

Meeting: Executive
Portfolio Area: Resources
Date: 15th September 2004

FINANCIAL REGULATIONS - REVISED
(Chief Executives Department - Finance)

KEY DECISION

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1 PURPOSE

1.1 To obtain Members agreement to the council's revised Financial Regulations.

2 RECOMMENDATION

2.1 That the Executive approve the revised Financial Regulations as set out in Appendix A and for them to be submitted to Full Council for final approval.

3 BACKGROUND

3.1 The Financial Regulations (FR's) form an essential part of the control framework within which the Council operates.

3.2 The FR's 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. In this way the Council can be confident that financial management ensures the Council's priorities and objectives are met in an economical, effective and efficient way, whilst still maintaining the highest levels of accountability.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 A full review of both FR's and the Council's Contract Standing Orders was commissioned in April 2004. All departments and relevant Members were asked to provide their comments and issues regarding the application of these documents.

4.2 In addition, the Chartered Institute of Public Finance & Accountancy have issued a 'Good Practice Guide for an English Modern Council' for financial regulations which

the Acting Assistant Chief Executive (Finance) has reviewed and applied changes to the FR's where applicable.

4.3 The document in Appendix A has been re-designed with the aim of being more user friendly, with a point of contact identified for each regulation. New sections have also been added for the following areas:

- (a.) Value Added Tax (VAT)
- (b.) Committee Reports
- (c.) Risk Management
- (d.) Document Retention
- (e.) Receipts of Gifts, Gratuities & Hospitality
- (f.) Regulation of Investigatory Powers Act (RIPA) Authorisations

4.4 One significant change relates to the transfer of 'Ordering of Goods & Services' and 'Employment of Consultants' sections to the revised Standing Orders. This will ensure that all the Council's procurement rules, procedures and regulations will be included in Contract Standing Orders, rather than being split across the two documents.

4.5 The review of Contract Standing Orders is currently being completed and will be submitted for approval in the next few months. Consequently, sections relating to 'Ordering of Goods & Services' and 'Employment of Consultants' will temporarily remain in the Financial Regulations and then removed following the approval of the revised Contract Standing Orders.

4.6 A number of financial thresholds have also been reviewed and revised to reflect new working practices following the imminent implementation of the Council's new Financial Management Information Systems.

4.7 Training on the new features and requirements of the FR's will be rolled out over the next few months.

5 IMPLICATIONS

5.1 Financial Implications

The revised Financial Regulations will provide a robust financial management framework within which the Council will operate. No direct financial implications have been identified at this time in implementing these revised regulations.

5.2 Legal Implications

None identified at this time.

5.3 Policy, Planning, Environmental, Staffing and Accommodation, Human Rights, Equal Opportunities, Service Delivery, Community Safety, Information Technology, Other Corporate Implications

5.3.1 None identified at this time.

BACKGROUND DOCUMENTS

- CIPFA 'Good Practice Guide to an English Modern Council' – Financial Regulations.

APPENDICES

- Revised Financial Regulations Appendix A