



**Drumchapel
Housing**

Co-operative Limited

Financial Procedures

Approved by the Board

Latest review date

December 2023

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1. INTRODUCTION

- 11 In order to facilitate the efficient and effective operation of the Co-operative in matters relating to finance and also to minimise risk, a series of financial controls have been established. This is also to ensure compliance with Standard 3 of the Scottish Housing Regulator ('SHR') Regulatory Standards of Governance and Financial Management.
- 12 These procedures sit below the Co-operative's Financial Regulations. They incorporate basic elements of financial control which exist in most organisations, as well as those which may be peculiar to this particular Co-operative.
- 13 It is in the interests of the organisation that these controls are made known and are adhered to by both staff and Board members. All members of staff and Board will be made aware of these controls and must comply with the same. Awareness of these controls will form part of the induction for new staff and Board members.
- 14 The Co-operative must ensure that, where records of a financial nature are kept outwith the finance section, consultation is held with the Director, Depute Director or Senior Finance Officer and an agreement reached that ensures the manner in which records are kept is appropriate.
- 15 It is essential that the Director and/or Depute Director be notified immediately of any unforeseen event which has, or may have, material financial implications for the Co-operative.
- 16 These procedures together with the Financial Regulations form part of the overall system of financial and management control and take account of the SHR's Standards of Governance and Financial Management.
- 17 In the event of failure to follow agreed Procedures, action may be taken against the offending individual(s) under the Co-operative's Disciplinary Procedures (for staff)/ Code of Conduct (for Board).
- 18 A month end checklist will be completed within four weeks of the period end by the Senior Finance Officer.

2. BUDGET PROCESS

- 21 In setting the budget of the Co-operative annually, a budget statement should be prepared to detail the rationale and workings behind the budget. This will be referred to as the Budget Book and this will be retained by the Senior Finance Officer and used throughout the year to support effective budgetary control. The value of the Budget Book and detailed review of the quarterly management accounts by all budget holders as a management tool should be recognised and under no circumstances should the organisation be operating without regular and critical review of its financial performance against its approved budget.
- 22 In preparing the budget book, appropriate consultation and discussion with all sections of the organisation must take place and guidance from the SHR must be recognised and considered.
- 23 The budget setting process must allow adequate input from all sections within the Co-operative. The Finance Agent or Senior Finance Officer will issue a formal and detailed budget information request, normally in October of each year, to budget holders. The Director has responsibility for ensuring the supply of information by all budget holders within agreed timescales.
- 24 Budget holders have been determined across the Co-operative as set out in the Financial Regulations. Budget holders are responsible for providing detailed information to inform the annual setting of budgets. They are also responsible for monitoring actual income and expenditure against their allocated budget codes and providing detailed information to the finance team with regards any variances.
- 25 The Board shall consider a draft budget for the year no later than the end of January each year that will include the indicative annual rent increase proposal that will be the basis of consultation with tenants. The Board will approve the final budget including the detailed supporting budget book in February or early March of each year. The final budget document approved for the year must contain the budget book with the appropriate supporting narrative, including details of main assumptions employed, material changes from the previous year, appropriate ratio analysis, covenant compliance review and detailed cash flow projections.
- 26 The approved budget will also be rolled into the current Business Plan of the Co-operative to ensure the medium and long term funding assumptions of the Co-operative remain current.
- 27 To assist the process of cost allocation within the Co-operative, all senior staff members may be requested to complete time allocation sheets from time to time as required by the Senior Finance Officer.

- 28 On final approval of the annual budget, a copy shall be sent to external auditors and all funders as required.
- 29 Management Accounts shall be issued quarterly to budget holders and these will then be presented to the Board for subsequent approval.
- 210 All budget holders should be aware of the budgets within their control and should have in place effective tools for managing their budgets throughout the year. Any requirements to exceed a budget should be drawn to the attention of the Director immediately and a report will be submitted to the Board for approval.
- 211 Management accounts will be prepared on a quarterly basis and shall compare the estimated and actual income and expenditure for the period to date. Any material variances must be highlighted and explained to Board with the covering report issued within the management accounts on a quarterly basis.
- 212 The quarterly management accounts should include the effect of likely future events on the financial position together with details of the currently projected financial position of the Co-operative at the year-end.

