



Item 08 ANNEX I

WLGA FINANCIAL REGULATIONS 2022

Document History

Document Status

This is currently a draft version agreed by SMT but awaiting the endorsement of the Audit Committee

Document Location

Latest version will be stored on the WLGA SharePoint: Staff Resources

Version Control

Version Number	Revision Date	Previous revision date	Officer	Summary of Changes
1.0	April 2022	October 2021	JR	Initial Draft (reverts to version 1 after independent review commissioned by Audit Committee).
1.1	May 2022	April 2022	JR	Added grants admin and language compliance. Delegations changed.
1.2	Sept 2022	May 2022	JR	Added procedure for buying IT equipment/time limits & investigations

Approvals

Name	Signature	Responsibility	Date of Issue	Version
SMT	JR	Director of Resources		1.1
SMT	JR	Director of Resources		1.2
Audit Committee	JR	Director of Resources	6 October	1.3

General Introduction

1. These Financial Regulations are a framework for ensuring the financial administration of the Welsh Local Government Association (WLGA). Financial Regulations set out the rules and processes that underpin the day-to-day management of the WLGA's funds and ensure it can be accountable to its funders by demonstrating good financial management.
2. Financial Regulations cannot cover every eventuality. It is important that where financial transactions are entered into that are not covered by the instructions, then a written note of the decisions reached should be agreed with either the Chief Executive or the Director of Resources and then held as a written record of the decision.
3. It is expected that individuals in the WLGA will make themselves aware of the Regulation's contents but if required should seek clarity from the Director of Resources.
4. These instructions form part of the Welsh Local Government Association's overall internal control system and are not designed to be an additional level of bureaucracy. They are proportionate and reflect the requirement to spend public money in a transparent and effective way. As part of the internal control system, they are an important protection for the WLGA and the people involved with financial systems. They have been put in place to manage appropriately the risks associated with the financial administration of the WLGA.
5. The Financial regulations are set out in a number of individual category areas as follows:

Financial Regulation 1	Responsibility for Financial Control including Budget Setting
Financial Regulation 2	Purchasing of Goods, Procurement and Commissioning of Services
Financial Regulation 3	Income
Financial Regulation 4	Budget Management
Financial Regulation 5	Risk Management
Financial Regulation 6	Accounting
Financial Regulation 7	Scheme of Delegation
Financial Regulation 8	Treasury Management
Financial Regulation 9	Internal Audit
Financial Regulation 10	Administering Grants

6. Together these form the overall Financial Regulations.

Financial Regulation 1 – Responsibility for Financial Control including Budget Setting

7. All WLGA employees must ensure that resources and assets are used in a responsible manner. The use of public money requires a high degree of transparency and probity that ensures the WLGA can demonstrate value for money and accountability for its funds.

I. Personal Responsibilities

8. It is a requirement that any WLGA employee with responsibility for resources (financial and assets) should be familiar with the contents and requirements of the Financial

Regulations. Any person in doubt about the requirements and their obligations should seek the advice of the Director of Resources.

9. Should any matter of irregularity become apparent to any employee then they must immediately inform the Director of Resources or Chief Executive. This may include matters to do with expenditure, income, assets (including data held by the WLGA) or any suspected illegality. Employees must comply with the WLGA's Policy on Fraud and Corruption as well as any relevant codes affecting conduct in the workplace. All irregularities will be assessed as to whether further investigation is required, and this may result in disciplinary action.

II. WLGA Council

10. The Council agrees the budget of the Association. It does this on consideration of a statement of income and expenditure from the Executive Board or Management Sub-Committee. Where possible this the budget is set by 31st January in each year.

III. Management Sub-Committee

11. The Management Sub-Committee has the power to decide how matters on which urgent action is required, including those of a financial, legal or contractual nature, which are normally dealt with by the Chief Executive, and urgent policy issues (para 12.5 of the Constitution)

IV. Audit Committee

12. The Audit Committee has overall responsibility for monitoring the integrity of the financial statements of the Association. The Audit Committee has responsibility for overseeing the Association's internal control and risk management systems (para 11.1 of the Constitution).
13. The Audit Committee reports to the Executive Board and/or Council of the Association and its associated organisations or companies (para 11.2 of the Constitution).

V. Chief Executive

14. The Chief Executive who is responsible for controlling the WLGA's financial resources on a day-to-day basis within the policy framework agreed by the WLGA Council. The Chief Executive, on advice from the Director of Resources, will delegate responsibility for individual budgets and resources to the Management Team and other officers in a manner that allows the effective running of the WLGA's day to day business.
15. On advice from the Director of Resources the Chief Executive will propose the revenue budget and any capital expenditure to the Executive Board or the Management Sub-Committee. The budget will be submitted to the Executive Board or Management Sub-Committee who in turn will submit the budget for consideration to a meeting of the Council by 31st January in each year for the financial year commencing on the following first day of April.

16. The Chief Executive with advice from the Director of Resources discharges the executive function on behalf of the Council in accordance with the policy and financial framework in the agreed budget.

VI. Management Team

17. The Management Team (Chief Executive and those who report directly to the Chief Executive) is responsible for ensuring that WLGA staff are familiar with the Financial Regulations. They will take steps to ensure the Financial Regulations are complied with in their areas of control. These steps shall:
- Establish a system of budgetary control with all budgets having a nominated officer responsible for the expenditure and income in the budget
 - Provide the Director of Resources (as Chief Financial Officer) with any information required to meet the Financial Regulation's obligations
 - Ensure sufficient opportunity is given to the Director of Resources (as CFO) to comment on any proposals with financial implications. This includes grant applications
 - Inform the Director of Resources (as CFO) of any financial control issues that will cause additional expenditure or liability as well as any loss of assets

VII. Director of Resources (Chief Finance Officer)

18. The Director of Resources (Chief Finance Officer) is responsible for the proper administration of the WLGA's financial affairs including:
- Advising on the WLGA's financial position.
 - Establishing the financial systems and controls necessary to secure sound financial management.
 - Preparing the annual accounts in line with relevant professional guidance.
 - Providing financial information to the WLGA Council and WLGA officers.
 - Providing financial advice and guidance to WLGA Council and WLGA officers.
 - Ensuring financial risks are identified and managed.
 - Maintaining the WLGA's medium term financial plan.
 - Preparing the revenue budget.
 - Reporting on the adequacy of reserves and the robustness of the budget estimates when the annual budget is being considered.
 - Undertaking treasury management and banking activities.
18. The Director of Resources (Chief Finance Officer) will keep under continuous review all aspects of the proper administration of the WLGA's financial affairs to secure their proper administration.
19. The Director of Resources will ensure compliance with all relevant Accounting and Audit regulations.

