

REPORT TO AUDIT AND RISK ASSURANCE COMMITTEE

22 February 2018

Subject:	Financial Regulations
Director:	Executive Director – Resources – Darren Carter
Contribution towards Vision 2030:	
Contact Officer(s):	Rebecca Griffiths Strategic Finance Manager 0121 569 8460

DECISION RECOMMENDATIONS

That Audit and Risk Assurance Committee:

1. Consider the proposed revisions to Financial Regulations.

1 PURPOSE OF THE REPORT

- 1.1 To inform the committee of changes made to the council's Financial Regulations.

ILO UNCLASSIFIED

2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 By supporting all services across the council, the actions in this report will contribute to the delivery of the Sandwell Vision, in particular through ensuring that there is a strong control framework, robust financial stewardship and in obtaining value for money.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The council as a body using public resources must set and follow the highest possible standards of financial control and stewardship. The Financial Regulations provide Members and employees with procedures to follow that will ensure the council's expected standards are met in managing public assets and money. In addition, employees can feel confident that in the event that they have to justify their actions to Members, auditors, management or the public they will have no difficulties provided they have followed procedures.
- 3.2 The Section 151 Officer is responsible for ensuring that an annual review of the Financial Regulations is conducted and for submitting any proposed amendments to the Cabinet and to Full Council for approval. This report sets out the review that has taken place and the recommended amendments.
- 3.3 A full review of the Financial Regulations has been conducted and apart from a change in presentational style there are no significant changes required at this time, with the exception of an increased virement limit for Chief Officers in line with key decisions and as detailed in the section on Financial Procedures:
- A Chief Officer may exercise virement on budgets under his/her control for amounts up to £250,000 or 1% of the approved Gross Expenditure budget, whichever is the greater, on any one sub division during the year, following notification to the Chief Finance Officer and under arrangements agreed by the full council.
 - Virements up to £250,000 or 1% of the approved Gross Expenditure budget, whichever is the greater, may be exercised between budgets managed by different Chief Officers subject to the approval of all Chief Officers affected by the virement and following consultation with the appropriate Cabinet Members. Written confirmation of the agreed virement should be forwarded to the Chief Finance Officer and reported to Cabinet via the next appropriate financial monitoring report.

ILO UNCLASSIFIED

- Virements above £250,000 or 1% of the approved Gross Expenditure budget must be approved by Cabinet.

4 THE CURRENT POSITION

- 4.1 The report does not require a decision and therefore, no position analysis is necessary.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 The Financial Regulations have been discussed with the relevant stakeholders and reported to the respective Director.

6 ALTERNATIVE OPTIONS

- 6.1 The report does not require a decision and therefore, alternative options do not need to be considered.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 There are no direct financial and resource implications arising from this report.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The Financial Regulations set out the procedures that members and officers must follow in order to ensure statutory requirements are met in terms of UK and EU law and the Council's financial affairs are managed prudently and properly controlled.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 It was not necessary to undertake an Equality Impact Assessment.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 It was not necessary to undertake a Data Protection Impact Assessment.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 There are no direct risk implications arising from this report.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 There are no direct sustainability issues arising from this report.

ILO UNCLASSIFIED

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 There are no direct health and wellbeing implications from this report.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 There is no direct impact on any council managed property or land from this report.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The purpose of the report is to inform the Audit and Risk Assurance Committee of changes made to the council's Financial Regulations and seek their approval.

16 BACKGROUND PAPERS

16.1 None.

17 APPENDICES:

17.1 Appendix A - Financial Regulations

Darren Carter
Executive Director – Resources