3. TENDERING

- 31 Full details of the Co-operative's approach to procurement for works and services and the related detailed tendering process can be found in the Procurement Policy.

4. LOAN AGREEMENT COMPLIANCE

- 41 In order to ensure the proper monitoring of compliance with the terms of loan agreements with lenders, the Finance Agent must ensure that the following clauses and their contents are widely understood by both the Board and senior staff and that processes are put in place to ensure adherence: -

- Information
- Covenants
- Valuations
- Default

- 42 The Finance Agent in conjunction with the Senior Finance Officer shall have responsibility for ensuring the monitoring and submission of financial information to the Director, Board and Audit & Risk Committee including: budgets, quarterly management accounts, annual accounts, covenant monitoring, revisions of long-term projections and statutory returns.

43 All senior staff and Board members of the Co-operative have a duty of responsibility regarding full awareness and adherence to the terms of and conditions of all Loan Agreements with all lenders.

5. **RECEIPT OF MONIES**

51 The Senior Finance Officer will ensure that appropriate processes are in place for the timely and accurate recording of all monies due to the Co-operative through the raising of sales invoices.

52 Credit notes should be initiated by an approved budget holder and authorised in line with the scheme of delegated authorities. No credit notes should be created by the finance team without authorisation being in place by the budget holder. The Senior Finance Officer shall create the credit note, which should be authorised by the relevant senior manager prior to issue.

53 Any cheques received together with the remittance vouchers should be passed to the Senior Finance Officer who should enter the details onto the appropriate ledger prior to banking. Amounts received should be matched to the corresponding sales invoice in a timely manner.

54 Payments collected of rent, deposits, rechargeable repairs and other sources of income at the office counter should always be issued a receipt. All rent payments will be processed through Callpay. Receipts issued from Callpay will be given to the payee, having being initialled by the person taking the payment confirming the payment amount. A further copy will be retained for the organisations records. All other payments will be recorded in the receipt register and the tear off receipt should be passed to the payee with the receipt stub being retained in the receipt book. In the event that Callpay is unavailable the receipt register will be used to log rent payments and issue receipts.

55 A receipt book will be held at reception. All staff required to cover reception will be fully trained in the procedures for receipting payments received by the Senior Finance Officer.

56 Any and all such sums received will be entered onto the Daily Cash Receipt

Reconciliation form sheet held at reception. Once payment is taken a second member of staff will check monies received against the receipt and initial to confirm payment amount. The payment will then be placed immediately in the secured cash box. The Senior Finance Officer along with another member of staff will empty and reconcile the secured cash box on a daily basis against the cash reconciliation sheet and against the relevant Allpay files. The cash will then be placed in the safe in a locked cash box.

- 57 All cash received should be securely stored in the safe prior to banking.
- 58 The Co-operative employs a cash collection service, namely Security Plus who carry out a cash uplift every alternate Friday. In line with the Co-operative's Insurance Policy, no more than £6,000 in cash can be held in the safe at one time. Funds should be monitored by the Senior Finance Officer to ensure this level is not breached. If a breach seems likely, then the Senior Finance Officer must bank the funds available. In order to comply with the Co-operative's Insurance Policy no more than £6,000 can be taken to the bank at one time and two members of staff must take it to the nearest branch. Prior to any cash being banked, the cash sum requires to be matched with the pay in book total, usually by the Senior Finance Officer.
- 59 A secondary check must be performed by an officer. This should involve a check to confirm that the pay in workbook total matches sums lodged in the bank account as noted on the bank statements. Any discrepancies should be reported to the Director immediately.
- 5.10 All Finance and designated staff are trained and authorised to accept electronic payments. The Co-operative uses the Callpay Payment Management system to process electronic payments. All trained staff have their own username and password to access this system. The Senior Finance Officer is the administrator and if passwords require a re-set, they would be responsible for carrying this out.
- 5.11 Cash should not be left unattended. Once cash payment has been received and checked it must be placed immediately into the secured cash box.

