

Wolverhampton City Council

OPEN DECISION ITEM

Standards Committee

Date 26 April 2010

Originating Service Group(s) Customer and Shared Services/Office Of The Chief Executive

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Title **ANNUAL REVIEW OF THE CONSTITUTION**

RECOMMENDATION

That the proposed amendments to the Constitution, indicated below, which include a full review of the Financial Procedure Rules, be endorsed for consideration at the Annual Council Meeting on 19 May 2010.

1. BACKGROUND AND PURPOSE OF REPORT

- 1.1 It is intended that reference will be made to revision of The Constitution in a report to the Annual Meeting of the Council on the 'Appointment of Executive, Scrutiny and Regulatory Bodies'. The convention of previous years has been for draft copies of the revised Constitution to be placed in the Members' Rooms and it is proposed that this procedure is followed again this year.
- 1.2 During 2009/10, the Constitution Review Group comprising officers has continued to meet regularly to review the Constitution on an ongoing basis and thereby ensure all necessary amendments are made for the annual revision of the Constitution and to implement changes where necessary.
- 1.3 Two significant developments have been overseen by the Constitution Review Group in 2009/10, i.e. a full review of the Financial Procedure Rules and a major review of the Constitution by Stewart Dobson, an external consultant with particular expertise in Local Authority Constitutions who was appointed through SOLACE.
- 1.4 The Special Advisory Group cross party group of members has been delegated the task, amongst other things, of dealing with governance and constitutional arrangements. As an advisory body, the SAG, on constitutional matters, makes recommendations to the Standards Committee before final approval by Council. This report sets out the recommendations of the Special Advisory Group concerning the Annual Review of the Constitution for 2009/10 and sets out other amendments which will complete the review for 2009/10.

2. AMENDMENTS TO THE CONSTITUTION

2.1 MINOR AMENDMENTS DELEGATED TO THE CHIEF LEGAL OFFICER

- 2.1.1 The Special Advisory Group has authorised a limited delegation to the Chief Legal Officer to make minor amendments to the Constitution. A number of such amendments have been made and can be viewed in the draft copy of the Constitution placed in the Members' Room. In particular, amendments have been made to part 2/6 (i); part 2.16 paragraph 10 (2); part 4/122 and part 2/26 (b).
- 2.1.2 The Chief Financial Officer has highlighted an update to the Constitution which is needed to reflect the decision made by Corporate Management Team that officers should travel standard class when travelling by rail and to reflect current purchasing arrangements for rail tickets. This is an amendment to part 5/27 paragraphs 4.1 to 4.4. A copy of the amendment is attached at Appendix 1.

2.2 SCHEDULE OF BASIC RESPONSIBILITY ALLOWANCES

- 2.2.2 The Independent Remuneration Panel is currently undertaking the annual review of Member Allowances. The revised Member Allowance Scheme following the review will not be ready for implementation in May 2010 and the Members' Allowances Scheme 2009/10 will continue until the implementation of the revised scheme. This is an amendment to part 6/8.

3. EXECUTIVE ARRANGEMENTS – LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007

- 3.1 The Local Government and Public Involvement in Health Act 2007 requires authorities to choose, following consultation, one of two models of leadership, either a directly elected Mayor and Cabinet or a new style Leader and Cabinet in which the council may include provisions to allow it to remove the leaders (by resolution) during the Leader's term of office. The change in Governance must come into force from May 2010.
- 3.2 The new governance arrangements detailed in the 2007 Act were considered by Special Advisory Group on 22 October and 7 December 2009 which recommended the council adopt the Leader and Cabinet Executive model for future governance arrangements of the council, where the leaders to elected from among the members of the council :
- (i) For a period of 4 years, or
 - (ii) Until the leaders current term of office as a councillor ends with Cabinet members appointed by the leader from members of the Council, or
 - (iii) Unless the leader is removed (by resolution of the Council) divines the leaders term of office, or
 - (iv) Upon any change in the political control of the council, the leader of the council would resign from that position thereby obviating the need for the passing of the necessary resolution refereed to as (iii) above.
- 3.3 The Chief Legal Officer has been authorised to take action to implement the decision and make any consequential amendments to the Council's Constitution.

3.4 REVIEW OF THE FINANCIAL PROCEDURE RULES

- 3.4.1 During 2009/10 there has been a full review of the Financial Procedure Rules led by the Chief Financial Officer in consultation with the Constitution Review Group. The outcome has been considered by the Audit Committee on 15 March 2010 and by the Special Advisory Group on 25 February 2010 and 15 April 2010.
- 3.4.3 On 15 April 2010, Special Advisory Group recommended that the proposed amendments submitted to it were approved for consideration by the Standards Committee subject to:
- (i) A revised limit for officer virements being increased to £50,000 with a further review in 12 months to two years;
 - (iii) That the proposed revisions to Leasing Arrangements be amended to reflect the concerns expressed by the Special Advisory Group and that the Chief Financial Officer in consultation with the three Group Leaders be required to revise the suggested wording prior to the submission to the Standards Committee and to Council.
 - (iv) That part 3/69 of the Constitution be amended with the addition of the following "D18C To determine individual claims for Housing Benefit, Council Tax benefit and rate relief and administer the relevant scheme and regulations".

These recommendations of Special Advisory Group have been incorporated into the amendments set out below.

- 3.4.2 The following paragraphs set out some of the key changes arising from the revisions to the Financial Procedure Rules, in the order in which they are covered in the revised

Rules at Appendix 2. Sections where no significant changes are proposed are not referred to.

3.4.4 Section 1.1 – Status of the Financial Procedure Rules

This section is entirely new and its purpose is to set out clearly what the Financial Procedure Rules are, who they apply to, and sets out some fundamental responsibilities, specifically with regards to the compliance or non-compliance with the Rules. It also explains how and when they are to be applied to the activities of the West Midlands Pensions Fund.

3.4.5 Section 1.1 - Chief Financial Officer's Lead Role

This paragraph is new

Section 1.2 - Expenditure

3.4.6 This paragraph, which simply states that all expenditure must be from approved budgets, makes clear an implicit requirement in the existing Rules.

3.4.7 It also forbids anyone committing on the Council's behalf to spend money in future years unless there is an approved budget or the Chief Financial Officer has approved it.

3.4.8 It places a new requirement on anyone involved in paying grants to third parties to ensure that that third party has adequate procedures of its own in respect of financial matters and output monitoring.

Section 1.2 – Budget Preparation

3.4.9 Introduces a new requirement that budgets are calculated in accordance with the Chief Financial Officer's instructions. This is a formalisation of practice established over many years.

3.4.10 Introduces a new requirement that the Chief Financial Officer issue a Budget Book upon the formal approval of the budget for the forthcoming year. Again, this is a formalisation of long-standing practice.

Section 1.2 - Budget Holders

3.4.11 Introduces a new requirement that Budget Holders must report to the Cabinet (Resources) Panel on the reasons for any outturn over spends on revenue services or capital schemes, if the Chief Financial Officer so requests.

3.4.12 In addition, this section expands upon the existing Rules in terms of the role of Budget Holders, without making any other significant changes to powers or responsibilities.

Section 1.2 – Budget Monitoring

3.4.13 Sets out a requirement for regular budget monitoring reports to be submitted to the Cabinet (Resources) Panel, reflecting existing practice. It introduces a new financial limit - £100,000 - above which all forecast variances must be separately identified in those reports.

3.4.14 It also expands upon and clarifies roles in respect of budget monitoring, without introducing any new powers or responsibilities.

Section 1.2 – Outturn

3.4.15 Introduces a new requirement that carry forwards of budget from one year to the next must be individually approved by the Chief Financial Officer before being submitted for

Member approval. This represents the formalisation of a procedure introduced in 2008/2009.

Section 1.2 – Emerging Financial Liabilities

- 3.4.16 This section is entirely new and introduces a requirement for Chief Officers and Budget Holders to bring to the Chief Financial Officer's attention any financial liabilities, whether confirmed or suspected, that are not provided for in the approved budget or any of the Council's provision or reserves.

Section 1.2 – Virements

- 3.4.17 The Rules governing approval of virements are clarified, and a revised limit for officer-approved virements of £50,000 (currently £10,000) is proposed.

Virements – Explanation of the Proposed Changes

A virement is the transfer during a financial year of an approved budget to an alternative use.

