investment into the Council's owned assets (HRA properties and associated HRA infrastructure).

Leasing and Rental Arrangements

- 4.9. Leasing arrangements (including rental agreements and hire purchase arrangements) will only be entered into in line with approval limits set out in the Scheme of Delegation.
- 4.10. All Property Leases must be approved by the CHL MD or Director of Resources as per the Scheme of Delegation.

5. FINANCIAL MANAGEMENT

Financial Standards

- 5.1. All employees have a high duty of care when dealing with financial issues. The UK Generally Accepted Accounting Principles (GAAP) are at the core the financial processes and are a framework that gives companies to make honest, ethical and auditable decisions with regard to financial presentation.
- 5.2. All employees should be clear about the standards to which they are working and adhere to the controls in place to ensure these standards are met.

Budget monitoring and control

- 5.3. To ensure budgetary control, each Team is required to manage its own expenditure and income within the budget allocated to it.

- 5.4. Senior Managers and Budget Holders should also ensure that once the budget has been approved, the resources are used for their intended purposes and are properly accounted for.
- 5.5. Allocated budget holders must maintain effective budgetary control within their Team(s) to ensure that spending is contained within the annual budget and to secure value for money (as measured by cost efficiency and output performance).
- 5.6. Budget holders must ensure that no commitments are made that would result in an approved budget being exceeded without prior authorised approval.
- 5.7. Budget holders are also required to provide updates and information on the forecasted direction of spend within their area if requested or through the monthly reviews. This is to support providing an accurate forecast outturn to enable improved business insight and decision making so that CHL can react to changes in operating environment that may create cost risks or opportunities.
- 5.8. Budget holders will:
 - (i) Ensure that all income and expenditure is properly recorded and accounted for in line with these procedures
 - (ii) Ensure that an appropriate budget holder structure is in place to ensure that accountability and responsibility is assigned for each item of income and expenditure under their control
 - (iii) Ensure that individual budgets are managed; budget recovery plans may be required to address adverse variances
 - (iv) Ensure that a monitoring process is in place to review performance against budget and provide forecasting insight.
 - (v) Regularly report to their Senior Manager and Board on performance and direction
 - (vi) Ensure prior approval by the Board (as appropriate), via the Senior manager and Head of Finance and Procurement for new proposals in line with authority levels
 - (vii) Liaise and agree with the relevant Senior Managers where it appears that a budget proposal may impact on their division
 - (viii) Ensure that relevant training is delivered to all staff assigned responsibility for budget management
- 5.9. The Director of Resources will ensure that each budget holder receives or has access to timely information on income and expenditure for each budget, which is sufficiently detailed to enable them and their Senior managers to fulfil their financial management responsibilities.

- 5.10. The Director of Resources, or as delegated to the Head of Finance and Procurement, will monitor performance against the whole budget and will advise upon the overall financial position, forecast outturn and financial direction of the business. Specifically, the Director of Resources will be responsible for the delivery of financial reports for the Board on a monthly basis including to ensure that the Board are provided with the required financial insights to make decisions and fulfil their obligations with regards to the financial stewardship of CHL.

CHL Investments - Monitoring and Control

Approval to spend

- 5.11. Once Authorised, spend approvals for fixed asset items are as set out in the Scheme of Delegation.

Monitoring

- 5.12. Fixed asset investment projects should be supported by justifications, including payback calculations. These should be prepared with assistance from the Head of Finance and Procurement and Finance Team, using standard business case templates for consistency.
- 5.13. Post project spend reviews should be undertaken for projects over £250,000 in value, to vouch for realised savings against those modelled in the justification. Review findings should be reflected in future project modelling where applicable (e.g., variation in project assumptions to match data from similar past projects).

Accounting Records and Financial Systems

Definition

- 5.14. Accounting Records are all of the documents involved in preparing financial information for the company.
- 5.15. These records are maintained within the general ledgers of a finance system which allows actual financial performance to be measured against budgeted and forecast data.

Procedures

- 5.16. The Director of Resources is ultimately responsible for the output of the finance systems, however they will set out a procedural framework by which all staff should handle financial data, to ensure:
- Existence
 - Accuracy

- Timeliness
- Alignment to UK GAAP

5.17. Therefore, to maintain the correct output from the financial systems and the overall integrity of the financial data, all financial records must be accurately coded, within acceptable timeframes and with sufficient detail to facilitate alignment to UK GAAP.

5.18. Budget holders are responsible for ensuring their department(s) accurately code income and expenditure within the Financial System. This requirement applies even where expenditure on projects or within budgets have a 'net nil' basis (i.e., income matches to expenditure 1:1)

Annual Statements of Account

Definition

5.19. The company has a statutory responsibility to prepare and publish Annual Statements of account (financial statements) to present for regulatory and legal purposes.

