

## FINANCIAL REGULATIONS 2012

## Summary of Main Changes:

Page number and reference	New entry	Previous entry or clarification of amendment
	Addition of Corporate manager designation alongside Head of Service – appears numerous times	
P2, 1.5	The Strategic Director of Finance, Policy and Governance (SDFPG) in consultation with the Finance Portfolio Holder, will keep these Regulations under regular review and, as a minimum, undertake a full review <u>every three years</u> . Additionally agreed amendments arising from changes to the Constitution, Contract Procurement Rules or from new or amended Legislation, to ensure that they remain modern and applicable will be incorporated by SDFPG in consultation with the Finance Portfolio Holder.	Review annually
P3, 2.6	They can also seek ad hoc advice from <u>Accountancy Services</u> .	Audit & Consultancy
P3, 2.7 final bullet point	Managers are responsible for ensuring that their staff: <ul style="list-style-type: none"> <li>• Are aware that they may raise any queries with the Finance team</li> </ul>	New addition
P9, 10.5.8	£25k or 10% whichever is smaller, <u>subject to a minimum of £10,000</u> .	Addition of underlined section.
P11, 10.5.10	The Chief Executive will appoint, or recommend to Cabinet as appropriate, the Project Board and Project Executive at the start up of any new project. Members may be appointed to the Project Board depending upon the risk and/or profile of the project, as agreed by the Leader of the Council. The Project Executive then has responsibility for appointing any additional Project Board Members. The requirement for a Project Board and the level of seniority of the Project Manager will depend upon the project categorisation. Any project should follow the guidelines in the NHDC project Management Framework on the Council's intranet	An appropriate project board as directed under the Council's programme governance procedures must manage capital projects estimated to cost £1 million and above. Projects below £1 million that are considered sensitive because of time or funding constraints may require an appropriate project board as directed by the Chief Executive.
P11, 10.6.3 i) a)	Repairs and maintenance of buildings must be prioritised with respect to the Health & Safety Compliance contract and strategic property asset management by Property Services. No virement	As long as planned maintenance of buildings is limited due to expenditure constraints and is prioritised

## APPENDIX A

	from this budget head to another is permitted unless it is to another building maintenance budget. Enhancements to a building maintenance budget are possible.	through consultation with Property Services, no virement from this budget head to another is permitted unless it is to another building maintenance budget. Enhancements to a building maintenance budget are possible
P14, 12.3.6	To prepare and publish the audited accounts of the authority for each financial year, in accordance with the statutory timetable and with the requirement for the Finance, Audit & Risk Committee to approve the statement of accounts before 30 September. These will be signed off by the Chief Finance Officer (Strategic Director of Finance, Policy & Governance). This accords with the amendments laid out in the Accounts & Audit (England) Regulations 2011.	Previous reference was to Full Council, 30 June
P16, 13.4.1	The Strategic Director of Finance, Policy and Governance will maintain a contract register for all contracts over £5,000.	Previously £50,000.
P17, 14.1.1	Under the Terms of Reference, as defined in the Constitution, the Finance, Audit & Risk Committee has delegated authority for approving the statutory annual statement of accounts.	Full council is responsible for approving the statutory annual statement of accounts
P18, 1.1	Setting financial plans and reporting on performance against these plans are key elements in the authority's programme of engaging with the public.	Each local authority has a responsibility to publish various performance plans. The purpose of performance plans is to explain overall priorities and objectives, current performance, and proposals for further improvement. Reporting on performance is a key element in the authority's programme of engaging with the public.
P18, 5.1	To develop and monitor the delivery of service plans.	To contribute to the development of performance plans in line with statutory requirements.
P25, 6.5.3.3	To obtain authorisation from the Cabinet for individual schemes where the estimated expenditure exceeds the capital programme provision by more than 10% or £25,000 (whichever is the lesser), <u>subject to a minimum of £10,000.</u>	Addition of underlined section.