Transfers may be between budgets:

1. Within the same service area – for example to allow an individual budget holder to manage in-year budget pressures where the budget for one activity comes under pressure due to increases in demand while another budget is underspent.
2. Within the same service group – for example to allow a Director or Chief Officer to manage in-year budget pressures across a group of services
3. Between two separate service groups – for example when there is a service reorganisation and responsibility for a function passes from one department to another.
4. Between corporately held budgets (actioned by the Chief Financial Officer's team) to action a change in budget policy or to action a technical adjustment between funds or to action a change in accounting treatment.

As virements are transfers between existing budget allocations there should not be any impact on the overall budget 'bottom line'.

The current Financial Procedure Rules section on Virements is as follows:

- (a) *The cumulative expenditure in any full financial year is less the £10,000 of the particular budget head to which funds are to be transferred and can be matched by a saving on another budget head provided the budget heads affected are within the following groupings:-*

(i) *Employees*

(ii) *Repairs and Maintenance, Supplies and Services, Printing, Stationery, General Office expenses, Transport etc.,*

and the responsible Chief Officer and the Chief Financial Officer have agreed the virement.

- (b) *The expenditure is above £10,000 in any full financial year and the Cabinet has agreed the virement upon the recommendation of the Cabinet Panel (Resources).*

The revised version reads:

Budget Holders shall be delegated the authority to action in-year virements of budget only where all of the following apply:

(a) *the total value of the virement does not exceed £50,000*;*

(b) *the virement is to an existing service or capital scheme identified in the*

- approved budget;*
- (c) *the Budget Holders of both services or capital schemes have approved the virement;*
- (d) *the Chief Financial Officer (or his/her delegate) has approved the virement;*
- (e) *the virement would not result in an overall increase in the budget of the general fund, the housing revenue account or the capital programme;*
- (f) *in the case of revenue budgets, the virement is within one of the following groups of headings:*
- (i) *Employees;*
- (ii) *All other controllable expenditure.*

** This limit is to be applied to the full-year equivalent budget, to the increase in gross expenditure or income (whichever is greater), and at service or capital scheme level.*

The Chief Financial Officer shall be delegated the authority to action in-year virements of budget where the virement reflects a transfer of management responsibility, with no other changes in the objective or nature of the expenditure and income in question. In these circumstances, none of the conditions set out in paragraph 1 shall apply, except (d) and (e).

The new version also requires all virements over £50,000 to be reported for approval each quarter in the financial monitoring reports to Cabinet (Resources) Panel. This represents the formalisation of a procedure introduced in 2008/2009

The main risks associated with the proposed increase in the limit on officer approvals is that budget holders use the virement procedure as a means of avoiding their budget management responsibilities. ie not keeping expenditure within approved budget limits or incurring expenditure for purposes that are not approved.

It should be noted however that there are a number of controls in place to mitigate against this risk:

- Responsibility for the management and monitoring of all virement requests remains with the Chief Financial Officer's team. Any requests for virements that are not adequately explained or that fail to comply with the criteria specified in the Financial Procedure Rules, will be challenged;
- Detailed budget monitoring reports covering all capital and revenue expenditure in the year to date are submitted to Cabinet (Resources) Panel each quarter. These reports will ensure that Members are fully informed about any budget virements that have taken place during the year to date. These reports are subject to scrutiny and review by both the Performance Governance & Support Services Panel and by the Audit (Sub) Committee. Supplementary information on any transaction can be provided if Members wish to query a budget entry.

To help put this change into context, Table 1 below provides a summary of virements have been processed to date during 2009/10 and Table 2 provides comparative information from the other West Midlands authorities. A key reason for the number of virements in 2009/10 was the requirement to adjust budgets to reflect the reductions as a consequence of delivery of approved savings initiatives and to effect service reorganisations.

Table 1: Virements Processed During 2009/2010 to Date

	£0 – 10K	£11– 50K	£51K - 100K	£101K - 250K	£251K - 500K	£501K – £1M	£1M+	Total
CYP	1	2	1	4			2	10
A&C		3	2	3			2	10
R&E		1	2	3			2	8
OCE	1	9	4	1			2	17
CSS	2	13	6	5		1	4	31
Corporate		2	2	3		1	4	12
Total	4	30	17	19	-	2	16	88

Table 2: West Midlands Authorities - Virement Limits

Authority	Virement Limit(s)	Circumstances Where The Limits Apply	Delegation To
Birmingham	Up to £50k	Between portfolios:	Chief Financial Officer
	Up to £140k	Within portfolios	Chief Officer
Coventry	Up to £250k		Director Director of Finance and Chief Legal Officer approval required where employee budgets are affected
Dudley	No limit	Subject only to it not causing a change to existing policies and strategies or an increasing commitment in future years	Director in consultation with the Director of Finance
Sandwell	Up to £100k or 5% of the budget, whichever is lower		Chief Officer, in consultation with Cabinet Member
Solihull	Up to £50k	Within a budget book line	Budget Holder
	Over £50k		Director
	Up to £50k	Between budget book lines	Chief Officer
	Up to £100k		Director
	Up to £50k	Between portfolios	Directors
Walsall	No limit	Within a Department's budgets	Director in consultation with the Director of Finance
	All other virements	Between two Departments' budgets	Members

Section 1.2 – Capital Programme

- 3.4.18 Introduces the requirement that allocation of funding to capital schemes from non-specific budgets be approved by the Cabinet (Resources) Panel. This requirement is not in the existing Rules, but has generally been the practice in recent years.

Section 1.2 – Supplementary Budgets

- 3.4.19 Explicitly states the approval required for supplementary budgets, which is also implicitly covered both in the current Rules and elsewhere in the proposed revised Rules.

Section 1.2 – Fees and Charges

- 3.4.20 Introduces three new requirements regarding fees and charges: that they will all be approved by the Cabinet (Resources) Panel, that there will be an annual comprehensive report on them, and that the Chief Financial Officer will maintain a register of them.
- 3.4.21 In addition, it makes clear that recovery of cost should be taken into account when setting fees and charges, and that any shortfall when comparing projected income to

costs is to be reported to the Cabinet (Resources) Panel. It is still permissible or Members to decide to subsidise services by not recovering full costs, however this needs to be an informed decision, so reports will have to include information about the extent to which proposed fees and charges recover costs. It is also made clear that the reporting and approval process not only apply to fees and charges within the Council's control but also to any fees and charges, influenced by or associated with the Council,

Section 1.2 – Financial Statements

- 3.4.22 States that Audit Committee will approve the Council's financial statements. This represents the formalisation of existing practice.

Section 1.2 – Accounting Records

- 3.4.23 This section is almost all new and sets out that the Chief Financial Officer designates the computer system that is to be regarded as the Council's definitive accounting record, and that no other accounting records may be created or maintained unless explicitly authorised by the Chief Financial Officer.

Section 1.2 – Grants

- 3.4.24 This entirely new, and introduces three new requirements in respect of grants. The first of these is that applications for grants, and commitments to spend out of grants not yet confirmed by the grant provider, must be approved by the Chief Financial Officer.

- 3.4.25 The second is a requirement for Chief Officers to maintain appropriate records in respect of grants and expenditure funded by grants.

- 3.4.26 The third new requirement is for the Chief Financial Officer to maintain a grants register for the Council.

Section 1.2 – Leasing Arrangements

- 3.4.27 This section is new and forbids anyone to enter into a lease or lease-type arrangement on the Council's behalf without the Chief Financial Officer's prior approval. This has been introduced in response to a number of examples over recent years of budget holders entering into lease arrangements, for example for the supply of vehicles or equipment, that were not in the Council's interests without consulting the Chief Financial Officer. In practice this will not have a significant impact on service groups that make regular and extensive use of leases because these authorisation processes are already well-established. It is however intended to ensure that there is no doubt about whether authorisation is required for 'one-off' arrangements across the remaining service groups. The section also makes it clear that the financial limits in the Contract Procedure Rules for approving and reporting on contracts apply to leases.

Section 1.2 – Treasury Management and Financing

- 3.4.28 Section 17 sets out a number of financial transactions which require the Chief Financial Officer's prior approval, including lending, borrowing, arrangements that are in substance loans at below-market rate, and financial guarantees. It also includes a general condition covering anything that might give rise to a financial asset or liability of the Council, other than those incurred in the course of normal service or capital scheme delivery. These requirements are new.