Procedures

5.20. The Annual Statements of account must be prepared and presented to give "a true and fair value" of the business trading through the year, which is why it is essential as per the above financial procedures, all information is correctly entered, approved and coded.

5.21. The Director of Resources is ultimately responsible for applying sound financial process, and it is the responsibility of all staff to ensure any financial information is processed correctly.

5.22. The Statements of Account will be audited by an independent external auditor, appointed by the Director of Resources with support from the Audit, Risk and Finance Committee and ratified by the Board.

5.23. Budget holders and staff will be required to provide information and further detail as needed to assist with the preparation of these Statements of Account.

Financial Systems

Definition

5.24. Financial software or financial systems are specific to the recording of all financial data in a way that can be organised and presented as needed. The company has many items of software that feed into the specific general ledger therefore all should be considered part of the financial systems and operated accordingly.

Procedure

- 5.25. The Director of Resources has responsibility for ensuring all financial systems are sound, properly maintained and secure. The delivery of this may be delegated to the Head of Finance and Procurement. It is therefore the role of the Director of Resources to determine the systems used for collecting, storing and reporting on financial data to support financial records. In the case of using these systems from 3rd parties, independent assurance may be required.
- 5.26. Senior Managers must gain approval from the Director of Resources before operating any system that may be considered to build up the landscape of financial systems in the company. These systems may not be directly involved in the specific general ledger, but any feed, upload, or calculation that would come into the general ledger constitutes making software part of the financial systems.
- 5.27. Any changes to systems must also be reviewed and approved by the Director of Resources.
- 5.28. All systems must be documented, have a rolling back up process and form part of any disaster recovery or business continuity plans in order to allow system processing to resume quickly in the event of an interruption. Senior Managers must ensure that an adequate audit trail exists through the system and that interim audit reviews are carried out as necessary.

6. INCOME AND EXPENDITURE**Income****Definition**

- 6.1. Money received, in return for goods or services provided.

Procedure

- 6.2. All income from commissioner contracts should be invoiced as per the contractual arrangements with the commissioner.
- 6.3. Goods and services should only be provided by the company where levels of expected income exceed expected costs (i.e., for a return or profit), although it is recognised that in certain (strategic) instances services may be provided at or below cost (i.e., income equals or is less than costs).
- 6.4. Effective income collection systems ensure that all income due to the company is identified, collected, receipted and banked properly in a timely basis.

- 6.5. Wherever possible, income should be collected in advance of supplying goods or services to avoid the time and cost of collecting debts and negating the possibility of a bad debt.
- 6.6. Budget Holders will ensure that sales invoices are raised promptly and are accurate and complete quoting customer purchase order numbers where required.

Income collection

- 6.7. The Head of Finance and Procurement, Senior Managers and Budget Holders will ensure that:
- (i) Receipts should be made by electronic bank transfer whenever possible
 - (ii) Other receipts received are paid fully and promptly into the appropriate company bank account
 - (iii) Income is not used to cash personal cheques or other payments
 - (iv) Details are recorded onto paying-in slips to provide an audit trail, where applicable
 - (v) A record is kept of money received directly by employees
 - (vi) Receipts collected and deposited are reconciled to the appropriate bank account on a monthly basis
 - (vii) There is sufficient segregation of duty between cash collection, processing and reconciliation
 - (viii) Physical cash and cheques are banked as soon as possible, and cash kept on site is kept to a minimum
 - (ix) All such income will be locked away to safeguard against loss or theft, and to ensure the security of cash
 - (x) All appropriate income documents are retained and stored as per correct legal guidance and standards

Debt recovery

- 6.8. Budget Holders will ensure that a clear framework is in place for their areas of responsibility which defines who is authorised to raise an invoice on the Company's behalf and work with the Finance Business Partner in their Division to ensure good compliance is adhered to.
- 6.9. Once invoices are raised, Budget Holders have a responsibility to assist Finance Staff in collecting the debts when they fall due and to assist with resolution of any query or dispute over the debt.

Writing off debts

- 6.10. Budget Holders will critically review outstanding debts on a regular basis and take prompt action to request write off of debts no longer deemed to be recoverable, after all practical steps to recover the debt have been taken including following set credit control procedures with telephone calls, dunning letters and legal recovery action where appropriate.
- 6.11. No debt may be cancelled other than by formal write off. The approval required to write off any debt is set out in the Scheme of Delegation
- 6.12. A record must be maintained for all debts written off. The appropriate accounting adjustments must be made following approval to write-off a debt and communicated to the Head of Finance and Procurement. A credit note must not be raised.

