

# Briefing Note



## Group Leaders – 13 December 2021

### Update to Financial Regulations

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#### Purpose

To provide an update on the review and proposed changes to Financial Regulations.

#### Background

Financial Regulations were last updated in 2019. We have reviewed Financial Regulations to ensure that they reflect changes since this time and provide greater clarity for users of the document. There are no proposed changes to the Leaders Scheme of Delegation.

The proposed revisions are minor, and it is not considered that these will need to be separately approved through Constitution Committee. The changes will be reported to Council on the 19 January 2022.

#### Key Changes

##### Changes not requiring Constitution Committee Approval

###### 1. General Updating

- a. Job Titles to reflect new structures since last update.
- b. Quarterly Budget Monitoring Report has been renamed to the Quarterly Financial Management Report.

###### 2. Section 4- Capital Programme Preparation

- a. Reference to Local Infrastructure Plan removed and replaced with Capital Programme Pipeline.
- b. Clarification added that when we borrow to fund new schemes this will require full council approval as it falls outside the Councils Budgetary Framework.

### **3. Section 6 – Virements**

- a. The definition of a technical virements has been expanded to include internal recharges.
- b. Deputy Section 151 Officers given authority to approve use of contingency fund.

### **4. Section 9 – Record of Contract for Capital and Revenue**

- a. New requirement added for Directors to record contracts and hold documentation on the Corporate Contracts System.
- b. Explicit requirement added for Directors to nominate Contract Managers to all contracts and record contract monitoring.

### **5. Section 10 - Year End and Statement of Accounts**

- a. Removed specific dates and replaced with phrase 'by the statutory deadline' – reflects that the government reviews and changes the date each year.

### **6. Section 16 – Payment of Grants and Benefits to External Bodies**

- a. Correction of error in financial regulations to bring the value in line with the Leaders Scheme of Delegation from £50k to £100k for grant decisions that can be taken by Directors.

### **7. Section 18 – Security and Control of Assets**

- a. Directors will not be required to maintain a separate inventory of IT Equipment and Furniture and Fittings as these are held centrally.
- b. Explicit requirement added that all legal advice relating to transactions involving land and buildings must be commissioned through the Head of Legal.
- c. Explicit requirement added that all valuations for the acquisition and disposal of land and buildings must be sourced through the Head of Property and Facilities.

### **8. Section 22 – Fleet Management**

- a. Requirement for all decisions on the acquisition, hire or lease of fleet to be approved by the Director of Environment and Property.

### **9. Section 28 - Partnerships**

- a. References to YourMK have been removed following its closure.

## **Next Steps**

A report will be taken to Council on the 19 January for formal approval of the proposed amendments.