- 3.4.29 It also reflects the recent updates to the CIPFA Treasury Management Code of Practice, which the Council is obliged to follow. These generally increase the role of full Council in approving and monitoring treasury management activity.

Section 1.2 – Provisions and Reserves

- 3.4.30 This section is entirely new and introduces a number of new requirements. The first of these is that the Chief Financial Officer will take the lead in advising Members on the Council's policy on provisions and reserves.
- 3.4.31 This section introduces a new requirement for unbudgeted income streams of £25,000 or more to be brought to the attention of the Chief Financial Officer. This represents the formalisation of a procedure introduced in 2008/2009.

Changes to Other Parts of the Constitution as a Consequence of Revising the Financial Procedure Rules

- 3.4.32 Constitution part 3/3 paragraphs 2.1 to 2.4 (Delegations to the Cabinet). Responsibility for the budget to be the joint responsibility of the Leader and the Portfolio Holder for Resources.
- 3.4.33 Constitution part 4/2 (Definitions and Applications of Rules). After paragraph beginning 'monitoring officer', insertion of a new definition:
- "Chief Financial Officer" - the Council's appointed officer under section 151 of the Local Government Act 1972 and who is responsible for the proper administration of the Council's financial affairs. Also referred to as the Section 151 Officer, the Chief Financial Officer's role is independent and reports to Council. This role can also be fulfilled by another officer where authorised by the Chief Financial Officer to act on their behalf.
- 3.4.34 Constitution part 4/30 (Budget and Policy Framework Procedure Rules). The references at paragraphs 4 and 5 to 'Area Committees' to be replaced with references to 'Local Neighbourhood Partnerships'.

Section 151 Officer Responsibilities

- 3.4.35 The following text changes are also recommended to correct residual incorrect references in the current version of the Constitution to the Director for Customer and Shared Services as the authority's Section 151 Officer whereas it should be the Chief Financial Officer:
- (i) Part 3/67 to 3/69 – the following functions are to be more clearly designated as being delegated to the Chief Financial Officer (Section 151 Officer): D7, D8, D10, D11, D12, D13, D14, D15, D16, D17, D18.
 - (ii) Part 3/69 – there is a requirement to insert the following additional Financial Services functions, delegated to the Chief Financial Officer:
 - D18A To undertake functions in respect of the West Midlands Metropolitan Authorities Pension Fund;
 - D18B To administer and manage the Council's procurement arrangements;
 - D18C To determine individual claims for Housing Benefit, Council Tax benefit and rate relief and administer the relevant scheme and regulations
 - (iii) Part 3/71, Function D31 – replace '*Director for Customer and Shared Services*' with '*Chief Financial Officer*';

- (iv) Part 3/71, Function D35 – replace ‘ *Director for Customer and Shared Services* ’ with ‘ *Chief Financial Officer* ’;
- (v) Part 4/105 and 4/106, paragraph 2 - replace ‘ *Director for Customer and Shared Services* ’ with ‘ *Chief Financial Officer* ’;
- (vi) Part 5/7, paragraph 2 – replace ‘ *Director for Customer and Shared Services [as Section 151 Officer]* ’ with ‘ *Chief Financial Officer [as Section 151 Officer]* ’;
- (vii) Part 5/8, paragraph 3 – replace ‘ *Director for Customer and Shared Services [as Section 151 Officer]* ’ with ‘ *Chief Financial Officer [as Section 151 Officer]* ’;
- (viii) Part 5/13, paragraph 7 (1) a – replace ‘ *chief financial officer (currently the Director for Customer and Shared Services)* ’ with ‘ *Chief Financial Officer [as Section 151 Officer]* ’;
- (ix) Part 5/28, paragraph 7 (1) d – replace ‘ *Director for Customer and Shared Services* ’ with ‘ *Chief Financial Officer* ’;
- (x) Part 5/34, paragraph 2.5 – replace ‘ “*Chief Financial Officer*” means the *Director for Customer and Shared Services* ’ with ‘ “*Chief Financial Officer*” means the *Chief Financial Officer (as Section 151 Officer)* ’;
- (xi) Part 5/70 – replace ‘ *Director for Customer and Shared Services* ’ with ‘ *Chief Financial Officer* ’;
- (xii) Part 5/84 paragraph 12 – replace ‘ *Director for Customer and Shared Services* ’ with ‘ *Chief Financial Officer* ’;
- (xiii) Part 5/99, paragraph 4.8 – replace ‘ *Director for Customer and Shared Services* ’ with ‘ *Chief Financial Officer* ’;

3.4.36 A copy of the Revised Financial Procedure Rules is attached at Appendix 2. The amendments to the current rules are detailed in this document.

4.0 REVIEW OF THE CONSTITUTION 2010/11

- 4.1 A full review of the Council’s Constitution will be undertaken during 2010/11 to implement recommendations highlighted in Stewart Dobson’s review report. The report was considered by Corporate Management team on 1 April 2010. The implementation of recommendation following the review will form a significant item for the Constitution Review Group during 2010/11 with a view to the review being completed on the publication of the May 2011 edition of the constitution.
- 4.2 The full review will include consideration as to which documents are included within the Constitution.
- 4.3 Reports will be submitted to the Special Advisory Group and standards committee as necessary during 2010/11 as implementation of the review progresses. Reports will also be submitted to other discussion making bodies of the Council as necessary.

5. FINANCIAL IMPLICATIONS

- 5.1 This report deals with effective governance and decision making arrangements of the financial framework.
- 5.2 No additional costs have arisen or are expected to arise from the review of the Financial Procedure Rules, which has been managed as part of normal business and within existing budgets.
- 5.3 The revised Financial Procedure Rules will strengthen the council's governance in a number of key areas relating to finance. The ultimate aim of this is to improve the Council's ability to secure the possible outcomes from available resources, and to be able to demonstrate that it has done so.

6. LEGAL IMPLICATIONS

- 6.1 Under Section 37 of the Local Government Act 2000, the Council is under a duty to keep under review and, where necessary, amend its Constitution.
- 6.2 Every local authority is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. (Section 151 Local Government Act 1972).
- 6.3 The Accounts and Audit Regulations 2003 require Councils to ensure that their financial management bodies and systems are adequate and effective and the Council has a sound system of internal control. The regulations also require the Council, through its responsible financial officer to ensure that accounting records and control systems are up to date.

7. EQUALITIES IMPLICATIONS

- 7.1 The Constitution is an essential part for the Council's corporate governance framework, and in so being play a crucial role in ensuring that the Council fulfils its equal opportunities responsibilities.

8. ENVIRONMENTAL IMPLICATIONS

- 8.1 There are no direct environmental implications.

4. **TRAVELLING EXPENSES**

- 4.1. All employees regardless of their grade are required to travel standard class. It is the responsibility of every individual travelling for business to find the most effective and efficient way to travel and to try and take advantage of any special rates available.
- 4.2. With the removal of the rail warrant a corporate travel scheme has been implemented and the use of a Purchasing Card (through the Government Procurement Card scheme) in conjunction with a Virgin Business Express account has been introduced.
- 4.3. Any employee not using the Purchasing Card will be required to claim their travel costs through expenses and will be reimbursed via Payroll Services through their monthly salary.
- 4.4. The use of taxis, hired vehicles, claim of car allowance (for long journeys) or travel by air, should only be considered where this can be justified in the interest of the Council or personal safety or in the avoidance of hardship. Such considerations might be that there is no appropriate public transport available; it can be justified financially e.g. where a group of employees/members travel together; or where it is otherwise justified by significant savings in employees' time or overnight stay costs. Wherever possible, the approval of the responsible Chief Officer should be obtained in advance.

