

Meeting: **AUDIT COMMITTEE**
Date: **13 FEBRUARY 2012**

Agenda Item: **4**

REVISION TO FINANCIAL REGULATIONS 2011/12

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1. PURPOSE

1.1 To update Members on the revision to the Council's Financial Regulations.

2. RECOMMENDATIONS

2.1 That revised Financial Regulations be recommended to Council for approval.

3. BACKGROUND

3.1 The Financial Regulations were last updated in 2010 and this report updates Members on the proposed changes to the regulations. Changes have been made to the regulations to reflect Internal Audit Report recommendations and to clarify some policies.

3.2 The Council's Financial Regulations form an essential part of the control framework within which the Council operates. The Regulations are designed to ensure that financial decisions are taken in a considered and informed manner by assuring that consistent, high quality financial information is available to Members and Officers.

4 REASONS FOR RECOMMENDED COURSE OF ACTIONS AND OTHER OPTIONS

4.1 The Financial Regulations have been updated as at January 2012 (appendix A) and the major changes are summarised in Appendix B attached to this report. The changes relate to:

- The Council's Capital Strategy requiring an update to financial regulations regarding the release of capital schemes
- Clarification on virement approvals
- Alignment with Contract Standing Orders for disposal of assets
- Clarification on the banking of cash and cheques.

- Clarification on raising sundry debtors

5 IMPLICATIONS

5.1 Financial Implications

The updated Financial Regulations are financial in nature. As this document is related, the financial implications are contained therein.

5.2 Legal Implications

The updated Financial Regulations include any legal implications within the regulations.

5.3 Equality and Diversity Implications

This report is of a technical and clarification nature. None of the changes reported will change any existing equalities and diversity policies and it is not expected that these regulations will impact on any groups covered by statutory equalities duties.

5.5 Risk Implications

The significant risks associated with Financial Regulations are largely inherent within this report and in Appendix A.

6. BACKGROUND PAPERS

Update Financial Regulations 2011

7. APPENDICES

Appendix A - Financial Regulations

Appendix B - Major changes to Financial Regulations