6. INVOICES/ORDERS

- 6.1 The Co-operative shall operate a Purchase Ordering System (POS). The purchase order of all goods, non-maintenance services and other relevant items shall be made only after a completed purchase order form has been completed and authorised by the relevant staff member.
- 6.2 A delegated staff member shall process appropriately all authorised

purchase requests, other than asset management services and record details of the order (including date, supplier, an expected cost, nature of the purchase and staff member requesting the purchase) in the purchase order records.

- 63 All invoices received, other than Asset Management, shall be date and grid stamped by Reception and passed to Finance who will log them onto the Purchase Invoice Register in Pegasus before distributing to the relevant person for checking and authorising.
- 64 On satisfactory receipt of the goods or services, the relevant staff member will record this on the delivery note and/or purchase order.
- 65 On receipt of the invoice, this will be matched to the purchase order by the relevant staff member who will then certify the invoice for payment in accordance with delegated authority limits as set out in the Financial Regulations. The invoice should then be returned to the Senior Finance Officer for payment.
- 66 On a quarterly basis, the Senior Finance Officer shall accrue relevant costs as appropriate.
- 67 All Asset Management invoices shall be supported by a repair order issued on SDM Repairs and Maintenance system. Invoices received in respect of repair related expenditure, require to be recorded onto the purchase invoice register on Pegasus Opera 3. Invoices will be matched up with the details of the repair order on SDM and subsequently authorised and approved for payment in line with the Financial Regulations.
- 68 Only those with appropriate delegated authority as set out in the Financial Regulations have the authority to request purchase orders or issue maintenance orders, within their set thresholds.
- 69 A list of approved suppliers is in place and shall be revised annually and approved by the Board. Goods and services should be ordered from the approved suppliers wherever possible. Approval should be sought from the Director or Depute Director where a non-approved supplier is to be utilised.
- 610 Purchase invoices will be processed onto the purchase ledger in a timely manner. Prior to processing any purchase invoice, it will be reviewed for financial accuracy and application of the correct VAT rate. Each purchase invoice will be allocated a unique reference number, which is system generated by Pegasus Opera 3.
- 611 The Senior Finance Officer will review all invoices approved for payment by budget holders as required to ensure they are supported by an appropriately approved and goods matched purchase order, ensuring there are no discrepancies between purchase order and purchase invoice.

6.12 Where supplier statements are received, supplier statement reconciliation will be carried out on at least a monthly basis, along with an aged creditors listing to identify any overdue invoices.

6.13 In exceptional circumstances, where work is authorised and commissioned by the Board, a senior member of staff shall normally certify that relevant work has been carried out by signing “Invoice checked and agreed”. The “certified” section of the grid stamp shall be signed by the delegated Board member.

7. GENERAL LEDGER

7.1 Monthly journals shall be posted in a timely manner by the Senior Finance Officer. These shall be verified by Finance Agent.

7.2 Details of all Journals made can be viewed at all times within the Pegasus Opera 3 system.

7.3 Bank postings are made on, at least a monthly basis to reflect receipts and payments, including those paid via standing order and direct debit, and inter account bank transfers.

7.4 A formal year end process and timetable is set out in Section 8. This will be led by the Senior Finance Officer with input from the Finance Agent.

8. REPORT AND FINANCIAL STATEMENTS

8.1 At the end of each financial year, the following process and timetable will be observed:

| Task | Owner | Timeline |
|--|---------------------------|-----------------|
| Budget owners to ensure invoicing of completed services/ works | Budget holders | By 31 March |
| End of accounting year – books close | Finance Officer | 31 March |
| Date agreed with External Audit for visit | Finance Agent/ Manager | By 31 March |

| | | |
|---|---|----------------------|
| Trial balance on all accounts prepared | Finance Officer | By mid-May |
| All account adjustments (accruals, pre-payments etc.) input and full reconciliations complete | Finance Agent/ Manager/ | By mid-May |
| Draft Report and Financial Statements prepared | Finance Agent/ Manager | By 31 May |
| External Audit visit | External Auditors | Complete by end June |
| Audited Report and Financial Statements and Management letter to Board for approval | Finance Agent/ Manager | July |
| Report and Financial Statements and External Auditors Report laid before the Annual General Meeting | Finance Agent/ Manager and External Auditor | August/ September |
| Audited Financial Statements Return to the Scottish Housing Regulator | Finance Agent/ Manager | 30 September |