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1.1 STATUS AND OVERVIEW	
FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>The Council, as a publicly-funded organisation, must demonstrate the highest standards of financial control and stewardship of public resources. The Financial Procedure Rules, along with the budget framework and the Contracts Procedure Rules, are a set of procedures that everybody working for or on behalf of the Council must observe in order to achieve those high standards.</p> <p>1. Status of the Financial Procedure Rules</p> <p>1.1 The Financial Procedure Rules are an essential part of the Council's financial control framework. They apply to all business carried out by or on behalf of the Council and the West Midlands Metropolitan Authorities Pension Fund, whether by members, officers, or third parties (including partnerships of which the Council is part) where appropriate (as determined by the Chief Financial Officer).</p> <p>1.2 With regard to the West Midlands Metropolitan Authorities Pension Fund, in order to reflect the delegations to the Superannuation Committee under the Council's Constitution, when applying these Rules the Superannuation Committee should be substituted for the Cabinet or the Cabinet (Resources) Panel. In addition the Pension Fund investment activity is governed by the Pension Fund's Statement of Investment Principles and Investment Compliance Manual and therefore these Financial Procedure Rules do not apply to this activity.</p> <p>1.3 Failure to comply with the Financial Procedure Rules may lead to disciplinary action in the case of officers, or investigation by the Monitoring Officer and/or the Standards Committee in the case of members.</p>	<p><i>Financial Procedure Rules</i></p> <p><i>The financial administration of the Council's affairs shall be conducted in accordance with Financial Procedure Rules approved by the Cabinet Panel (Resources).</i></p> <p><i>Authority To Executive And Officers To Incur Expenditure</i></p> <p>1. <i>Subject to [D2] and the expenditure is provided for within an approved budget (Revenue, Capital and other spending programmes) the Cabinet and Chief Officers are authorised to incur any expenditure in accordance with the Contracts Procedure Rules.</i></p> <p>2. <i>No member of the Council shall incur expenditure on behalf of the Council.</i></p> <p>3. <i>Notwithstanding that provision for the expenditure on works, services or supplies has been included in a budget, capital or other major spending programme approved under these Rules, the following will require specific approval of the Cabinet before any expenditure is incurred or the Council is committed to a contract:</i></p> <p>(a) <i>Individual capital schemes not identified specifically, but included in a general provision</i></p>

1.1 STATUS AND OVERVIEW

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>1.4 It is the responsibility of Chief Officers to ensure that all staff reporting to them, directly or indirectly, are aware of and comply with the Financial Procedure Rules.</p> <p>1.5 Chief Officers must notify the Chief Financial Officer of any failures to comply with the Financial Procedure Rules as soon as they become aware of them.</p> <p>1.6 Where any individual or group has a responsibility under the Financial Procedure Rules, that responsibility may not be delegated unless the Financial Procedure Rules explicitly allow it.</p> <p>1.7 Nothing in these Rules absolves, or is intended to absolve, any person of any statutory responsibilities.</p> <p>1.8 Over and above complying with these Rules, officers and members are expected at all times to demonstrate prudence and good stewardship of the Council's resources, and to act in the best interests of the Council at all times.</p> <p>1.9 Officers must comply with all requests from the Chief Financial Officer (or his/her delegate) for information required to discharge his/her statutory duties or fulfil his/her responsibilities under these Rules.</p> <p>1.10 These Rules should be read in conjunction with the Budget Policy and Framework Procedure Rules.</p> <p>1.11 You should contact your Head of Finance for advice if you are unclear about any part of these Rules.</p> <p>2 Terminology</p> <p>2.1 Throughout this document, the following words are used as set</p>	<p><i>that is approved as part of a capital programme.</i></p> <p><i>(b) Any non-routine expenditure exceeding the approval limits set out in the Authority's Contracts Procedure Rules (see part 4/95), which currently states that class IV contracts and above, require the approval of Cabinet</i></p> <p><i>(c) Grants to any outside body, organisation or individual, unless determined by an Officer under a scheme of delegation.</i></p> <p><i>Financial Administration And Control</i></p> <p><i>1. Subject to direction from the Council and Cabinet, the Cabinet Panel (Resources) is responsible for overseeing the execution of financial policy, financial administration and control in the Council, and for supervising the provision of financial services.</i></p> <p><i>2. The Chief Financial Officer is the Council's appointed officer under Section 151 of the Local Government Act 1972 and under the general direction of the Council and the Cabinet Panel (Resources) is responsible for the proper administration of the Council's financial affairs.</i></p> <p><i>3. Chief Officers shall ensure that the Council's Financial Procedure Rules are observed throughout Service Groups under their control.</i></p>

1.1 STATUS AND OVERVIEW

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES</i> <i>CURRENT VERSION</i>
<p>out below:</p> <p>“Approved Budget” – the most recent budget for the current financial year, that has been approved by the relevant person in accordance with the Financial Procedure Rules and the budget policy framework.</p> <p>“Budget” – the Council’s plan for a given financial year, expressed in financial terms. This includes all revenue and capital expenditure of all funds, whether presented collectively or separately.</p> <p>“Budget Holder” – an officer of the Council who is held responsible and accountable for a part of the Council’s expenditure (and, where applicable, income), and who has delegated authority to make certain decisions about expenditure as set out in these Rules.</p> <p>“Capital Scheme” – a project or group of projects identified in the approved budget for the capital programme.</p> <p>“Chief Financial Officer” - the Council’s appointed officer under section 151 of the Local Government Act 1972 and who is responsible for the proper administration of the Council’s financial affairs. Also referred to as the Section 151 Officer, the Chief Financial Officer’s role is independent and reports to Council. This role can also be fulfilled by another officer where authorised by the Chief Financial Officer to act on their behalf.</p> <p>“Person” – a member or officer of the Council, or an individual acting as if they were an officer of the Council, or a group of members, officers or such individuals.</p> <p>“Provision” – an amount of money set aside by the Council in respect of a future requirement to transfer resources, arising from one or more past events, where the timing or amount of</p>	<p>4. <i>Chief Officers shall consult the Chief Financial Officer before any commitment is incurred, regarding any matter under their control which is liable to affect materially the finances of the Council or before any matter with significant financial implications is reported to the Cabinet. In addition, matters of major significance should be notified to the Chief Executive by the responsible Chief Officer. (Significant and major are judged in terms of the amounts set down in these Rules).</i></p>

1.1 STATUS AND OVERVIEW

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES</i> <i>CURRENT VERSION</i>
<p>that transfer is not known with certainty.</p> <p>“Reserve” – an amount of money set aside voluntarily by the Council to fund or partially-fund future expenditure plans.</p> <p>“Virement” – a transfer of budget from one service or capital scheme to another.</p> <p>3 Financial Administration and Control</p> <p>3.1 The Cabinet (Resources) Panel shall be responsible for overseeing the execution of financial policy, financial administration and control in the Council, and for supervising the provision of financial services, all subject to direction from the Council and Cabinet.</p> <p>3.2 The Chief Financial Officer shall be the lead officer with regard to each of the following:</p> <ul style="list-style-type: none"> (a) advising on the interpretation of and monitoring compliance with the Finance Procedure Rules; (b) financial training for all members and officers in the Financial Procedure Rules and associated financial arrangements; (c) overseeing professional financial training, standards and ethics; (d) liaison with the Council’s external auditors on all matters relating to the Council’s financial arrangements. 	