Credit notes

- 6.13. A credit note can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt, and once it is confirmed that the debt is not payable.
- 6.14. Credit notes will not be issued:
- (i) For irrecoverable debts, as the formal write off procedure should be followed
 - (ii) Where the debtor cannot afford to pay at that time. The debt should remain, and revised payment terms agreed, as appropriate
 - (iii) Where a debt is to be recovered through deductions from payments. In such instances, the deductions made should be offset against the debtor
- 6.15. Credit notes will be subject to the approval of the Budget Holder working with the Finance team and approved by the Head of Finance and Procurement depending on value.

Authority to make payments

- 6.16. Payments must be authorised in accordance with the Scheme of Delegation
- 6.17. BACS and other bank payments must be authorised in accordance with approved bank mandates.

7. PAYMENTS TO EMPLOYEES AND DIRECTORS

Salaries

- 7.1. Employee appointments will be made in accordance with the Company Recruitment Policy, establishments, grades and scales of pay.
- 7.2. The Head of People and H&S is responsible for payments of salaries and overtime to employees. The Head of Finance and Procurement will therefore:
- (i) Arrange secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees on the due date
 - (ii) Record and make arrangements for the accurate and timely payment of tax, pensions and other deductions
- 7.3. The Head of People and H&S is responsible for ensuring there are adequate arrangements for administering pension matters.
- 7.4. Although Budget Holders are responsible for correct levels of spend, the Head of People and H&S must ensure that effective systems and procedures are operated, so that:
- (i) Payments are only made to bona fide employees
 - (ii) Payments are only made where there is a valid entitlement
 - (iii) Conditions and contracts of employment are correctly applied
 - (iv) Employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness
- 7.5. Approvals required are set out in the Scheme of Delegation

8. TAXATION

- 8.1. The Director of Resources is responsible for ensuring compliance with all relevant taxation regulations and guidance that affect the Company.
- 8.2. To enable the Director of Resources to fulfil the requirements of this role, Senior Managers will:
- (i) Ensure that the Director of Resources is consulted on all proposals that may alter or affect the Company tax liability, including proposals to implement alternative service delivery models
 - (ii) Ensure that the VAT guidance issued by the Director of Resources or Head of Finance and Procurement is complied with (i.e. to ensure that the correct

liability is attached to all income and that all amounts recoverable on purchases can be claimed)

- (iii) Ensure that, where construction and maintenance works are undertaken, the sub-contractor fulfils the necessary construction industry tax scheme requirements
- (iv) Ensure that legislation concerning payments to consultants, individuals or partners is complied with

8.3. The Director of Resources, together with the Head of Finance and Procurement, will maintain the company tax records, make all tax payments, receive tax credits and submit tax returns by their due date, as appropriate.

9. EMERGENCY PAYMENTS

9.1. Emergency payments are those arising from legal cases, civil emergencies or natural disasters such as flooding. They relate to unforeseen circumstances where budget provision has not been made and the payment cannot be covered within the relevant service's existing budget.

9.2. Emergency payments can only be made in extenuating circumstances, where normal authorisations procedures are not available.

9.3. Emergency payment authorisation limits are set out in the Scheme of Delegation.

10. DIVERSITY & INCLUSION

10.1. We are committed to treating all people with fairness and respect. We aim to create an inclusive environment where people are treated with dignity, inequalities are challenged, and we anticipate and respond positively to different needs and circumstances to enable individuals to achieve their potential and foster good relations within the communities we serve. We want to be recognised as an organisation delivering fair, inclusive, accessible services and an employer and partner of choice.

10.2. When applying this policy, we act sensitively towards the diverse needs of individuals and to reduce discrimination and harassment by making reasonable adjustments such as:

- eliminating discrimination – by providing support to those who need it and information in accessible formats and languages on request.

- tailoring the policy to meet both the specific needs of the individual, including those with additional support needs, and the diverse needs of the wider community
- advancing equality of opportunity – treating all tenants fairly
- fostering good relationships – listening to customers and responding appropriately
- compliant with all aspects of Equality & Diversity legislation, and specifically the Equality Act 2010.

11. REFERENCE DOCUMENTS

Legal influences on this strategy:

- UK Generally Accepted Accounting Principles (GAAP)
- Public Contracts Regulations (2015)

Non-legal influences on this strategy:

- Management Policy
- Strategy
- Audit, Risk and Finance Committee

Contact us:

Email: info@cornwallhousing.org.uk

Telephone: **0300 1234 161**

By letter: **Cornwall Housing, Chy Trevail, Beacon Technology Park, Bodmin, PL31 2FR**

www.cornwallhousing.org.uk

Alternative formats:

If you would like this information on audio CD, audio tape, Braille, large print, any other format or interpreted in a language other than English, please contact info@cornwallhousing.org.uk

