

### **Summary of the main changes to the revised financial regulations**

#### **Sections removed**

The following sections have been removed from the financial regulations as they are addressed in other Council Policy documents:

- Management, Retention, Security and Disposal of Records
- Travel and Subsistence Claims
- Information and Communications Technology (ICT)

#### **Main Changes to the 2016 Financial Regulations**

Throughout the report there are a number of changes to ensure that the regulations reflect the current organisational structure and current job titles.

Other main areas of change are detailed below.

#### **Section 1 - Overview**

The overview section has been more clearly defined to provide an overview of the roles of the Chief Finance Officer and Corporate Directors.

- 1.7 Reports must be submitted to the Section 151 Officer or his representative at least three working days before the distribution of papers to pre-agenda (and not five working days).

#### **Section 2 – Financial Planning and Budgetary Control**

- 2.6 Where external funding is available to cover additional revenue expenditure, Corporate Directors must obtain the approval of;

- The Section 151 Officer for additional amounts **up to £250,000**;
- Finance and Property Committee for additional expenditure **over £250,000**; and
- Policy Committee for additional expenditure **over £500,000**.

#### **Section 3 – Revenue Expenditure**

3.3.1 - Consultants, Interim Managers and Specialist Contractors are time limited or ad hoc, and do not form part of 'business as usual' operations. Consultancy should be distinguished from outsourcing and staff substitution, which are not regarded as consultancy.

Also with relation to Consultants, see approval thresholds, the requirement to adhere to procurement procedures and notifications to be made to consultants / specialist contractors.

3.3.6 – State Aid Guidance has been expanded

3.4 – Note the revised approval thresholds for virements.

3.5 – Minor amendments have been made to monitoring of the revenue budget section to reflect current processes.

#### **Section 4 – Capital Expenditure and Other Major Projects**

This section has been re-organised for ease of understanding. No material changes other than:

4.6 – Final Accounts. Corporate Directors must report the final accounts for schemes over £1 million to the relevant Committee.

#### **Section 5 – Accounting Systems**

No material changes have been made to this section.

#### **Section 6 – Assets**

No material changes have been made to this section.

#### **Section 7 – Salaries, Wages and Pensions**

No material changes have been made to this section.

#### **Section 8 – Commissioning and Procurement of Goods, Services and Works**

This section has been re-written to reflect the new Procurement Centre's policy, practices and standards. The regulations set out the guidance provided by the Procurement Centre in consultation with Legal Services. In particular following the revised regulations will ensure all procurement activity follows the principles set out in the current Procurement Strategy.

#### **Section 9 – Payment for Goods, Services and Works**

9.1 Payment for goods, services and works relating to approved orders in BMS do not need further approval. See separate guidance on raising, approving and making variations to purchase orders in BMS on the Council's BMS webpages.

9.10 Further guidance provided with respect to Contract Payments.

#### **Section 10 – Income, Banking and Imprest Accounts**

10.1.2 Cash payments of more than £1,000 must not be accepted for a single transaction without the written approval of the Section 151 Officer.

10.1.4 County Supplies issue official receipts books relating to the collection of income.

10.1.6 For establishments with access to the BMS cash receipting system all income must be recorded by the end of the business day.

10.1.12 Prior approval of the Section 151 officer is required before procuring an e-payments on-line solution or electronic point of sale device.

### **Section 11 – Risk Management and Insurance**

No material changes have been made to this section.

### **Section 12 – Work for External Bodies**

No material changes have been made to this section.

### **Section 13 – Investment and Borrowing**

No material changes have been made to this section.

### **Section 14 – Legal Claims and Settlements**

The wording of this section has been amended to ensure that it is clear to whom legal claims and settlement queries should be directed to.

### **Section 15 – Protecting Public Fund and Assets**

No material changes have been made to this section.

### **Section 16 – Audit**

No material changes have been made to this section.

### **Section 17 – Land and Buildings**

17.2.2 - The Service Director, Property will report periodically to the Finance and Property Committee on all operational property transactions.

17.2.3 - Finance and Property Committee shall approve the Property Statement annually.

17.4.3 – When granting rights or interests in land the effect of the value and use of the Council's retained land must be considered and appropriate value must be obtained.

17.5 Methods of Disposal – this section has been updated to reflect current available methods.