9. BACS/CHEQUE/PAYMENTS

- 91 A payment run shall be performed on at least a monthly basis by the Senior Finance Officer. A listing of all invoices due for payment shall be produced by preferred payment method (BACS, cheque, etc.). Wherever possible suppliers will be paid by BACS, however a cheque payment can be made as an exception.
- 92 The payment listing along with all relevant purchase invoices shall be passed to any two of the bank mandated authorised signatories to review and authorise. The BACS listing shall be retained on file to evidence this authorisation.
- 93 Payment shall be made via online banking by the Senior Finance Officer and a BACS authorisation report issued to the Depute Director/Director who will counter authorise the report via online banking which will allow release of the payments. A final BACS report should then be printed off via online banking which should match the original BACS report.
- 94 Cheque payment will rarely be supported by the Co-operative. Payment recipients will in most cases be required to operate a bank account and receive payments by BACS transfer. In exceptional cases, where a cheque is required, it shall be presented for signature to the defined authorised signatories together with authorised invoices/supporting documents for

inspection. All cheques require two signatures.

- 95 Purchase invoices shall be stamped as paid when this process is complete to ensure no invoice can be paid twice. The authorised BACS listing and purchase invoices will be held on file.
- 96 Cheques should be issued to the payee together with a remittance advice. BACS payees should receive a remittance. This will be emailed where we hold email addresses on file.
- 97 Cheques issued should run in numerical order.
- 98 In the event that no invoice is available e.g. petty cash, rent refund etc., a completed cheque/BACS request voucher must be available and be fully authorised in accordance with the invoice procedures. It is the responsibility of the Officer requesting payment to complete the cheque/BACS request voucher.
- 99 The Co-operative currently operates a current account with Bank of Scotland for all BACS and cheque payments.
- 9.10 Payments to creditors shall be made in accordance with any contractual obligation. Where no contractual obligation exists, payment should normally be made within 30 days.
- 9.11 In the event of the Co-operative being notified of a supplier or other payee change of bank details, the Senior Finance Officer will be responsible for ensuring that the request is legitimate. The Senior Finance Officer must always ensure dual verification of any change by making telephone/email contact with the creditor using only their existing contact details, rather than any provided at the time of notification. Change requests must be fully verified verbally and in writing before any payment is made to a new account. This dual verification process should also be used for new suppliers, i.e. ensuring separate verification of payment details before any payment is made. Any discrepancies will be reported immediately to the Director or Depute Director.

10. CREDIT CARD

- 10.1 The Co-operative has a MasterCard with Bank of Scotland held in the name of the Director.
- 10.2 The credit card is held for use in limited circumstances and any item which can be purchased through the Invoices/Orders system described at section 6

above should be used. All items purchased should be for business purposes only. Under no circumstances will any personal purchases be permitted. Purchases on the credit card will be reviewed on a monthly basis by the Finance Agent or Senior Finance Officer to identify where this principle has not been adhered to. Any concerns should immediately be brought to the attention of the Chairperson of the Co-operative.

103 The credit card shall have a threshold of £5,000. This shall be reviewed on an annual basis and adjusted if considered necessary. Changes to the credit card limit must be justified to and approved by the Board.

104 The credit card shall be held within the Co-operative's offices, within the safe when not in use. It shall only be removed overnight if the Director is travelling for business purposes. The safe register must be completed whenever the credit card is removed.

105 Before a payment is made with the card a Purchase Order form must be completed with as much information as possible.

106 If the purchase is for a prize or raffle, the prize and raffles register held by the Co-operative must be completed. Any prize/raffle or consultation winners will also be updated on the Register.

