



## MEETING PAPER – FULL COUNCIL

### Agenda Item 280 – Financial Regulations

NOT CONFIDENTIAL

#### Background/Introduction

Financial Regulations are provided for under the Local Government Act 1972 as an important vehicle for providing a framework for Council's financial management. They are required in law, in respect of certain contractual matters. In addition, they are required as part of the Proper Practices which local authorities must comply with under the Accounts and Audit Regulations 2015.

#### Details

The Financial Regulations were originally adopted on 16 May 2017 and are based on the template provided by the National Association of Local Councils. There have been no further updates notified to us.

The Financial Regulations were reviewed on 7 July 2017 and no changes were made at that time.

The Responsible Financial Officer has reviewed the Regulations and has made the following recommended changes, marked in red on the document:

1. 11 places - 'Chairman' changed to 'Chair' – (modernisation)
2. 1.14 - 'unless specifically delegated a higher commitment within a set budget' added to the end of 'approve any grant or a single commitment in excess of £10,000,' (removal of ambiguity and to ensure delegations are not limitless)
3. 1.15 - '*Governance and Accountability for Smaller Authorities in England March 2018*' replaces '*Governance and Accountability for Local Councils - a Practitioners' Guide (England)*' to reflect the latest publication of this document (update)
4. 4.1 – addition of 'unless specifically delegated a higher commitment within a set budget' to 'a duly delegated committee of the council for items over £5,000', and to 'the Clerk, individually or in conjunction with Chair of Council or Chair of the appropriate committee or as otherwise specified by Council for any items below £5,000,', the latter also being amended to reflect that Council is entitled to delegate, and has in practice, individually to

- the Clerk or in conjunction with one or more councillors depending on the circumstances. (removal of ambiguity, and to ensure flexibility and limitations are set)
5. 4.3 'but shall be allocated within the budget as considered appropriate by Council' added to 'Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year' (clarification that funds will not be disposed of).
  6. 4.4 'in October' changed to 'by October' (crucially this is performed in advance of the budget preparation)
  7. [4.5 It is worth noting this 'extreme risk' provision which complements other specific delegations (for information – no change recommended)]
  8. 14 places – 'Finance and Governance Committee' and 'Finance Committee' (accuracy)
  9. 6.19 '(and Deputy Clerk as specified by the Council or Finance and Governance Committee)' added into the text (to reflect existing decisions to ensure depth of cover for Credit Card use in the Clerk's absence are accommodated)
  10. [11.1v. The costs of additional external audit work under the new regime are likely to exceed £500. However, this provision provides unlimited expenditure approval beyond this amount, in consultation, albeit reliant on the two named councillor positions being available. Published hourly costs for additional work which range from £355 per hour down to £105 per hour depending on the grade of staff allocated to the work (for information – no change recommended)]
  11. 15.1 changed 'in consultation with the Clerk' to '(in consultation with the Clerk where these posts are separate)'. Similar changes made to 15.2, 5.5 5.6, 6.2 and elsewhere, as appropriate (to reflect the current combined post)
  12. Format improved (spacing only ) and logo added.

#### Recommendations/Decision

1. To adopt the Financial Regulations, as amended.
2. To note that the Clerk is the Responsible Financial Officer
3. To note the Deputy Clerk is the Data Protection Officer