20. The Director of Resources will maintain a list of budget managers to ensure that all budget cost centres on the financial system have a named officer responsible for that budget

VIII. Budget Managers

21. Budget Managers are responsible for:

- Managing the financial resources that have been delegated to them
- Maintaining net expenditure within the delegated budget control total
- Reporting any cost pressures or overspends and taking recovery action to stay within the overall budget total
- Ensuring Financial Regulations are complied with and meet any external terms and conditions that may relate to grant funding

Financial Regulation 2 - Purchasing of Goods, Procurement and Commissioning of Services

General Principles

22. Any purchase for the WLGA must make an objective decision that the goods or services are actually needed by the Association. A robust process must be followed that will stand any external scrutiny, is appropriate to the subject matter and is compliant with legislation.

23. We commit the Association to expenditure (or a liability for expenditure) when we ask a supplier / contractor to provide something. By the time we receive the invoice, if the goods or service have been received to the required standard, we have no option but to make the payment. It is the authorisation of the purchase order and the placing of an order that commits the Association to the expenditure. No goods or service should be ordered without that authorisation.

24. Where a procurement framework exists it should be used, and with IT equipment it should be procured through the supplier which is currently Cardiff Council.

25. A separation of duties must be observed in the purchasing chain. More than one person should be involved in the purchasing chain e.g. no one person should authorise an order, take receipt of or be the end user of the goods/services and authorise the payment. This not only protects the person making the purchase but also the organization.

26. Any member of staff managing a contract for services with an individual should satisfy themselves that they are doing so in accordance with [guidance](#) published by HM Revenue and Customs (HMRC) in relation to off-payroll working (IR35). This can be done by following the WLGA's own procedural guide which refers to the HMRC [checker tool](#). The results should be kept on file with other important contract documentation.

Private Purchases

27. The Association will not purchase any goods or services for private use by an individual even if the costs are to be fully recovered from the individual concerned.

Authorisation

28. The Director of Resources shall authorise named officers to issue purchase orders and/or to certify invoices for payment. The names of the officers and the extent of their authorisation shall be set out in a list which shall be notified to the Chief Executive.

Value for Money

29. All decisions around purchasing should be made on a value for money basis, though this does not necessarily mean taking the lowest cost.

30. Where the total¹ cost of any goods or services to be procured is estimated to be less than £5,000, it is necessary to demonstrate Value for Money has been obtained, but no process is prescribed. All quotations or price lists used to determine Value for Money should be retained as evidence.

31. Goods or Services with a total value in excess of £5,000 but below £160,000 and not requiring the additional process associated with formal tendering, will be procured in accordance with the Association's Quotation Procedure Rules:

- a. a minimum of 3 quotations should be sought from competitive sources and confirmed in writing by letter or email. A documented record of the evaluation and decision to award must be recorded.

32. Where the additional process associated with a formal tendering is appropriate to the subject matter, or where the value of total expenditure is over £160,000, a full tender procedure must be undertaken in accordance with the Association's Contract Procedure Rules accessed here [WLG A Procurement Rules](#).

Budgetary Constraints

33. In addition to achieving value for money when purchasing it is vital that we take account of affordability when making purchases. Those individuals who have authorisation powers also have responsibility for certain budget headings (Budget Holder). No purchase should be made unless there are sufficient uncommitted funds in the budget line.

Purchase Ordering

34. Except as provided in the paragraph below, all orders shall be accompanied by a purchase order. The following details must be included on the purchase order (PO) which must be prepared and authorised before an order can be placed and the association committed to the expenditure:

- The supplier's name and address;
- Name of the employee the services are provided for;

¹ "Total Cost" can mean the total value of orders placed with that supplier by anyone within the Association (and if collaborative, all participating organisations) at any time over the last four years.

- A clear description of the goods/services to be purchased. This can be referenced to an official quotation where appropriate;
- Estimated likely cost of the goods / services to be purchased;
- Whether the purchase necessitates an entry on the asset register;
- Purchase Order number [this is on the official purchase order];
- The budget heading from which the purchases are to be funded;
- Date of order; and
- Authorised signatory.

35. Purchase Orders in writing are not required for:

- periodical payments (e.g. energy, water rates, non domestic rates etc) at One Canal Parade or other recognised Association base;
- Routine or regular supply under an over-arching contract (the usual processes apply to the letting of the original contract)
- such other exceptions as may be approved by the Chief Executive and Director of Resources in advance.

Delivery of Goods

36. All deliveries of goods and services shall be made to WLGA's Headquarters unless there are exceptional circumstances. Any delivery made to other premises should be specified on the purchase order and authorised accordingly by the Director of Resources.
37. All goods and services received shall be checked against any delivery note by the officer receiving the goods or services. The officer receiving the goods or services shall endorse the delivery note as correct or otherwise and pass it to the Budget Holder.
38. The goods and services / delivery note should also be checked against the original purchase order to ensure that what has been received is what was ordered. Any differences should be noted.
39. The supplier should be informed of any discrepancies or damages immediately.

Conferences and events

40. The WLGA plays a key role organising conferences and this must be done having due regard to best value. Although the Association is a non-profit making organisation officers organising events should attempt to ensure that they break even on costs.
41. Prior to the agreement to hold an event a short business case and spreadsheet pro forma should be completed and submitted to the Director of Resources or Finance Manager prior to any commitment to the event being made.

42. A budget for each conference must be in place and agreed by the Director of Resources. Ongoing income and expenditure should be monitored against the budget figures. Purchase orders should be completed and authorised as detailed above as with any other purchase. Where invoices need to be raised for attendees, a spreadsheet list of the information required for invoices should be completed and forwarded as set out below for raising invoices.