107 When a purchase has been made, the Purchase Order form should be updated for any additional relevant information and the receipt attached. The Purchase Order form with receipt should then be passed to the Senior Finance Officer to be filed in the credit card file within the correct month.

108 When the monthly credit card statement is received, it must be date and grid stamped. The Senior Finance Officer will ensure that each transaction on the statement has the correct form and receipt. Where there is a transaction on the statement that does not have the correct form and receipt this must be queried with the Director and resolved immediately.

109 When the monthly credit card statement is received, all charges must be reviewed, queried (where required) and authorised by the Director/Depute Director prior to the relevant direct debit date.

11. **PETTY CASH**

111 All petty cash cheques should be requested by the Senior Finance Officer and signed by two authorised signatories. The petty cash levels shall be maintained at no more than £500 at any one time. Payments from Petty Cash are made where it

is not possible to follow the Invoices/Orders process set out in Section 5 above.

112 The expected petty cash usage is for the following items:

- Gas/Electricity top ups in void properties limited to a maximum of £30 per household
 - Reimbursement of sundry expenses limited to a maximum of £50
 - Sundry office supplies, such as tea/coffee/milk
 - Other items deemed as acceptable for reimbursement by petty cash by the Director or Depute Director.
- 113 All petty cash disbursements must be accompanied by a Petty Cash Purchase (PCP) Form and the receipt and should be signed by the parties receiving payment and approved by the Director/Depute Director/Senior Finance Officer. The PCP form must contain details of what the expense relates to and must be dated as at time of payment.
- 114 At no time should the petty cash fund be used by any staff/Board member for purposes other than expenditure wholly and necessarily incurred on official business.
- 115 The person responsible for the handling of petty cash and associated records is the Senior Finance Officer. The Senior Finance Officer has sole responsibility for cash disbursements, but when absent this would be the Depute Director.
- 116 It is essential that the petty cash box remains in the safe unless cash deposits/disbursements are being made. Only the Director, Depute Director, Technical Manager and Senior Finance Officer have access to the safe.
- 117 The petty cash levels shall be reconciled to the petty cash records on a monthly basis by the Senior Finance Officer. Any variances shall be investigated immediately and reported to the Director, Depute Director or, if neither is available, the Finance Agent.
- 118 Petty cash transactions shall be posted through the Pegasus Opera 3 system on a monthly basis as a Cash Payment.
- 119 The Senior Finance Officer shall, on a monthly basis, reconcile the petty cash balance to the petty cash book, and to the petty cash nominal code on Pegasus Opera 3. Any variances shall be investigated and rectified in a timely manner. The Finance Agent will review this reconciliation and certify its accuracy, evidencing this through signature of the reconciliation. Certified petty cash reconciliations shall be retained in electronic format within the

secure finance drive.

- 11.10 Although not encouraged, if for any reason money is paid into petty cash e.g. postage used for personal mail, a petty cash paid-in form should be completed, with the original receipt or back up as evidence of the cash received this should be signed by the person paying in and also authorised by the Depute Director or Director.

12. SALARIES/EXPENSES

- 12.1 The Director/Depute Director is responsible for the HR records of the Co-operative. This should include approved starters and leavers forms, and approved salary changes. These details will be forwarded to the Senior Finance Officer. The Senior Finance Officer is responsible for entering these details onto the Personnel Module within Pegasus Opera 3, and will be checked by the Senior Finance Officer prior to monthly payroll processing. It is the responsibility of the Senior Finance Officer to process payroll on a monthly basis.
- 12.2 Salary and wage increases arising from staff promotions or pay awards must be approved by the Director prior to any payment being made. Any changes in salary mounts due must be confirmed in writing to the individual staff member with a copy of the letter being retained in the personnel files.
- 12.3 Any request for overtime should be approved by the Director in advance and any claim should be accompanied by an overtime form signed by the individual requesting payment and authorised by the Director or Depute Director.
- 12.4 Any request for reimbursement of expenses/mileage costs should be accompanied by an expenses claim form signed by the individual requesting payment and authorised in accordance with the Financial Regulations. Receipts should be provided where possible.
- 12.5 Any sickness and administrative requirements are referred to in the Sickness Policy.
- 12.6 For the purposes of statutory sick pay the Senior Finance Officer must be made aware of all absences from work arising from sickness.
- 12.7 Salary processing is carried out by the Senior Finance Officer on a monthly basis. Monthly payroll information is provided to the Senior Finance Officer by the Director/Depute Director which should include; overtime, sickness or any contractual changes. The relevant information shall be input by the