1.2 BUDGETS AND EXPENDITURE

<p style="text-align: center;">FINANCIAL PROCEDURE RULES</p> <p style="text-align: center;">REVISED VERSION</p>	<p style="text-align: center;"><i>FINANCIAL PROCEDURE RULES</i></p> <p style="text-align: center;"><i>CURRENT VERSION</i></p>
<p>Expenditure</p> <p>1 No person shall commit the Council to any expenditure unless that expenditure is included in the approved budget.</p> <p>2 No member shall commit the Council to any expenditure, except when acting as a group named within these Rules (or under appropriate delegation) and in accordance with these Rules.</p> <p>3 No person shall commit the Council to expenditure on any of the following:</p> <p>(a) a service or capital scheme not individually identified in the approved budget;</p> <p>(b) grants to any outside organisation or individual not individually identified in the approved budget.</p> <p>4 No person shall commit the Council to revenue expenditure in a year for which there is no approved budget without the prior approval of the Chief Financial Officer.</p> <p>5 Where the Council makes payment of one or more grants to a third party, the responsible Chief Officer shall ensure that procedures are in place regarding appropriate accounting records and delivery of agreed outputs. The Chief Officer shall make clear to the recipient that the Council retains the right to claw back monies where such procedures are not adequately observed.</p> <p>Budget Preparation</p> <p>1 The budget shall be prepared in accordance with the Budget and Policy Framework Procedure Rules.</p>	<p><i>Preparation And Approval Of Revenue Budgets</i></p> <p>1 <i>The Revenue Budget will be prepared and approved in accordance with the Budget and Policy Framework Rules contained in this Constitution.</i></p> <p><i>Cabinet to Determine Revenue Budget Guidelines</i></p> <p>2 <i>Each year Cabinet shall consider and determine the budget process and timetable for the preparation of the following year's detailed revenue budgets covering both income and expenditure for all of the Council's services.</i></p> <p><i>Cabinet to Consider Revenue Budgets</i></p> <p>3 <i>The Cabinet shall refer its initial budget proposals for the following year together with its revised estimates for the current year to the appropriate Scrutiny Panel for consideration as required by the Budget and Policy Framework Rules. These budgets shall show, in convenient detail, the sums required for each purpose in a form considered suitable by the Chief Financial Officer.</i></p> <p>4 <i>After the Scrutiny Panels have considered the revenue budgets, the Cabinet shall re-consider them, in such detail as they determine is necessary having regard especially to the Council's overall resources and to general policy issues. The Cabinet may make such amendments to these budgets as are considered necessary.</i></p> <p><i>Cabinet to Recommend Budget Requirement and Council</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>2 Each year, the cabinet shall determine strategic guidelines for the following year's budget.</p> <p>3 The budget shall be prepared in accordance with the cabinet's strategic guidelines, and any guidance issued by or on behalf of the Chief Financial Officer.</p> <p>4 The cabinet shall determine a recommended budget, which it will report to the Council in accordance with statutory timescales, and no later than March of the preceding financial year. This will include recommendations on Council tax, housing rents, and other equivalent items of income.</p> <p>5 Before submitting its recommended budget to Council, the cabinet shall refer it to the appropriate scrutiny panels and to consultation, allowing sufficient time to reconsider and if appropriate revise it prior to submitting it to Council.</p> <p>6 Following approval of the budget by the Council, the Chief Financial Officer shall prepare and issue a Budget Book, presenting the approved budget in a suitable format.</p> <p>Budget Holders</p> <p>1 For each service and capital scheme that he/she is responsible for, each Chief Officer shall nominate an individual named officer to be responsible and accountable for the expenditure and income of that service. This named officer shall be the 'Budget Holder' for that service.</p> <p>2 Each Chief Officer shall notify the Chief Financial Officer of the Budget Holder(s) for his/her services and capital schemes.</p> <p>3 The Chief Financial Officer (or his/her delegate) shall maintain the definitive register of Budget Holders.</p>	<p>Tax</p> <p>5 <i>When the General Fund revenue budgets have been determined in accordance with Rule 1.1 to 1.4, the Cabinet shall report to the February or March Council Meeting on the estimated financial outturn for the current year and the recommended budget requirements for the following year, and shall recommend the Council Tax to be levied by the Council for the following financial year.</i></p> <p>6 <i>The procedure for determining the Housing Revenue Account, and housing rents shall follow the Budget and Policy Framework Procedure Rules.</i></p> <p>Cabinet Likely To Exceed Its Approved Revenue Budget</p> <p>1 <i>If it shall appear to the Executive or any Chief Officer that their approved revenue budgets for the current financial year in respect of a matter are likely to be exceeded, then the Chief Financial Officer shall be consulted and, if the budgetary consequences are considered to be significant by the Chief Financial Officer she shall submit a suitable report to the Cabinet which explains the circumstances.</i></p> <p>Expenditure Not Included In Approved Revenue Budgets</p> <p>1 <i>No officer or the Executive shall commit the Council to any expenditure if such expenditure is not provided for in an approved revenue budget unless:-</i></p> <p>In cases of virement:-</p> <p>(a) <i>The cumulative expenditure in any full financial year is less than the £10,000 of the particular budget head to which funds are to be transferred and can be matched by a saving on another budget head provided the budget heads affected</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>4 In the event of a Budget Holder ceasing to be employed by the Council, the Chief Officer shall identify new Budget Holders for the services and capital schemes in question immediately. This, and all other changes in Budget Holder responsibilities shall be notified to the Chief Financial Officer immediately.</p> <p>5 The Budget Holder shall be delegated responsibility to incur expenditure within the limit set for that service or capital scheme in the approved budget; and be held responsible for the generation of the service or capital scheme's income included in the approved budget.</p> <p>6 If, in a given financial year, the net expenditure for a revenue service is greater than that included in the approved budget, and the level of over spend exceeds a threshold determined by the Chief Financial Officer, or the Chief Financial Officer otherwise requests it, the Budget Holder for that service shall submit a report to the Cabinet (Resources) Panel explaining why the over spend has occurred and what actions have been or will be taken to prevent a recurrence of that over spend.</p> <p>7 If the total expenditure for a capital scheme is greater than that included in the approved budget, and the level of over spend exceeds a threshold determined by the Chief Financial Officer, or the Chief Financial Officer otherwise requests it, the Budget Holder for that capital scheme shall submit a report to the Cabinet (Resources) Panel explaining why the over spend has occurred and what actions have been or will be taken to prevent similar over spends on other capital schemes.</p> <p>Budget Monitoring</p> <p>1 Budget Holders, in liaison with the Chief Financial Officer (or his/her delegate) shall monitor their expenditure and income, with reference to their budget, on an ongoing basis.</p>	<p><i>are within the following groupings:-</i></p> <p><i>(i) Employees</i></p> <p><i>(ii) Repairs and Maintenance, Supplies and Services, Printing, Stationery, General Office expenses, Transport etc.,</i></p> <p><i>and the responsible Chief Officer and the Chief Financial Officer have agreed the virement.</i></p> <p><i>(b) The expenditure is above £10,000 in any full financial year and the Cabinet has agreed the virement upon the recommendation of the Cabinet Panel (Resources).</i></p> <p><i>In case of a supplementary estimate:</i></p> <p><i>(c) All cases of supplementary estimates which cannot be managed within the virement rules set out above will require the approval of the Cabinet.</i></p> <p><i>Capital And Other Major Spending Programmes</i></p> <p><i>Preparation And Approval Of Capital And Other Major Spending Programmes</i></p> <p><i>Cabinet To Approve Capital And Major Spending Programmes</i></p> <p><i>The Cabinet will determine from time to time the process for the preparation of and approve the Council's capital programmes and other major spending programmes.</i></p> <p><i>Expenditure Not Included In A Programme Or Likely To Be Exceeded</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>2 It shall be the responsibility of Budget Holders to obtain the appropriate information, in the appropriate timescales, to enable them to fulfil their responsibilities under these Rules.</p> <p>3 If it appears that a Budget Holder is likely to exceed the budget of one of his/her services/capital schemes, he/she shall raise this with the Chief Financial Officer (or his/her delegate) and take corrective action at the earliest opportunity.</p> <p>4 If the Chief Financial Officer considers that the consequences of any such forecast over spend are material to the finances of the Council, or any fund of the Council, he/she shall submit a report to the Cabinet explaining the circumstances.</p> <p>5 Budget monitoring reports shall be submitted to the Cabinet (Resources) Panel, co-ordinated by the Chief Financial Officer, on a regular basis. These shall include forecasts for the current year, and separate identification of, and explanation for, all forecast variances against the approved budget in excess of £100,000 (whether favourable or adverse).</p> <p>Outturn</p> <p>1 The Chief Financial Officer shall submit a report to the Cabinet (Resources) Panel setting out the Council's outturn within four months of the financial year end.</p> <p>2 Carry forwards of unused revenue budget from one financial year to another shall only be made with the approval of the Chief Financial Officer, and shall be reported to the Cabinet (Resources) Panel along with the outturn for the year in question.</p> <p>3 The Chief Financial Officer shall be responsible for determining the method of financing of capital schemes.</p>	<p>1 <i>Neither the Executive nor an officer shall commit the Council to incur expenditure on a scheme unless there is provision for the expenditure in a programme approved under B 1.1 above or unless</i></p> <p style="padding-left: 40px;"><i>(i) prior approval of the Cabinet has previously been obtained or</i></p> <p style="padding-left: 40px;"><i>(ii) the scheme will cost less than £50,000 and the Chief Financial Officer has agreed that the expenditure can be met from within the overall programme and the scheme has been approved by the Cabinet Panel (Resources).</i></p> <p>2 <i>If it appears that a scheme is likely to exceed its approved provision, then the appropriate Chief Officer shall consult with the Chief Financial Officer.</i></p> <p><i>and if the overspend is:</i></p> <p style="padding-left: 40px;"><i>(i) more than 5% of the original approved cost</i></p> <p style="padding-left: 40px;"><i>or</i></p> <p style="padding-left: 40px;"><i>(ii) cannot be accommodated within the overall programme,</i></p> <p><i>the Cabinet Panel (Resources) shall immediately receive a full report and thereafter, shall report to Cabinet explaining the circumstances.</i></p> <p>Government And Financing Approvals</p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>Emerging Financial Liabilities</p> <p>1 If a Chief Officer or Budget Holder believes that the Council may have a financial liability which is not provided for in the approved budget or an existing provision or reserve, he/she shall bring this to the attention of the Chief Financial Officer immediately.</p> <p>Virements</p> <p>1 Budget Holders shall be delegated the authority to action in-year virements of budget <u>only</u> where all of the following apply:</p> <ul style="list-style-type: none"> (a) the total value of the virement does not exceed £100,000*; (b) the virement is to an existing service or capital scheme identified in the approved budget; (c) the Budget Holders of both services or capital schemes have approved the virement; (d) the Chief Financial Officer (or his/her delegate) has approved the virement; (e) the virement would not result in an overall increase in the budget of the general fund, the housing revenue account or the capital programme; (f) in the case of revenue budgets, the virement is within one of the following groups of headings: <ul style="list-style-type: none"> (i) Employees; (ii) All other controllable expenditure. <p>* This limit is to be applied to the full-year equivalent budget, to the increase in gross expenditure or income (whichever is greater), and at service or capital scheme level.</p> <p>2 The Chief Financial Officer shall be delegated the authority to action in-year virements of budget where the virement reflects a transfer of management responsibility, with no other changes in the objective or nature of the expenditure and income in question.</p>	<p>1 <i>No scheme shall be implemented unless any relevant Government approval associated with that expenditure has been received, or unless the Cabinet have approved that course of action.</i></p> <p>Final Cost Of Capital Projects</p> <p>1 <i>As soon as possible following the completion of any project involving capital expenditure the final costs shall be reported to the Cabinet Panel (Resources) if those costs differ from the original estimate by more than 5%.</i></p> <p>Other Financial Matters</p> <p>1. <i>The Chief Financial Officer shall determine the methods and make arrangements for:</i></p> <ul style="list-style-type: none"> (a) <i>the financing of all capital schemes within the overall borrowing limits approved by Council and the overall policy approved by Cabinet for the use of capital receipts, grants, leasing facilities, revenue contributions and other recognised capital financing methods;</i> (b) <i>the efficient and effective borrowing or lending of monies, subject to the direction of the Cabinet Panel (Resources);</i>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION				
<p>In these circumstances, none of the conditions set out in paragraph 1 shall apply, except (d) and (e).</p> <p>3 The Cabinet (Resources) Panel shall have delegated authority to approve the allocation of capital budgets to individual capital schemes, only where those budgets were originally approved on a non-specific basis and have not yet been allocated.</p> <p>4 All virements approved under paragraph 1 or 2 shall be reported to the Cabinet (Resources) Panel on a regular basis, in a format considered suitable by the Chief Financial Officer.</p> <p>5 All other virements must be approved by the Cabinet (Resources) Panel. Approval must be sought by submission of a written report to the Panel, setting out the amounts requested and the reason why the virement is required.</p> <p>6 Virements made under paras 1, 2, 3 or 5 shall be regarded as having changed the approved budget accordingly.</p> <p>Supplementary Budgets</p> <p>1 An overall increase or decrease in the Council's total budget, or the budget of the general fund, housing revenue account, or capital programme when considered separately, must be approved by full Council.</p> <p>Fees and Charges</p> <p>1 All fees and charges within the Council's control, influenced by or associated with the Council, shall be approved by the Cabinet (Resources) Panel.</p> <p>2 The Chief Financial Officer shall prepare, not less than once in any twelve month period, a comprehensive fees and charges report to the Cabinet (Resources) Panel, which shall include</p>	<p>(c) <i>the acquisition, management and disposal of assets held for Pension Fund purposes, subject to the direction of the Superannuation Committee and in accordance with any scheme of delegations approved by the Council.</i></p> <p>Authority to Write-Off</p> <p><i>Sums due to the Council (i.e. Sundry Debtor, Assessment and Billing, Council Tax and NDR debts) shall not be written off in the accounts except in the following circumstances:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; vertical-align: top; padding: 5px;"> <p>(a) <i>Individual sums of less than £5,000 or because of a bankruptcy, liquidation or unable to trace</i></p> </td> <td style="width: 40%; vertical-align: top; padding: 5px;"> <p><i>With the approval of the Chief Financial Officer in consultation with the Chief Legal Officer</i></p> </td> </tr> <tr> <td style="vertical-align: top; padding: 5px;"> <p>(b) <i>All sums in excess of £5,000.</i></p> </td> <td style="vertical-align: top; padding: 5px;"> <p><i>With the approval of the Cabinet Panel (Resources).</i></p> </td> </tr> </table>	<p>(a) <i>Individual sums of less than £5,000 or because of a bankruptcy, liquidation or unable to trace</i></p>	<p><i>With the approval of the Chief Financial Officer in consultation with the Chief Legal Officer</i></p>	<p>(b) <i>All sums in excess of £5,000.</i></p>	<p><i>With the approval of the Cabinet Panel (Resources).</i></p>
<p>(a) <i>Individual sums of less than £5,000 or because of a bankruptcy, liquidation or unable to trace</i></p>	<p><i>With the approval of the Chief Financial Officer in consultation with the Chief Legal Officer</i></p>				
<p>(b) <i>All sums in excess of £5,000.</i></p>	<p><i>With the approval of the Cabinet Panel (Resources).</i></p>				

