

AUDIT COMMITTEE

22 JAN 2019

REVIEW AND REVISION OF THE FINANCIAL REGULATIONS

Cabinet Member(s): Cllr Peter Hare-Scott

Responsible Officer: Deputy Chief Executive (S151): Andrew Jarrett

Reason for Report: To make recommendations for amendments to the Financial Regulations of the Authority, to ensure they are appropriate, reflecting the Authority's latest structure and delegations.

RECOMMENDATION: That the revisions to the Regulations are recommended by this Committee for approval by Full Council.

Financial Implications: This is a financial document and the implications are contained within it.

Approved by Finance: Yes. Jo Nacey, Group Manager for Financial Services

Legal Implications: The Financial Regulations form part of the Constitution and are referred to in Article 16. The review has incorporated updated legislative requirements eg. EU Procurement thresholds.

Risk Assessment: Failure to comply with legislation could lead to prosecution and claims for damages. Failing to review thresholds and procedures could lead to inefficient practices damaging value for money assessments.

Equality Impact Assessment: None applicable

Relationship to Corporate Plan: The safeguarding of assets and the provision of practical efficient processes to provide value for money are intrinsic to the Corporate Plan.

1.0 Introduction/Background

1.1 It is now over two years since the last review of Financial Regulations and during that time a number of changes have occurred. This report highlights the most pertinent changes to the delegations of authority proposed for Officers. The Regulations have also been updated to reflect the change in title of the S151 Officer and the new Group Manager Structure.

1.2 The pertinent revisions have been highlighted in the document using "tracked changes" for easy of review by Members.

2.0 Contract Management and Procurement

2.1 The sections relating to Contract Management and the Procurement thresholds have been updated to reflect the latest legislation and our internal processes. These can be found at Section 5 and Appendix A. The table in 5.1.23 proposes a change to the procurement thresholds to reflect a more appropriate level for operational purposes.

3.0 Delegated Authority Thresholds (Appendix A)

- 3.1 The authorisation to order goods and to pay invoices is an important safeguard to protect the public purse. The existing limits need to be revised to reflect operational demands. Appendix A shows the updated position. Group Managers have been included here to approve invoices, orders etc. (within budget) up to £250k.
- 3.2 It is also proposed that the Group Manager for Financial Services may approve write offs up to £10k alongside the relevant Group Manager for the Service. The S151 Officer would need to approve any write off over £10k.
- 3.3 In section 5.1.10 it is proposed that the Deputy S151 Officer, the Group Manager for Financial Services, be authorised to approve procurement waiver forms where appropriate.

4.0 Conclusion

- 4.1 The various recommendations above are proposed to ensure compliance with current legislation and maintain best practice. Improving the efficiency of our operations, whilst safeguarding the Council's assets remains an ongoing commitment. Going forward therefore, further revisions will need to be made from time to time to ensure these goals continue to be met.

Contact for more Information: Jo Nacey, 01884 234254,
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Circulation of the Report: Cllr Peter Hare-Scott and Leadership Team