Senior Finance Officer into Pegasus Opera 3 and reviewed and approved by the Director or Depute Director with reference to relevant documentation (i.e. starters/leavers forms, overtime forms, expenses forms etc).

- 128 Upon the Director/Depute Director approval the Senior Finance Officer will produce from Pegasus Opera 3 Salary BACS List payment details. This should be passed to the Director or Depute Director for review and approval along with payroll summary report for the period which the BACS list should agree to.
- 129 The Director or Depute Director shall sign both the BACS listing and payroll summary report to evidence this review and thus authorising the Senior Finance Officer to process the payroll payment via online banking. The Senior Finance Officer shall process the payment and the Director or Depute Director will counter authorise the bank's salary payment listing.
- 12.10 A report should be downloaded from online banking once the payment is made, attached to the approved BACS listing and retained on file. This can be stored electronically on the secure Finance drive.
- 12.11 Salary payments are due on the last day of each month and shall be processed two days prior to this to ensure adherence with the timetable. The payment period in December may vary in line with holiday dates.
- 12.12 The Senior Finance Officer is responsible for submission of all PAYE returns and Pension Contributions / Submissions in accordance with statutory timetables.
- 12.13 Any changes in employment terms must be approved in line with the scheme of delegation in the Financial Regulations and must be conveyed to the staff member in writing and a copy of the letter held within the personnel files.
- 12.14 Any voluntary deductions from pay must be supported by written authorisation given by the employee.
- 12.15 Any member of staff claiming mileage or using their car for Co-operative business must provide proof of appropriate insurance cover for business use and provide a copy of his/her driving licence.
- 12.16 Any settlement agreement payments must be made in accordance with the protocol for entering into settlement agreements.

13. BOARD EXPENSES

- 13.1 All claims for reimbursement of expenses must be accompanied by an expenses claim form signed by the individual requesting payment and

countersigned by the Director.

132 Receipts must be obtained and attached with any claim made, if the claim is for loss of earnings, a letter from the employer should be obtained.

133 Whilst it is preferred that payment is by BACS or cheque, it is recognised that payments via petty cash may be required to ensure Board members are reimbursed for costs that they have met personally as soon as possible.

134 No cheque signatory may sign a cheque payable to themselves.

135 Where payment is made to a 3rd party in respect of childminding expenses, proof of payment must be provided.

136 All expenses paid will be available for inspection by the Director and Board members.

137 Payment of expenses shall be made in accordance with the Board Expenses policy.

14. MAINTENANCE/REPAIRS

141 The annual budget setting process will allocate the level of funds available for day to day, cyclical and major repair maintenance works.

142 Work will be carried out by contractors on the Co-operative's framework or, in exceptional circumstances, specialist contractors whose trade does not feature within the framework.

143 The Technical Manager/Maintenance Officer will maintain detailed project accounts for all major works, development works or where contractor payment is in instalments. This shall be updated on at least a monthly basis and verified with the Senior Finance Officer to monitor actual spend on each project and identify any significant under or over spend.

144 The Technical Manager/Maintenance Officer is responsible for ensuring that expenditure remains within budget and managing any significant variances. They are also responsible for providing sufficient explanation to the Director, Depute Director or Senior Finance Officer for management accounts purposes. The Maintenance Officer must ensure that all contractors hold up to date and valid insurance cover.

145 Any significant variance in project costs from the approved budget must be flagged to the Director as soon as they are known and should be highlighted on

the quarterly Management Accounts to the Director and the Board as well as the impact on the annual budget.