## APPENDIX A

P25, 6.5.4.7	To prepare and submit reports, jointly with the Strategic Director of Finance, Policy and Governance, to the Cabinet, on completion of all capital contracts where the final expenditure exceeds the approved contract sum by more than 10% or £25,000 (whichever is the lesser), <u>subject to a minimum of £10,000.</u>	Addition of underlined section.
P27, 3.1.2	The Finance, Audit & Risk Committee receive regular update reports on the management of the Council's Top Risks and recommend an annual report on risk management to Council.	Members may also be involved in identifying, analysing and profiling risk, determining the Council's risk appetite and priorities for action
P30, 4.3.2	They must immediately notify the Performance and Risk Manager in writing or by completing an appropriate claim form obtained from the Performance & Risk Team of any loss, liability or damage or any event likely to lead to a claim. In instances which suggest that criminal proceedings may be instigated, the Strategic Director of Finance, Policy and Governance, the Council's Monitoring Officer <u>and the SIAS Audit Manager</u> must be informed.	Addition of underlined section.
P31, 5.19	The <u>Head of Revenues, Benefits &amp; IT</u> , must ensure adequate arrangements for maintaining proper security and privacy of computer held information and for ensuring compliance with the Data Protection Act, the Freedom of Information Act and any other relevant legislation.	Previously Head of IT & Customer Services.  This job title change has been made each time the above title appeared
P31, 6.2.2	Strategic Directors and Heads of Service/Corporate Managers are responsible for maintaining records and security for items in their service area as outlined in 5.1.1. <u>Property Services will maintain an inventory of office furniture such as desks, chairs and kitchen contents.</u> The form and extent of the records held must be agreed with the Strategic Director of Finance, Policy and Governance.	Previous entry did not contain reference to "Property Services will maintain an inventory of office furniture such as desks, chairs and kitchen contents".
P32, 6.2.7	Surplus inventory items with an <u>individual or combined</u> expected residual value of less than £2,500 may be sold or disposed of on the authorisation of the responsible <u>Strategic Director</u> . If the expected residual value <u>exceeds £2,500, (individually or in combination), or there is any doubt regarding residual value,</u> authorisation of the Strategic Director of Finance, Policy and Governance must additionally be obtained.	Addition of underlined sections
P32, 6.2.10	Income generated from disposals will be accounted for as Corporate funds and held centrally.	New addition

## APPENDIX A

P32, 6.2.11	The Head of Finance, Performance and Asset Management must maintain a complete inventory of all land and property owned or leased by the Council, The record must include details of the purpose for which the land is held, its location, extent and exact plan reference, purchase details ( <u>for new purchases and, where possible, for past acquisitions</u> ), particulars of the nature of interest and rents payable and particulars of tenancies granted.	Addition of underlined section – purchase details for assets held by the Council for many years may not be available
P33, 6.3.1	It is recognised that the range and levels of stocks held has considerably reduced over a number of years, however Officers who still have <u>responsibility</u> for stocks and stores must maintain comprehensive records of stock balances and stock issues/ receipts (including records of quantities, values and the person issued to). All records and accounts relating to stocks and stores must be in a form approved by the Strategic Director of Finance, Policy and Governance. <u>This process also applies to stocks of cheques held and issued.</u>	Addition of underlined sections
P34, 6.3.10	Wherever an item is disposed of, the appropriate stock record must be updated to reflect the disposal <u>and income generated from disposals will be accounted for as Corporate funds and held centrally.</u>	Addition of underlined section
P34, 6.3.11	All property found on Council premises, or handed to a Council Officer, must be passed to the Health & Safety Advisor or nominated representative, who will keep an inventory of all such items and ensure safe keeping. Particular attention should be paid to the storage and disposal of such items.	All property found on Council premises or handed to a Council member of staff must be dealt with in accordance with the Council's <u>Lost Property procedures</u>
P34, 7.2.1	The Strategic Director of Finance, Policy and Governance must prepare a Treasury Policy and Strategy Statement for approval by Council followed by <u>as a minimum, a mid-year review and an annual report after its close.</u>	Previously: subsequent annual review by Cabinet
P36, 7.5.5	Alterations to cheques are limited to the removal of a crossing (subject to the amount of the cheque not exceeding <u>£1,000</u> ), to the correction of the date, and/or to the correction of a misspelling of the name of the payee.	Previously the figure was £1,500
P36, 7.5.7	Cheques for all payments exceeding <u>£1,000</u> must be counter-signed by one of the employees authorised to do so by the Strategic Director of Finance, Policy and Governance.	Previously the figure was £5,000. This reduction is an anti-fraud measure

