

This report may be of interest to: All Councillors

FINANCIAL REGULATIONS AND PROCEDURES - REVISION

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1. Purpose

- 1.1 To suggest changes to Financial Regulations and Financial Procedures in preparation for new political structures.

2. Summary

- 2.1 The Financial Regulations and supporting Financial Procedures set out the framework to ensure there is public accountability and high standards of financial integrity in the conduct of the Council's financial affairs.
- 2.2 Elsewhere on this Committee's agenda is an item that seeks to confirm the Committee's preferred name for the Executive Body - the Executive or the Cabinet. Should the Committee elect to use the term "Cabinet" then the attached Financial Regulation will be updated accordingly. The change in name will not alter the meaning of these Regulations.

3. Recommendations

- 3.1 That the revised Financial Regulations and supporting Financial Procedures be adopted, with effect from the end of the Annual Council meeting on 23 May 2000.

4. **Background**

4.1 At its meeting on 15 February 2000, the Committee revised the Financial Regulations, in the area of 'carryforwards' and 'virements', on an interim basis. The Committee also instructed officers to bring forward changes to Financial Regulations prior to the summer 2000 recess, in the light of the Best Value regime, New Political Structures and changing technology.

4.2 The draft Financial Regulations and Financial Procedures were considered by the Democratic Structures Working Group on 16 March 2000, the comments of which have been incorporated into the attached documents:

(a) Financial Regulations - **Annex A**

(b) Financial Procedures - **Annex B**

5. **Issues and Choices**

5.1 The proposed changes give the Committee the chance to strengthen the devolution of responsibility from 'the centre' to Directorates and enhance financial accountability.

5.2 There is an obligation to review Financial Regulations and Financial Procedures at least every 5 Years - however it is anticipated that both sets of procedures will be subject to an interim review in 12 months time to determine their effectiveness as the Council's new working arrangements unfold.

6. **Implications**

6.1 Environmental

None.

6.2 Equalities

None.

6.3 Financial

Contained in the body of the report

6.4 Legal

None.

6.5 Staff and Accommodation

There will be a requirement to train staff to realise the benefits of the new approach, which should enhance the work content of their jobs.

7. **Conclusions**

- 7.1 Adoption of the proposals will equip the Council with mechanisms to meet the challenge of the Government's modernisation programme.

Background Papers: Report to Policy and Resources Committee - 15 February 2000