- 146 All contracts for maintenance, replacements and repairs should be conducted in line with the Co-operative's Procurement Policy unless it is necessary to carry out the work immediately and through direct instruction in order to prevent danger to life, limb or property.
- 147 Projections of cyclical maintenance/major repair works must be compiled under the control of the Director and Asset Management Service. The Co-operative will have a rolling 3-year investment programme and 30-year planned maintenance assumptions within its Business Plan, which will be reviewed and rolled forward annually in order to allow incorporation of the financial effects into the revised long term financial projections.
- 148 There may be circumstances when the Board may wish to deviate from the approved budget. Any decisions made must be recorded in the minute of the meeting and any subsequent variances from the original budget shall be noted through the normal quarterly management accounts.

15. RE-CHARGEABLE REPAIRS

- 151 The Rechargeable Repair Policy explains what constitutes a rechargeable repair. The Rechargeable Repair Policy discusses how rechargeable repairs will be managed and is at present under review.
- 152 Procedures relating to the recording and receipt of funds for rechargeable repairs activity are noted within the receipt of monies financial procedure in Section 5.
- 153 At each quarter end the Senior Finance Officer shall produce a full reconciliation of individual recharge repair balances. This shall include individual opening balances, accounts issued, sums paid, any adjustments and closing balance. This shall be reviewed and agreed as factually accurate by the Finance Agent and evidence of this retained on file.
- 154 The Senior Finance Officer shall agree the account balance with the quarter end trial balance figure. Any differences must be investigated and resolved promptly. Debt recovery of all outstanding balances will be pursued by the relevant Housing/ Maintenance Services.
- 155 The Maintenance Officer has the responsibility for the issue of timeous recharge repair accounts where applicable. Copies of which

must be provided to the Senior Finance Officer.

16. INSURANCE CLAIMS

- 16.1 The submission of all non-housing insurance claims is the responsibility of the Senior Finance Officer. The submission of all housing insurance claims is the responsibility of the Maintenance Officer. Claims must be submitted within 30 days of the incident occurring.
- 16.2 Whilst it is the responsibility of the Maintenance Officer supported by specialist technical advice where required to advise and liaise with the loss adjuster on property claims, the Senior Finance Officer must be made aware, at the outset, of any material issues and be kept informed regarding progress.
- 16.3 It is the responsibility of the Maintenance Officer to code maintenance invoices in an appropriate manner in order to confirm to the finance team any invoices subject to a claim.
- 16.4 Copies of all claims should be retained in an Insurance Claims folder which should contain a summary sheet detailing date of incident, date of claim, address, claim amount, payment received and date of receipt. Responsibility for this task lies with the Senior Finance Officer.
- 16.5 The Senior Finance Officer should agree the balances outstanding at each quarter end with the trial balance control account for insurance claims. Any differences should be investigated and resolved promptly. Each reconciliation must be reviewed by the Senior Finance Officer and evidence of this retained on file.

17 COMPONENT ACCOUNTING

- 17.1 Programmes of work that will be capitalised will be determined annually within the annual budget. Although priorities may change throughout the year, any changes must be agreed and approved by the Management Board.
- 17.2 All information on replacements/disposals must be provided by the Asset Management Service/Maintenance Officer to the Senior Finance Officer. This includes the date of renewal/disposal and amounts.
- 17.3 The Finance team administer the Real Asset Management Module for all assets, replacements, disposals and depreciation calculations. The Senior Finance Officer is responsible for maintaining the component records, updating it at least once a month. The Finance Agent/should ensure the accuracy

of changes made on at least a quarterly basis.

- 17.4 Component replacements, disposals and the depreciation charges are made through the Real Asset Management system on a monthly basis. A Journal File Report is then produced monthly from Real Asset Management which provides the above details. Once verified the data is then input into the nominal ledger in Pegasus Opera 3. The Senior Finance Officer will be responsible for producing reports for the Finance Agent for review and verification.
- 17.5 Copy invoices for all replacements must be kept in the component accounting file within Finance.