## APPENDIX A

P37, 4.4	The internal audit function will be provided via a Shared Service partnership (Shared Internal Audit Service) from 1 <sup>st</sup> July 2011	Previously Audit & Consultancy
P38, 6 and 6.1	<p><b>Responsibility for delivery of Internal Audit functions</b></p> <p>The SIAS Head of Assurance and the SIAS Audit Manager with responsibility for this Council, in consultation with all Strategic Directors, Heads of Service, Corporate Managers and the external auditor, is responsible for the preparation and maintenance of an annual risk-based audit plan. This contains details of the work to be undertaken in a financial year and includes a contingency for unseen responsive work. This plan is presented to the Finance, Audit and Risk Committee for approval.</p>	Previously – Audit Manager. Other references to Audit Manager have been amended to SIAS Audit Manager
P40, 9.2	The retention schedule is reviewed on a <u>three-yearly</u> basis and amendments will be communicated through briefing processes such as email and newsletters.	Previously annually
P40, 9.6	At the end of the retention period, all documents (electronic or hard copy) should be destroyed or deleted unless circumstances dictate that they need to be kept for longer (see 9.5).	New entry
P41, 1.4.2	To ensure that vouchers and documents with financial implications are not destroyed except in accordance with arrangements approved by the Strategic Director of Finance, Policy and Governance <u>and as required in the Retention Schedule.</u>	Addition of underlined section
P43, 2.3.2	Fix value limits below which a sundry debtor account cannot be raised and recommend an alternative collection method. <u>The preferred options are Debit or Credit card payments, although cheques are also acceptable.</u> <u>Departments are also encouraged to obtain payment in advance wherever possible.</u> Any dispensations to this limit shall be authorised by the Strategic Director of Finance, Policy and Governance. The limit set (since <u>January 2008</u> ) is £30.	Addition of underlined section
P44, 2.3.4	Deleted – this is dealt with in 2.4	To approve all debts to be written off up to £5,000 in each case in consultation with the relevant head of service, approve all debts between £5,001 and £10,000 in conjunction with the approval of the Finance Portfolio holder, refer debts over £10,000 to the

## APPENDIX A

		Cabinet for approval and keep a record of all sums written off and to adhere to the requirements of the Accounts and Audit (Amendment) (England) Regulations 2009.
P45, 2.5.1	The relevant Strategic Director or nominated deputy, in consultation with the Strategic Director of Finance, Policy & Governance, should establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and review it regularly, in line with corporate policies and government regulations	This responsibility rested solely with Heads of Service and Corporate Managers
P47, 2.6.13	Each Head of Service/Corporate Manager will be provided with details of outstanding debts for which his/her directorate is responsible. He/she is responsible for ensuring that appropriate recovery action is taken on all debts <u>by liaising with the Head of Revenues, Benefits &amp; IT accordingly</u> . For the purpose of these Regulations, the value of debts is to be determined by reference to the debtor as opposed to individual debts.	Addition of underlined section.
P47, 3.2.2	Official orders must be in a form approved by the Strategic Director of Finance, Policy and Governance. Official orders must be issued for all work, goods or services to be supplied to the authority except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases, <u>purchase card purchases</u> or other exceptions.	Addition of underlined section
P48, 3.6.4	Orders must be placed in compliance with the Council's Contract Procurement Rules and for the aggregate value of the 'contract' An official order must be raised for all work, goods or services to be supplied to the Council prior to their receipt. Orders do not have to be raised for certain services such as, supplies of utilities, periodic payments, petty cash purchases, <u>purchase card purchases</u> , or other exceptions as agreed and authorised by the <u>Head of Finance, Performance &amp; Asset Management</u> . A full list of all non purchase order suppliers as authorised by the <u>Head of Finance, Performance &amp; Asset Management</u> can be found on the intranet under Finance, Performance & Asset Management / Accountancy Services / Forms, Procedures, Information Listings and training manuals / Non Purchase Order Mandatory Suppliers. Verbal orders may only be issued in situations of true urgency and must be confirmed by an official order within two working days.	Addition of reference to purchase cards, plus change of job title from Head of Financial Services to Head of Finance, Performance & Asset Management

## APPENDIX A

P50, 3.6.4	<p><b>Placing Orders</b></p> <p>Verbal orders may only be issued in situations of true urgency, <u>as authorised by the Head of Finance, Performance &amp; Asset Management</u> and must be confirmed by an official order within two working days.</p>	Addition of underlined section
P50, 3.6.7	Where corporate rules on central purchasing and the standardisation of supplies and materials exist, these must be followed. <u>This includes exploration of Framework Agreements where possible.</u>	Addition of underlined section
P50, 3.6.17	To ensure that orders and related invoices are examined, verified and certified prior to authorisation for payment. Evidence of these checks must be entered into the official Council Grid Stamp that should be stamped on all invoices received <u>until such time when the Council implements an electronic invoice authorisation system and all payments will be authorised online through a workflow process.</u> Certification can either be in manuscript or by computer password, by or on behalf of the budget holder.	Addition of underlined section
3.6.17, v	The invoice is correctly coded and that appropriate entries will be made in accounting records. <u>It is not necessary to code the invoice when an order has been raised.</u>	Addition of underlined section
P59, 6.4.12	Allowances will only be payable against actual expenditure incurred up to the maximum allowed under the current regulations. <u>In exceptional circumstances the Strategic Director for Finance, Policy &amp; Governance may approve claims above the maximum usually allowable if she/he considers this to be reasonable.</u> Receipts should be obtained and submitted with a claim. Where it is not possible to obtain a receipt, the claimant should list the items purchased, their cost and the supplier. Payment will then be made at the discretion of the Officer's manager.	Addition of underlined section
Appendix 1	Contact officer job titles only	Removal of post holder names