Outstanding Commitments

43. All liabilities will be held for a maximum of 6 years, as an Association we do not chase outstanding commitments. If after 6 years the liability is still outstanding, at year end we will write them back.

Payment of Invoices

44. The Association has a duty to its suppliers to pay invoices either within the credit terms agreed or 30 days from the date of the invoice. However, it is the responsibility of each budget holder to ensure the WLGA only pays for goods and services that we have actually received and where we have been charged the correct amount.
45. An invoice must not be certified by the same person that raised the purchase order. Any invoices which require signature when the budget holder is not available or where the budget holder has signed the purchase order should be passed to the Chief Executive or any Director for authorisation.
46. All invoices received within the Association (including those received via email) should be stamped with the date that they were received and the “grid stamp.” The invoice should be passed on to the appropriate budget holder. The budget holder (or a member of their team) will complete the “grid stamp” to include:
- The purchase order number
 - Budget and Account Code
 - Goods checked against PO
 - Prices checked against PO²
 - Net amount
 - VAT amount
 - Invoice authorised for payment
 - Date passed for payment

² There is the goods or prices differ significantly from those detailed on the PO then an explanatory note should be made on the invoice and initialled by the relevant budget holder.

47. A duly authorised officer shall certify an invoice for payment. The invoice cannot be certified by the same person that authorised the order. The invoice shall be accompanied by any relevant delivery note(s). Certification confirms that the officer is satisfied that the goods or services have been supplied.
48. The purchase order [blue copy] should be attached to the invoice before submitting to the Finance section of Data Cymru for payment. If the blue copy of the purchase order is not attached to the invoice no payment will be made.
49. This process should be completed within the credit terms or a 30 day maximum period. Only in very exceptional circumstances should photocopied or copy invoices be passed for payment.

Use of Corporate Card

50. Corporate cards should be used to book accommodation, travel and for incidental expenditure. When a corporate card is used for a purchase a purchase order should be completed in the same way as they are completed when purchasing any goods or services. The purchase order along with the receipt for the goods purchased should be forwarded to the Office Manager as soon as the order is completed as they will be required as evidence of spend when the corporate card statement is reconciled on a monthly basis.
51. The following staff hold corporate credit cards:-

Card Holder Name	Card Limit
Chris Llewelyn	£2,000.00
Jon Rae	£1,500.00
Lucy Sweet	£2,000.00
Sharon Davies	£1,000.00
Tim Peppin	£2,500.00
Nathan Gardner	£2,000.00

Employee and Related Expenditure

52. Except for any employees on secondment to the Association, our payroll providers (Cardiff County Council) will pay all employees. All adjustments to pay are administered by the Finance Manager, the Office Manager or the HR team.
53. All expenses should be claimed **within 6 months and in** accordance with the Association's Travel and Travel Expenses Policy **or Agile Working Policy** and authorised by the appropriate budget holder or Director.

Reviewing Payroll Costs

54. Employee costs are the Association's most significant area of expenditure. It is important to ensure that our employees are paid the correct amount on time. The Finance Manager reviews the monthly schedule from the payroll provider and sign off payroll. The review will cover the following:

- Each person has been paid the correct amount for the current month including additions (permanent or temporary);
- Errors brought forward from the previous month/s have been rectified;
- An action plan is in place for the recovery of any overpayments;
- Any previous underpayments have now been rectified;
- Travelling expenses paid match the amounts authorised; and
- Statutory deductions that have been made appear reasonable.

55. Notwithstanding the checks conducted by the Finance Manager each individual employee is required to notify the Finance Manager of any over or underpayments in pay.

Financial Regulation 3 - Income

General Principles

56. All income should be collected as soon as it becomes due and all such income should be passed to the Finance section of Data Cymru for banking as soon as it is received.

Grant Income

57. Grant income can be a key part of funding for the WLGA's activity. When an officer is considering making an application for a grant from any source, they should refer to the WLGA Staff Finance Guidance section on Grants. Any paperwork relating to grants should be forwarded to the Finance Manager as soon as possible. It is particularly important to know the amount expected, how the grant will be received (direct transfer or by raising an invoice) and when the payment is expected.

58. VAT is never included on any financial reports produced by the Finance Team therefore when claiming grants from Welsh Government please note VAT should **not** be included in the grant claim.

Raising Invoices and Collecting Money Due

59. The most efficient method for collecting money due to the WLGA from individuals or organisations is by requesting that an invoice is raised by the Finance section of Data Cymru. This request must be made explicitly³ in writing providing the following information:

- Customer Name
- Customer Address
- Customer Contact name
- Customer contact email address (invoices are emailed)
- Customer purchase order number (if relevant)
- Department / Budget Head / Class and Account code to allocate income
- Amount
- Does this amount include VAT (Y/N)?
- Brief sentence to explain reason for invoice, including name & contact details of officer requesting the invoice.

³ It is not sufficient to add a note to an invoice passed for payment stating that an invoice needs to be raised to recoup some of the expenditure.

60. For amounts that are to be invoiced on a periodic basis, a schedule of regular income should be drawn up in advance of the start of the financial year and forwarded to the Finance section of Data Cymru and copied to the Finance Manager.
61. The raising of an invoice alone does not secure the corresponding income. At the end of each month Data Cymru should review the list of outstanding invoices and chase any outstanding payments that are older than 30 days.

Receipt of cheques

62. Cheque details are recorded in the "Cheque Received" book held in the Central Administration office. Details recorded are the person receiving the cheque, payee and amount. All cheques received are then passed to the Finance section of Data Cymru who sign to say the cheque has been received. The Finance Section of Data Cymru checks the cheques against the remittance advices to ensure that we have a cheque for each remittance advice received.

Banking of cheques

63. At least once a week, cheques should be banked by Data Cymru. The frequency of banking should be increased if Data Cymru is holding Association cheques with a value of over £500 at any time. The standard HSBC paying-in slip should be completed when banking the cheques.