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>recommendations on revisions to all fees and charges within the Council's control, influenced by or associated with the Council (with the exception of fees and charges relating solely to the Housing Revenue Account). This shall include reference to all relevant fees and charges for which no change is proposed.</p> <p>3 All fees and charges shall take into account the full costs of the service in question, including recharges for support services and capital charges, subject to any approvals under paragraph 5.</p> <p>4 All fees and charges shall be fully reviewed at least once in any twelve month period.</p> <p>5 At the point of review, all fees and charges shall take into account the increase (expressed in percentage terms) in the estimated costs of the service in question (taken over the forthcoming twelve months), subject to any approvals under paragraph 5.</p> <p>6 In considering whether to grant an approval, the Cabinet (Resources) Panel shall consider the following factors: underlying cost and the extent of cost recovery and or subsidy, comparison with other providers of similar or equivalent services, affordability and effect on demand, as well as any other relevant considerations.</p> <p>7 All fees and charges shall be approved on a VAT-exclusive basis.</p> <p>8 The Chief Financial Officer (or his/her delegate) shall maintain a register of all fees and charges currently receivable by, influenced by or associated with the Council.</p> <p>Accounting</p> <p>1 The Chief Financial Officer shall determine the Council's accounting policies, and, where appropriate, estimation techniques.</p>	<p><i>Director for Finance and Physical Resources to Pay Accounts</i></p> <p><i>Subject to the provisions of these Rules, the Chief Financial Officer shall have authority to pay all monies due from the Council.</i></p> <p><i>Submission of Accounts to the Performance, Governance and Support Services Scrutiny Panel</i></p> <p><i>There shall be submitted to each meeting of the Performance, Governance and Support Services Scrutiny Panel a sample of accounts paid by the Chief Financial Officer since the last meeting of that Panel. The Panel shall carry out such examination of the accounts as they, from time to time, deem desirable.</i></p> <p><i>Budgets</i></p> <p>1. <i>Any proposal to the Cabinet or a Cabinet Panel which involves the incurring of any expenditure shall indicate the estimate in the approved capital programme or approved revenue budget to which the proposal relates and the sufficiency or otherwise of the financial provision together with full details of the revenue effects in a full year. Any report which is submitted and fails to provide this information may be deferred or referred to the Cabinet.</i></p> <p>2. <i>Where it appears that the amount of expenditure for any approved estimate head may be exceeded or the amount of any head of approved income may not be reached, it shall be the duty of the Chief Officer concerned to consult with the Chief Financial Officer, and if the Director for Customer and Shared Services considers the matter to be significant to inform the Cabinet or</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>2 The Chief Financial Officer shall prepare the Council's financial statements in accordance with statutory requirements and other proper practice.</p> <p>3 The Audit Committee shall approve the Council's financial statements.</p> <p>4 The Chief Financial Officer shall ensure that the Council complies with relevant tax legislation, and that the Council maintains adequate accounting records in respect of its tax affairs.</p> <p>Accounting Records</p> <p>1 The Chief Financial Officer will designate the software packages that shall be the Council's definitive accounting record.</p> <p>2 For the purposes of this section, accounting record shall be taken to mean the record of all of the following: actual expenditure and income; commitments not yet settled; forecast expenditure; the approved budget; balances; cash flows.</p> <p>3 No other accounting records shall be created or maintained, except with the approval of the Chief Financial Officer.</p> <p>4 Any person entering data into the definitive accounting record (whether directly or by way of one of its feeder systems) shall be responsible for ensuring the accuracy of that data, including the correct coding.</p> <p>5 Coding of transactions shall always reflect the objective and nature of the expenditure or income in question.</p> <p>6 All accounting records shall be retained for a period of no less than six years following the conclusion of the financial year to which they relate, or longer if instructed by the Chief Financial</p>	<p><i>Cabinet Panel (Resources) in accordance with these Rules.</i></p> <p>3. <i>The Chief Financial Officer shall agree with Chief Officers the format and frequency of formal statements of income and expenditure and other management accounting information provided in respect of Service Groups from the central financial records and systems in order to assist them in exercising financial control within their approved budgets, programmes and plans.</i></p> <p>4. <i>Each Chief Officer shall identify members of staff (to be known as budget holders or managers) who are responsible for a budget and shall provide the Chief Finance Officer if requested with a full list of budget holders covering the whole of the Service Group and the elements of the budget for which they are responsible. Budget holders are responsible for controlling and monitoring budgets allocated to them.</i></p> <p>5. <i>Chief Officers should follow the following key budgetary control principles:-</i></p> <p>(a) <i>Ensure all staff responsible for a budget or supervising a budget are aware of these Rules and the Contracts Procedure Rules.</i></p> <p>(b) <i>Ensure budget holders are aware that all budgets are cash limited - any demands for additional spending over and above the budget provision are to be dealt with as set out in these Rules.</i></p> <p>(c) <i>Ensure all budgets are allocated to a specific budget holder immediately prior to the start of each financial year and that each budget holder knows they are responsible for those particular budgets.</i></p> <p>(d) <i>Ensure budget holders have a budget management facility - computerised or manual - and that no orders are</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>Officer (or his/her delegate).</p> <p>7 The Chief Financial Officer (or his/her delegate) shall be responsible for ensuring that access to the accounting system is controlled and restricted appropriately.</p> <p>Grants</p> <p>1 No person shall apply for a grant on behalf of the Council without the prior approval of the Chief Financial Officer, nor commit the Council to any expenditure intended to be funded by grant until that grant has been formally confirmed by the grant provider.</p> <p>2 Chief Officers shall be responsible for ensuring that grant conditions are met and appropriate records maintained in support of grant claims. The Chief Financial Officer shall determine the format and contents of records to be maintained.</p> <p>3 The Chief Financial Officer (or his/her delegate) shall maintain a register of all grants receivable by the Council.</p> <p>Leasing Arrangements</p> <p>1 No person shall enter into, or commit to enter into, a leasing arrangement or a lease-type arrangement without the prior approval of the Chief Financial Officer.</p> <p>Treasury Management and Financing</p> <p>1 No person shall do, or commit to do, any of the following without the prior approval of the Chief Financial Officer: (i) lend or borrow funds under the control of or due to the Council; (ii) enter into any credit agreement; (iii) enter into an arrangement that is or may be classed as a loan at nil interest;</p>	<p><i>placed or commitments are entered into unless the budget holder knows that budget resources remain available for use.</i></p> <p>(e) <i>Ensure all authority to incur expenditure (including staff appointments and inter-departmental recharges) is directly linked through a budget holder to the relevant budget heading being utilised.</i></p> <p>(f) <i>Regularly monitor expenditure (and income), particularly in critical areas, and seek to identify early changes to expenditure patterns etc or other problems that start to emerge and require corrective action.</i></p> <p>(g) <i>The frequency of expenditure and income monitoring by senior staff will depend upon the size of the budget, potential expenditure patterns and demands upon the budget.</i></p> <p><i>Salaries and wages - weekly/or monthly</i> <i>Repairs and maintenance - weekly/or monthly</i> <i>Other - weekly/monthly/quarterly</i></p> <p>(h) <i>When changes are made to staffing structures or duties changed, ensure budget responsibilities are clearly changed at the earliest possible opportunity and appropriate documentation produced which is then subsequently filed to record the changes made.</i></p> <p>(i) <i>Where services are changed or service demands alter significantly, ensure that expenditure patterns are reviewed and a full budget analysis carried out comparing the position before and after.</i></p> <p>(j) <i>Ensure expenditure that results directly in subsequent cash sales to the public or income from other Council</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>(iv) enter into a financial guarantee; (v) enter into any transactions involving financial futures, swaps, options, hedging and other similar financial instruments; (vi) take any course of action that would give rise to a financial asset or liability of the Council except where this is in the course of delivering services or capital schemes included in the approved budget and it is in accordance with the other requirements of this paragraph.</p> <p>2 All investments of money under the Council's control shall be made in the name of the Council or the name of nominees approved by the Cabinet Panel (Resources) or Superannuation Committee as appropriate.</p> <p>3 All securities and the title deeds of all property in the ownership or name of the Council or its nominees shall be held in custody of the Chief Legal Officer.</p> <p>4 All borrowing shall be carried out in the name of the Council by the Chief Financial Officer and only he/she is authorised to invest any surplus funds under arrangements approved by the Cabinet Panel (Resources) or Superannuation Committee.</p> <p>5 The Chief Financial Officer shall be the Council's registrar of stocks, bonds and mortgages and shall maintain records of all borrowing of money by the Council.</p> <p>6 All officers acting as trustees by virtue of their official position shall deposit all securities, etc., relating to the trust with the Chief Legal Officer unless the deed otherwise provides.</p> <p>7 The Council has adopted the CIPFA Code on Treasury Management in the Public Services. In accordance with this, the Chief Financial Officer shall submit to both the full Council and Cabinet (Resources) Panel:</p>	<p><i>Service Groups and is managed as a trading activity has appropriate financial management and monitoring statements produced.</i></p> <p>(k) <i>Apply these principles to income.</i></p> <p>Accounting</p> <p>1. <i>Under the general direction of the Cabinet all accounting procedures and records directly supporting the Council's accounts and approved estimates shall be determined by the Chief Financial Officer having regard to recommended practice, the requirements of each Chief Officer and the need to maintain uniformity wherever possible.</i></p> <p>2. <i>The Chief Financial Officer shall prepare the Council's financial accounts for each year ended 31 March in accordance with CIPFA's Code of Practice on Local Authority Accounting (as may be amended from time to time), other proper accounting practices and statutory requirements.</i></p> <p>3. <i>Each Chief Officer shall provide such information at such times as the Chief Finance Officer may require to prepare the Council's financial accounts.</i></p> <p>4. <i>All accounting records and supporting documents shall be retained for at least two full years following the end of the financial year to which they relate or for such other periods as may be determined by the Chief Financial Officer, specific statute, these Rules or Cabinet determination. Proposals to dispose of accounting records and supporting documents before 6 years should be agreed with the Chief Financial Officer</i></p> <p>5. <i>Officers responsible for incurring expenditure or receiving income are required to ensure these are properly analysed and entered without delay in the accounts in accordance with the Council's</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>(i) an annual report on the strategy and plan to be pursued in the coming year;</p> <p>(ii) a mid-year review;</p> <p>(iii) an annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the Council's treasury management policy statement and treasury management practices.</p> <p>(iv) regular monitoring reports on treasury management activities and risks.</p> <p>8 The reports set out at paragraph 7 shall include reports on the Council's treasury management indicators and prudential indicators.</p> <p>9 The full Council shall approve the prudential indicators for the Council.</p> <p>10 The Chief Financial Officer shall prepare and maintain the Council's treasury management policy and practices.</p> <p>11 The Audit Committee shall be responsible for scrutiny of the Council's treasury management policies and practices.</p> <p>Provisions and Reserves</p> <p>1 The Chief Financial Officer shall be responsible for advising Members on the Council's policy on provisions and reserves.</p> <p>2 No provisions or reserves shall be established or dissolved without the prior agreement of the Chief Financial Officer and approval by Cabinet.</p> <p>2 No money shall be transferred to or from provisions or reserves without the prior agreement of the Chief Financial Officer and</p>	<p><i>approved budget codes.</i></p> <p>Investment, Borrowing And Trust Funds</p> <p>1. <i>All investments of money under the Council's control shall be made in the name of the Council or the name of nominees approved by the Cabinet Panel (Resources) or Superannuation Committee as appropriate.</i></p> <p>2. <i>All securities and the title deeds of all property in the ownership or name of the Council or its nominees shall be held in custody of the Chief Legal Officer or the Chief Financial Officer as appropriate.</i></p> <p>3. <i>All borrowing shall be effected in the name of the Council by the Chief Financial Officer and only he/she is authorised to invest any surplus funds under arrangements approved by the Cabinet Panel (Resources) or Superannuation Committee.</i></p> <p>4. <i>The Chief Financial Officer shall be the Council's registrar of stocks, bonds and mortgages and shall maintain records of all borrowing of money by the Council.</i></p> <p>5. <i>All officers acting as trustees by virtue of their official position shall deposit all securities, etc., relating to the trust with the Chief Legal Officer unless the deed otherwise provides.</i></p> <p>6. <i>The Council has adopted the CIPFA Code on Treasury Management in Local Authorities and requires the Chief Financial Officer to submit to the Cabinet Panel (Resources):</i></p> <p style="padding-left: 20px;"><i>(i) Annually a Treasury Policy Statement;</i></p> <p style="padding-left: 20px;"><i>(ii) Reports on Treasury Management activity to each regular meeting of the Cabinet Panel;</i></p> <p style="padding-left: 20px;"><i>(iii) An Annual Report on Treasury Management by 30</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES</i> <i>CURRENT VERSION</i>
<p>approval by Cabinet.</p> <p>3 Chief Officers, in conjunction with the Chief Financial Officer (or his/her delegate) shall review all provisions and reserves relating to their services for adequacy and relevance, both at the financial year end and as part of the budget preparation process.</p> <p>4 The Chief Financial Officer shall determine, in conjunction with the Cabinet, an appropriate level of general reserves as part of the budget preparation process, and shall advise the Council on the adequacy of the proposed level of reserves (in accordance with the requirements of section 25 of the Local Government Act 2003).</p> <p>Medium Term Financial Forecasts</p> <p>1 The Chief Financial Officer, in conjunction with Chief Officers, shall prepare medium term financial forecasts, spanning a period of no less than three future financial years, at regular intervals. These shall be reported to the Cabinet.</p> <p>Reporting to Member Bodies</p> <p>1 All reports, with financial implications, to the following member bodies must be submitted to the Chief Financial Officer (or his/her delegate) prior to the meeting at which the report is to be received, allowing reasonable time for him/her to consider the report.</p> <p style="padding-left: 40px;">Council Cabinet and Cabinet Panels Scrutiny Board and Scrutiny Panels Audit Committee</p> <p>2 Any proposal included in a report to a member body that has or could have financial implications must clearly state the actual financial implications if known; or a best estimate if not known; or</p>	<p style="text-align: center;"><i>September of the succeeding financial year.</i></p> <p>7. <i>No Chief Officer is to enter into any financial transactions involving financial futures, swaps, options, hedging or formal lending or borrowing or any other form of credit arrangement without the approval of the Cabinet Panel (Resources) and/or the Superannuation Committee.</i></p>

