

ANGUS COUNCIL

ANGUS COUNCIL – 23 MARCH 2017

FINANCIAL REGULATIONS REVIEW

REPORT BY HEAD OF CORPORATE IMPROVEMENT AND FINANCE

ABSTRACT

The report seeks approval for the application of revised Financial Regulations which have undergone a review and updating process.

1. RECOMMENDATION(S)

It is recommended that the Council:-

- (i) Approve the revised Financial Regulations;
- (ii) Delegate to the Head of Corporate Improvement & Finance updating of the Financial Regulations for any officer / departmental references arising from Report 131/17; and
- (iii) Note that a review of Section 16 of the Regulations covering procurement arrangements has not been undertaken at this time but will be updated later this calendar year to reflect recent changes in legislation and any recommendations arising from the Transforming Angus Procurement Review.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes as a whole to the outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016.

3. BACKGROUND

The Financial Regulations represent a key policy document for ensuring the effective administration and use of the Council's resources. As part of good governance it is necessary to periodically review the Financial Regulations to ensure these remain fit purpose and take account of changes in the Council's operational environment.

A review process was commenced in November 2016 with comments being sought from each Directorate. The review covered all aspects of the Financial Regulations except Section 16 (Procurement Arrangements) which will alternatively be reviewed later this calendar year to reflect recent changes in legislation and in light of the outcome of the Transforming Angus Procurement Review.

4. REVISED FINANCIAL REGULATIONS

The revised Financial Regulations are attached to this report. The following proposed changes in procedure / policy have been provided for:-

| Section | Subject | Change |
|----------------|----------------------|--|
| 1.9 | Corporate Governance | Addition of the Chief Social Work Officer to those who have a specific duty in |

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| | | respect of the assurance statement |
| 4.7 | Resource Transfer | Removal of section as now with the control of the Integrated Joint Board |
| 5.4 | Capital Budget – Chief Officers Responsibilities | Clarification of responsibilities to seek approval of any new capital projects approved via the Financial Plan and to provide for the revenue implications of capital projects |
| 11.2 | VAT – Chief Officers Responsibilities | Clarification that electronic retention of documentation is sufficient |
| 17.2 (6) | Transactions – Disposal of Land & Property | Provision for instances where the Council receives unsolicited approaches to acquire assets |
| 18.6 / 19.3 / 20.4 / 21.3 | Order / Payments / Payroll / Invoices – Authorised Officers | Provision for electronic approval by inclusion of network login in register of authorised officers |
| 20.4 | Form of Pay Documents | Register of authorised officers no longer requires to be submitted to Human Resources but is to be alternatively retained within the Directorate. This aligns with the approach for the other authorised officer registers |
| 26.5 | Imprest Accounts | Clarification that imprest accounts should only be used for Council purchases |
| 27.4 / 28.2 | Expenses – Expiry Period for Claims (for staff and elected members) | Removal of the flexibility to pay expense claims more than 3 months old. This change has been subject of consultation with Trade Unions. Any claims from Councillors or staff not submitted within 3 months will lapse. |

In addition to the above policy matters, the opportunity was taken to amend wording through this review to:-

- Remove a number of appendices and alternatively insert hyperlinks within the Financial Regulations to supporting documents e.g. employee code of conduct, fraud response plan, etc.;
- Remove text of a detailed operational nature already provided through separate guidance documents.

A tracked changes version of the Regulations is available for any elected member wishing to review the changes in detail.

5. DELEGATION TO HEAD OF CORPORATE IMPROVEMENT & FINANCE

Report 131/17 proposes a number of changes to the Council's management structure including some amendments to Directorate and officer references which impact upon the content of the Financial Regulations. Delegation is sought for the Head of Corporate

Improvement & Finance to make any revisions necessary to the Financial Regulations to account for such reference changes.

6. FINANCIAL IMPLICATIONS

There are no financial implications arising out of the recommendations of this report.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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