Banking Arrangements

64. All arrangements with the Association's bankers shall be made by the Finance Manager Data Cymru and shall be subject to annual scrutiny by the auditors.
65. The WLGA Audit Committee shall approve, and the Finance Manager shall notify to the Association's bankers, from time to time a list of the signatories for cheques and other orders or instructions authorising payments on behalf of the Association, that is the holders of the following posts:
- Chief Executive
 - Director of Resources
 - Finance Manager
 - Chief Operating Officer Data Cymru
 - Head of Statistics & Research Data Cymru
 - Finance Manager Data Cymru
66. The Association's preferred method of payment for its suppliers is via electronic (internet) banking.
67. Reconciliation of the Association's bank accounts shall be conducted monthly by the Finance Section of Data Cymru.
68. Where it is deemed low risk, we will pay companies by direct debit. Authorised banking signatories are the only individuals who can authorise a direct debit instruction. Any request to make payments by direct debit should be referred to the Finance Manager.

Cheque signing and security

69. Wherever possible payment by cheque should be avoided and electronic payment used. Chequebooks should always be locked away.
70. Prior to any cheques being signed the following checks must be undertaken:
- The individual entry on the listing from the purchase ledger is checked for accuracy and completeness to the individual invoices; then
 - The actual cheques should be checked to the invoice listing for completeness and accuracy.
71. The invoice listing should then be signed to confirm that these checks have been undertaken.
72. Two signatures are required for any cheque in excess of £5,000 from the list below.
73. An officer who certifies an invoice or claim for payment shall not sign the cheque in settlement of that invoice or claim.
74. The stock of cheques shall be held in safe custody by the Finance Manager of Data Cymru under instructions from the Finance Policy Officer.
75. The following are the mandated signatories for cheques:

Name	Amount
Chris Llewelyn	Up to £5,000
Jon Rae	Up to £5,000
Richard Palmer	Up to £5,000
Martin Edwards	Up to £5,000
Sam Sullivan	Up to £5,000

Financial Regulation 4 – Budget Management

General Principles

76. Budget management is a key responsibility to ensure the effective and transparent use of public funds. All individual budgets (cost centres) will have a WLGA member of staff with allocated responsibility. Budgets will be proactively managed so that where appropriate budget movements (virements) are made to reflect agreed decisions.
77. The WLGA's management team monitors the overall budget and approves changes between Management Team budget areas during the financial year. It is also responsible for overall financial policy on the advice of the Director of Resources (Chief Finance Officer).

Responsibilities

78. The Director of Resources will ensure budget holders have adequate information to manage budgets and also report to Management Team on:
- Progress against the annual budget

- Any variations in grants
- Any changes to individual budgets requiring approval
- Any significant events that affect the WLGA's financial position

79. Each Director shall:

- Ensure each budget has a nominated responsible officer
- Monitor expenditure and income under their control
- Notify the Director of Resources if the net budget for their area of control is being exceeded
- Maximise other sources of funding
- Provide sufficient information to justify any amendments to their budget

80. Within the overall budget control total for each Director there may be a need to transfer budgets (also known as virements). This is sound budget practice to ensure appropriate transparency and control. The reasons for making a virement may include the following:

- Transfer of services and/or staff between areas
- Allocation of resources held centrally
- Allocations to meet specific projects
- Technical changes arising from changes to grant funding

81. The Director of Resources will ensure that all budget transfers are in line with the following:

- Budget holders must hold a full audit trail to ensure there is accountability and transparency
- Transfers can only be made where there is an agreed funding source (budget)
- A transfer above £5,000 will require Management Team approval
- It is not permitted to transfer between revenue and capital budgets
- Grant funding for specific agreed projects cannot be transferred to other areas unless permitted by the terms of the Grant

Financial Regulation 5 – Risk Management

General Principles

82. Risk management is a key part of effective financial regulations. It is integral to the management of resources including the WLGA's finances.

Responsibilities

83. The Audit Committee monitors processes relating to the management of the Association's overall risks and internal controls. The day to day responsibility for oversight is held by the Director of Resources.

84. The Director of Resources will:

- Oversee the WLGA's Risk Management Policy and Risk Register to ensure it is regularly reviewed so that it meets the needs of the WLGA.
- Report progress to the WLGA's Audit Committee and the WLGA Management Team on risk related issues
- Ensure appropriate training is in place to support risk management

85. Directors will:

- Contribute to the overall Risk Register and are responsible for determining which risks are considered for inclusion in the overall Risk Register.
- Ensure risk is considered in decision-making and identify mitigation measures for identified risks
- Ensure staff have received adequate training so they have the necessary skills to manage risks effectively
- Ensure the Director of Resources is promptly provided with any information on risk management issues

Financial Regulation 6 – Accounting

General Principles

86. Accounting underpins the evaluation of the WLGA's financial performance by providing vital information regarding the use of public funds. It gives assurance that funds are used to meet agreed policies and objectives.

87. Whilst the recognised lead officer for accounting issues is the Director of Resources it is a matter for all WLGA staff to ensure accounting principles and policies are followed.

88. The Director of Resources will:

- Oversee and determine accounting systems and controls
- Provide guidance and advice to staff on accounting matters
- Ensure an effective general ledger system is in place so that annual accounts can be prepared. The system may be hosted by other bodies
- Oversee the preparation of the accounts within the statutory deadline
- Work with the WLGA's external auditor on annual accounts issues
- Certify grant claims or any other financial returns on behalf of the WLGA

89. Directors will:

- Ensure the Director of Resources has sufficient accurate information to certify grant claims or any other financial returns
- Comply with the advice of the Director of Resources
- Maintain effective separation of duties between staff involved with accounting systems
- Implement controls and accounting systems as determined by Director of Resources
- Seek the approval of the Director of Resources for any changes to controls and systems

Financial Regulation 7 – Scheme of Delegation

General Principles

90. All delegated powers in the scheme of delegation will be used in accordance with the relevant policies agreed by the WLGA Council. The Council may delegate these matters to the Executive Board, Management Sub-Committee the Chief Executive.
91. All delegated powers must be exercised in a manner that ensures the most effective use of public money.
92. The Chief Executive will have responsibility for maintaining the Scheme of Delegation in consultation with the Management Team.