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>an explanation of why an estimate cannot be provided.</p> <p>3 All financial implications in any report to a member body must be approved by the Chief Financial Officer (or his/her delegate) prior to inclusion in the agenda papers.</p> <p>4 The report must also include a statement of the headings within the approved budget on which those financial implications would impact. This should be clearly referenced to headings in the approved budget.</p> <p>5 Financial implications must be evaluated in accordance with the budget guidelines (prepared under 5.3) existing at the time.</p> <p>6 Reports with inadequate financial implications may be withdrawn from the agenda at the discretion of the Chief Financial Officer.</p> <p>Write Offs</p> <p>1 The Chief Financial Officer shall have delegated authority to write off sums due to the Council <u>only</u> where one of the following applies:</p> <p style="padding-left: 20px;">(a) The sum due is less than £5,000 and the Chief Financial Officer believes that there is negligible prospect of recovery because of inability to trace the debtor;</p> <p style="padding-left: 20px;">(b) The Chief Financial Officer believes that there is negligible prospect of recovery because of bankruptcy or liquidation.</p> <p>2 All write-offs under paragraph 1 shall be reported to the Cabinet (Resources) Panel on a regular basis, in a format determined by the Chief Financial Officer.</p> <p>3 All other write offs must be approved by the Cabinet (Resources) Panel on a regular basis throughout the year. Approval should be sought by submission of a written report to the Panel, setting out</p>	