Matters Reserved to the WLGA Council

93. As the sovereign body of the Association the following matters are reserved for the WLGA Council:
- a. Approval of the WLGA's Annual Plan as recommended by the Chief Executive
 - b. Approval of the Annual Budget that will include income and expenditure information
 - c. Approval of Strategic Policies relating to the WLGA's governance
 - d. Approval of conditions of service for all those staff employed by the WLGA
94. Where a Council decision is required but it is not possible to hold a meeting of the Council, a decision can be made by a member of the Management Team in consultation with the Chair of the Council. The decision will then be reported to the next Council meeting.

Matters Reserved to the Audit Committee

95. The WLGA's Audit Committee has overall responsibility for the following:
- a. Reviewing the financial statements prepared for the Association for recommendation to the Council
 - b. Monitoring the processes relating to the management of the Association's overall risks, internal controls and corporate governance arrangements
 - c. Overseeing the appointments of the external auditors and the commission of work from internal and/or external audit as appropriate

Other Reserved or Delegated Matters with a Financial Implication

96. The following schedule includes those matters that are reserved and those that are subject to delegation:

	Matter	Reserved or Delegated	Comment
1.1	Approval of Expenditure within an agreed budget	Budget Holders	There must be adequate funds for expenditure commitments
1.2	Approval of virements between Management Team areas of responsibility	Chief Executive in consultation with the Director of Resources	This must be in line with policy requirements

1.3	Approval of virements within a Management Team members area of responsibility	Management Team member in consultation with the Director of Resources	This must be in line with policy requirements
1.4	Approval of Accounting Policies	Chief Executive in consultation with Director of Resources	Management Team to be consulted on any changes
1.5	Approval of the issue of corporate credit cards	Chief Executive in consultation with Director of Resources	
1.6	Acceptance of tenders and placing of orders <ul style="list-style-type: none"> £50,000 and above Between £5,000 and £49,999 Below £5,000 	Chief Executive Directors Budget Holders	
1.7	Disposal of Assets	Director of Resources	May be delegated by Director of Resources
1.8	Travel and Subsistence claims	Director of Resources	May be delegated to Management Team if agreed by Chief Executive and Director of Resources
1.9	Senior Manager remuneration	Chief Executive	Consistent with the Pay Policy Statement, Senior Managers' remuneration will be subject to prior consultation with the Leader of the Association and any other designated Elected Members. The process will have due regard to benchmarking data. The Chief

			Executive will be supported in decision making by a qualified member of the Chartered Institute of Personnel and Development (CIPD)
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Financial Regulation 8 – Treasury Management

General Principles

97. Treasury Management is the management of the organisation's borrowing, investments, cashflows, banking and the effective control of the risks associated with those activities (Chartered Institute of Public Finance and Accountancy (CIPFA)).

98. The WLGA will conduct Treasury management in a manner that ensures it has due regard to cashflow and the needs to meet its financial commitments whilst addressing any risk related issues.

Responsibilities

99. The Director of Resources has delegated responsibility for the implementation and regular monitoring of its treasury management policies and practices and for the execution and administration of treasury management decisions. The Director of Resources will act in accordance with the organisation's policy statement and Treasury Management Practices and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

100. The Director of Resources has day to day responsibility for Treasury Management. This will include:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities; and
- suitable treasury management practices (TMPs), setting out the way the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

101. The WLGA Audit Committee will receive reports on the WLGA treasury management policies, practices and activities, including, as a minimum, an annual strategy and an annual report after its close.

102. The Association nominates the Chief Executive to be responsible for ensuring effective scrutiny of the Treasury Management strategy and policies.

Financial Regulation 9 – Internal Audit

General Principles

103. The WLGA Council has responsibility for all matters of financial significance but on a day to day basis this is delegated to the Chief Executive. The Audit Committee is responsible for overseeing issues relating to financial probity. Reference should also be made to the Council's Policy statement on fraud and corruption.
104. Internal Audit will support the Audit Committee, the Chief Executive and Director of Resources in the use of internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. Internal Audit is required to provide an objective audit service in line with the Public Sector Internal Audit Standard (PSIAS). As a result, Internal Audit does not have any executive functions that might compromise its objectivity.
105. The Internal Audit provider will have direct access to, and the freedom to report to Members and all senior management including the Chief Executive, Director of Resources (as CFO) and the WLGA Legal Adviser.

Responsibilities

106. The Director of Resources as CFO shall:
- a. Maintain an effective system of internal audit of the accounting records and control systems of the Council.
 - b. Report annually to Audit Committee on progress on the strategic (long term) audit plan.
 - c. Advise of material issues of financial control and report to Audit Committee on the soundness and application of the system of internal control considering potential loss through fraud, waste and poor value for money.
 - d. Where evidence of fraud, misappropriation or theft is discovered, decide after consultation with the relevant director(s) and the Monitoring Officer, whether to refer the matter to the police.
107. The Director of Resources as CFO is authorised to:
- a. Have immediate access to all records and documents.
 - b. Require the immediate production of any asset owned or held by the Association.
 - c. Require and receive promptly full and accurate explanations to any points requested.
108. Each Director shall:
- d. Ensure that all reasonable assistance and co-operation is given to internal auditors
 - e. Respond fully without undue delay to any enquiries or recommendations made by the Chief Finance Officer
 - f. Inform the Chief Finance Officer, as soon as possible, of failures of financial control, including matters that involve, or may involve, financial irregularity
109. The Director of Resources and each Director jointly shall investigate failures of financial control, including matters that involve, or may involve, financial irregularity.

Financial Regulation 10 – Administering Grants

General Principles

110. The WLGA may from time to time have responsibility for administering grants on behalf of Welsh Government or other external sources. On a day-to-day basis this is delegated to the Chief Executive who has the authority to delegate this to the Director of Resources.

Responsibilities

111. The Director of Resources (as CFO) shall:
- e. Maintain an effective system of internal accounting records and control systems for the distribution of any Grants
 - f. Ensure that those in receipt of any grants are aware of the terms and conditions
 - g. Ensure any grant distribution and/or return of Grants is properly accounted for
112. The Director of Resources as CFO is authorised to:
- a. Have immediate access to all WLGA records and documents of any grant distribution.
 - b. Require the immediate production of any relevant information
 - c. Require and receive promptly full and accurate explanations of any Grant distribution.
113. Each Director shall:
- d. Ensure that all reasonable assistance and co-operation is given to the Director of Resources as Chief Finance Officer
 - e. Respond fully without undue delay to any enquiries or recommendations made by the Chief Finance Officer
 - f. Inform the Chief Finance Officer, as soon as possible, of failures of financial control, including matters that involve, or may involve, financial irregularity
 - g. Ensure proper records are maintained of any grant distribution and decisions relating to allocations
114. Grant managers will ensure that any Grant application and/or distribution complies with legislative requirements for the Welsh language. The WLGA's approach is attached as an appendix to the Financial Regulations at Annex I.

Welsh Local Government **Association Policy on Awarding** **Grants**

Published in line with the requirements of the Welsh Language Standards (No.1) Regulations 2015 for Councils and Welsh Language Standards (No.2) Regulations 2016 for Welsh Local Government Association

Introduction

This policy has been developed to assist officers in complying with the requirements of the Welsh Language Standards (No.1) Regulations 2015 for Councils & the corresponding Regulations (No.2) 2016 for the WLGA– when issuing grants on behalf of Welsh Local Government Association (WLGA).

The Welsh Language Standards (No.1 & No.2) require Councils and WLGA to ensure:

- Any documents that you publish which relate to applications for a grant, must be published in Welsh, and you must not treat a Welsh language version of such documents less favourably than an English language version (Standard 71)
- When you invite applications for a grant, you must state in the invitation that applications may be submitted in Welsh and that any application submitted in Welsh will be treated no less favourably than an application submitted in English. (Standard 72)
- You must not treat applications for a grant submitted in Welsh less favourably than applications submitted in English (including, amongst other matters, in relation to the closing date for receiving applications and in relation to the time-scale for informing applicants of decisions). (Standard 72A)
- If you receive an application for a grant in Welsh and it is necessary to interview the applicant as part of your assessment of the application you must -
 - (a) offer to provide a translation service from Welsh to English to enable the applicant to use the Welsh language at the interview, and
 - (b) if the applicant wishes to use the Welsh language at the interview, provide a simultaneous translation service for that purpose (unless you conduct the interview in Welsh without a translation service). (Standard 74)
- When you inform an applicant of your decision in relation to an application for a grant, you must do so in Welsh if the application was submitted in Welsh. (Standard 75)
- You must produce and publish a policy on awarding grants (or, where appropriate, amend an existing policy) which requires you to take the following matters into account when you make decisions in relation to the awarding of a grant -
 - (a) what effects, if any (and whether positive or negative), the awarding of a grant would have on -
 - (i) opportunities for persons to use the Welsh language, and
 - (ii) treating the Welsh language no less favourably than the English language;
 - (b) how the decision could be taken or implemented (for example, by imposing conditions of grant) so that it would have positive effects, or increased positive effects, on -
 - (i) opportunities for persons to use the Welsh language, and
 - (ii) treating the Welsh language no less favourably than the English language;
 - (c) how the decision could be taken or implemented (for example, by imposing conditions of grant) so that it would not have adverse effects, or so that it would have decreased adverse effects on -
 - (i) opportunities for persons to use the Welsh language, and
 - (ii) treating the Welsh language no less favourably than the English language;
 - (ch) whether you need to ask the applicant for any additional information in order to assist you in assessing the effects of awarding a grant on -
 - (i) opportunities for persons to use the Welsh language, and

(ii) treating the Welsh language no less favourably than the English language. (Standard 94)

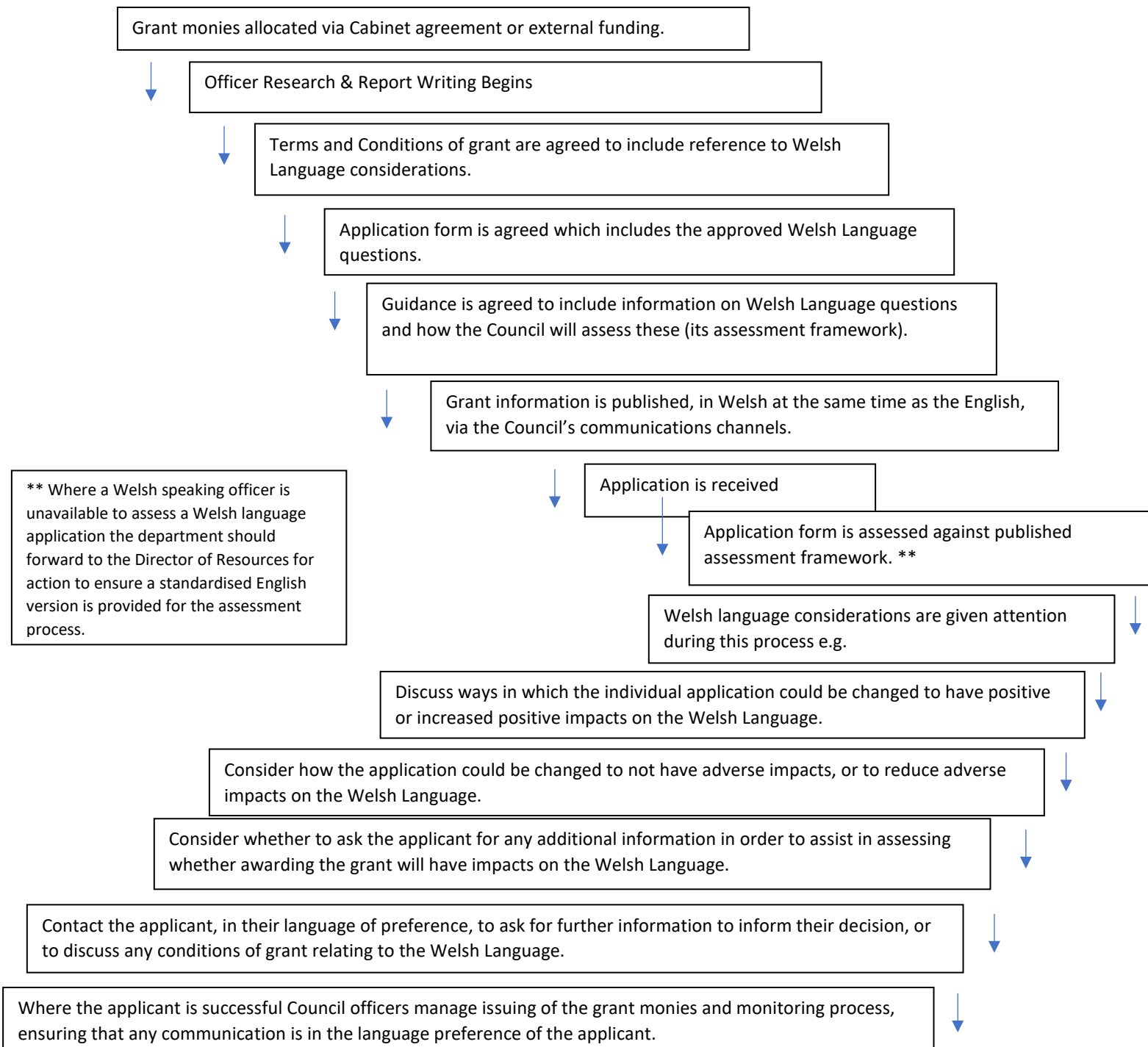
This policy aims to assist officers in ensuring the above considerations are an integrated aspect of grant making at WLGA whilst also ensuring that decision makers (including Full Council / the Executive (Cabinet) / and Senior Officers through delegated decisions) are aware of their duties when making a decision. It may also be necessary to consider completing an Impact Assessment when setting up new grants to ensure the organisation complies with Welsh Language Standards 88-90 – please refer to the Impact Assessment guidance for more information.

Adhering to the checklist provided (appendix 1) will demonstrate that you have acknowledged and responded to the need to consider the Welsh language. Therefore, a successful grant making process at WLGA must:

- publish all materials in Welsh
- respect individuals language preference throughout the grant application process
- identify any impacts on the Welsh Language (positive, negative or both)
- note ways of promoting the Welsh Language, including the use of Welsh
- reduce any adverse impacts on the Welsh language
- demonstrate due regard to the various impacts listed in the Standards
- implement grant conditions only where necessary

Grant Making Process Overview

The flowchart is a visual guide only to help and support compliance.



Do I need to consider this on my grant making process?

- If the Council awards grants on behalf of another body (Welsh Government or any other body that fall within scope of the Welsh Language (Wales) Measure 2011) and the specific terms and conditions of the grant include Welsh language considerations, then this policy will apply.
- If the Council awards grants that it has funded, then this policy will apply.
- If the Council awards grants on behalf of organisations that do not fall within scope of the Welsh Language (Wales) Measure 2011 and there are no specific terms and conditions in relation to the Welsh language set out in the grant, then this policy will not be applicable. A disclaimer to this effect must be included in the grant documentation.
- In cases where we do not set terms and conditions, nor are we able to change the policy direction or terms and conditions for those external funds, all other relevant Welsh Language Standards are applicable to us – such as publishing Welsh versions of our guidance and consultation documents, applications forms, and publicity etc. must be adhered to.

If you are unsure whether this policy applies to a grant making process that you are managing – please contact the WLGA for further advice.

What should I include in the terms and conditions?

We suggest the following should be included in all terms and conditions that the WLGA issue.

This grant is awarded in line with the requirements of our Policy on Awarding Grants, published to ensure compliance with the Welsh Language Standards (No.1) Regulations 2015, under the Welsh Language (Wales) Measure 2011.

In order to satisfy the requirements of these terms and conditions you must comply with the below

- <<insert specific conditions of grant in relation to the Welsh language>>

or

- <<list agreed actions that the applicant has noted to ensure positive impacts, or to reduce negative impacts (these will have been discussed during the decision-making stage). >>

It may be appropriate in some instances to impose a condition on a grant to ensure more positive Impacts on the Welsh language. This could be as simple as requiring applicants to display bilingual signage or that activities are provided in Welsh. If you require further advice you are welcome to contact Director of Resources.

What should I include in the guidance for applicants?

We suggest the following is inserted into all guidance for applicants -

The Welsh Language Standards (No.1) Regulations 2015 place a statutory requirement on the Council to ensure all grants issued by it consider whether there are ways the initiative could be amended to include

more positive impacts on the Welsh Language or if actions could be included to decrease negative impacts or eradicate them altogether.

In complying with this statutory requirement, we ask you, as the applicant, to let us know through the application form how your initiative may impact the following areas -

- opportunities for persons to use the Welsh Language

e.g staff, residents and visitors

- has a positive or negative impact on the numbers of Welsh speakers

e.g. Welsh medium education, study opportunities, links with the Welsh Government's [Cymraeg 2050 Strategy](#) /[Welsh Government sets out the next five years for Cymraeg 2050 | GOV.WALES](#)

- opportunities to promote the Welsh language

e.g. status, use of Welsh language services, use of Welsh in everyday life in work and in the community.

Actively encourage and promote the use of our services in Welsh to see an increase in demand over time.

- treating the Welsh language, no less favourably than the English language

The team will assess your answers, ask further questions where necessary or they may impose a condition of grant that would require you to complete a specific action to ensure more positive impacts on the Welsh Language.

What do we mean by impact?

A Negative or Adverse Impact

This is where it is identified that an initiative (or some aspect of it) may have a negative impact on the Welsh Language by reducing opportunities for persons to use the language, reducing the number or percentage of Welsh speakers, treating the Welsh language less favourably than the English language or not promoting it. A negative impact may be entirely unintentional and only become apparent when research or consultation takes place or by seeking advice from relevant Policy Officers.

A negative impact may also occur when an initiative is removed or no longer continued. Therefore these matters should be considered during decision-making process about an application.

A Positive Impact

This is where it is identified that an initiative (or some aspect of it) may have a positive impact on the Welsh Language by increasing opportunities for persons to use the language, promoting the Welsh Language, increasing numbers or percentage of Welsh speakers or treating the Welsh language more favourably than the English language

Positive impacts assist the Council to meet its obligations under the Welsh Language (Wales) Measure 2011.

No impact/Negligible

This is where it is identified that an initiative (or some aspect of it) may not have any impact on the Welsh Language.

What should I include in my application form?

The following must be added, as a mandatory question, to all application forms, to ensure the Council complies with its Welsh Language Standards by asking the applicant to give us some considerations before our own deliberations -

Please let us know:

• How you feel the grant could impact opportunities for people to use and promote the Welsh Language (Positive or Negative) and if in any way it treats the Welsh Language less favourably than the English

Language?

- *How positive impacts could be increased, or negative impacts be decreased?*

Example Assessment Framework / Weighting

It is advised that all assessment frameworks are updated to include a section that considers the impacts on the Welsh Language. A suggested approach is provided below.

Question	Brief Description
Has the applicant identified any positive impacts on using or promoting the Welsh Language?	
Has the applicant identified how the positive impacts can be increased?	
Are there positive impacts, or actions that could increase positive impacts, not recorded in the application form that the panel wish to note?	
Has the applicant identified any ways to decrease negative impacts on the Welsh Language?	
Are there actions that could decrease negative impacts not recorded in the application form that the panel wish to note?	
Has the applicant identified any negative impacts on using or promoting the Welsh language?	
If there are any negative impacts on promoting or using the Welsh Language how will they be mitigated?	
Are there negative impacts not recorded in the application form that the panel wish to consider?	
Do we need more information from the applicant for us to assess the impacts on the Welsh language?	
Please record any response from the applicant here for audit purposes.	
Do we need to impose a condition of grant that will ensure more positive impacts on the Welsh Language or one that will decrease negative impacts? <i>If any are recorded here, they must also be recorded in the terms and conditions of the grant and the applicant must be made aware of them.</i>	

Officers must consider what weighting/scoring to give to the above in instances where the grant making process uses a scoring method to assess whether to award a grant or not.

Contact Details

Further details can be obtained from either the Director of Resources or the Welsh Language Officer.

Appendix 1

Grant Making @ WLGA

If you are managing a grant making process on behalf of WLGA please complete the below checklist to ensure the Council complies with the requirements of The Welsh Language Standards (No.1) Regulations 2015.

Making sure you comply, will reduce the chance of any complaint, appeals or investigations by the regulator and the various costs associated with this. For further information please see our Policy on Awarding Grants at WLGA.

All information about the grant is available in Welsh and will be published at the same time as the English version, including any guidance documents, assessment frameworks and terms and conditions.	
<p>The press release, invitation and application forms include the below proactive offer -</p> <p>Caniateir cyflwyno ffurflen gais yn Gymraeg ac ni fydd unrhyw gais a gyflwynir yn Gymraeg yn cael ei thrin yn llai ffafriol na chais a gyflwynir yn Saesneg</p> <p>An application form may be submitted in Welsh, and will not be treated any less favourable than an application form submitted in English.</p>	
<p>The following sentence has been included in the English application form (where it is separated from the Welsh version).</p> <p>Mae'r ddogfen yma ar gael yn Gymraeg</p> <p>This document is available in Welsh</p>	
<p>Where an email address or telephone number is being used to ask people to get in touch the following sentence has been included in the poster, email or public notice.</p> <p>Mae croeso i chi gyfathrebu â ni yn y Gymraeg</p> <p>You are welcome to communicate with us in Welsh.</p>	
<p>The application form includes the following mandatory question to allow the applicant to consider the impact of the initiative on the Welsh Language:</p> <p>Rhowch wybod i ni:</p>	

<p>•Sut byddai'r grant yn effeithio ar gyfleoedd i bobl ddefnyddio'u Cymraeg a'i hybu (cadarnhaol neu negyddol), ac a fyddai'n trin y Gymraeg yn llai ffafriol na'r Saesneg mewn unrhyw ffordd?</p> <p>•Sut byddai modd estyn effeithiau cadarnhaol, neu leihau effeithiau negyddol?</p> <p>Please let us know:</p> <ul style="list-style-type: none"> • How you feel the grant could impact opportunities for people to use and promote the Welsh Language (Positive or Negative) and if in any way it treats the Welsh Language less favourably than the English Language? • How positive impacts could be increased, or negative impacts be decreased? 	
<p>During the assessment process you have considered the following –</p> <ul style="list-style-type: none"> • How you feel the grant could impact opportunities for people to use and promote the Welsh Language (Positive or Negative) and if in any way it treats the Welsh Language less favourably than the English Language? • How positive impacts could be increased, or negative impacts be decreased? <p>You are advised to use the published assessment framework during your deliberations which can be found in the Policy on Awarding Grants at WLGA – to provide an audit trail of your considerations and actions.</p>	
<p>Where you have arranged a meeting to ask further questions in relations to the application you have included the below proactive offer. This includes hybrid and virtual meetings.</p> <p>Croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod dim ond i chi roi gwybod i ni erbyn xx/xx/xx.</p> <p>You are welcome to use Welsh at the meeting, just let us know by xx/xx/xx should you wish to do so</p>	
<p>Welsh Language Simultaneous Translation Services have been arranged in response to an applicant letting us know they wish to speak Welsh at the meeting*.</p>	
<p>You have considered implementing a condition of grant to ensure more positive impacts on the Welsh Language.</p>	
<p>You respect the applicant's language preference during the process.</p>	

Please note that administering the grant through a third party does not absolve the WLGA of its statutory responsibilities to comply with the above Welsh Language Standards. As such,

contract managers must ensure that the requirements listed above, and any others depending on the nature of the project, are included in the contract agreement.

*No Welsh language face-to-face / simultaneous translation service is needed where no response has been received from the offer. You may also arrange for meeting to be in Welsh only with Welsh speaking officers from your department.

Let us know if you have any questions – Welsh Language Officer.