1.2 BUDGETS AND EXPENDITURE

FINANCIAL PROCEDURE RULES

REVISED VERSION

the amounts to be written off and the reason why writing off is considered to be an appropriate course of action, on an individual account basis.

FINANCIAL PROCEDURE RULES

CURRENT VERSION

1.3 AUDIT

<p style="text-align: center;">FINANCIAL PROCEDURE RULES</p> <p style="text-align: center;">REVISED VERSION</p>	<p style="text-align: center;"><i>FINANCIAL PROCEDURE RULES</i></p> <p style="text-align: center;"><i>CURRENT VERSION</i></p>
<p>1 The Chief Financial Officer shall ensure that an adequate and effective internal audit of all Council activities is carried out in accordance with the most recent CIPFA Statements on Internal Audit Practice and relevant legislation.</p> <p>2 For audit purposes, the Chief Financial Officer or authorised representative shall be entitled, without necessarily giving prior notice, to require and receive:</p> <p>(a) access to any records (both computer and manual), documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;</p> <p>(b) access at all times to any Council premises or land;</p> <p>(c) the production or identification by any employee of any cash, stores, or other property belonging to the Council, under the employee's control;</p> <p>(d) explanations concerning any matter under examination.</p> <p>3 Wherever any matter arises which involves actual or potential financial irregularities, misappropriations or indications of corruption, the Chief Financial Officer should be notified immediately and he/she shall take such action as he/she considers necessary by way of investigation, report and referral to the Police. The Chief Financial Officer shall, where necessary, consult with the Chief Legal Officer concerning referral to the Police and notify the Chief Executive and the Council's external auditor in significant cases of fraud or corruption.</p> <p>4 The Chief Financial Officer shall produce audit reports as appropriate, and when an audit report is issued, the Chief</p>	<p>1. <i>The Chief Financial Officer shall ensure that an adequate and effective internal audit of all Council activities is carried out in accordance with the CIPFA Statements on Internal Audit Practice and relevant legislation for the time being in force.</i></p> <p>2. <i>For audit purposes, the Director for Customer and Shared Services or authorised representative shall be entitled, without necessarily giving prior notice, to require and receive:-</i></p> <p>(a) <i>Access to any records (both computer and manual), documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;</i></p> <p>(b) <i>Access at all times to any Council premises or land;</i></p> <p>(c) <i>The production or identification by any employee of any cash, stores, or other property belonging to the Council, under the employee's control; and</i></p> <p>(d) <i>Explanations concerning any matter under examination.</i></p> <p>3. <i>Wherever any matter arises which involves actual or potential financial irregularities, misappropriations or indications of corruption, the Director for Customer and Shared Services should be notified immediately and should take such action as considered necessary by way of investigation, report and referral to the Police. The Director for Customer and Shared Services should, where necessary, consult with the Chief Legal Officer concerning referral to the Police and notify the Chief Executive and the Council's External Auditor in significant cases of fraud or corruption.</i></p> <p>4. <i>The Director for Customer and Shared Services shall produce audit reports as appropriate and when an audit report is issued the</i></p>

1.3 AUDIT

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES</i> <i>CURRENT VERSION</i>
Officer(s) concerned shall respond in writing on any recommendations made without delay. 5 A sample of accounts paid by the Council shall be presented to the Audit Committee on a basis determined by the committee.	<i>Chief Officer concerned should respond in writing on any recommendations made without delay.</i>

1.4 OFFICIAL ORDERS	
FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>1 Official orders shall be in a form agreed by the Chief Financial Officer and Chief Officers shall control their use. This applies to both paper and computerised ordering systems.</p> <p>2 Orders are to be signed in manuscript by authorised officers only unless the Chief Financial Officer determines that an electronic authorisation is acceptable. Each Chief Officer shall determine the list of authorised officers to operate in his/her Service Group. Lists of specimen signatures of these officers shall be maintained in each directorate and updated immediately on a change in authorised officers.</p> <p>3 Official orders shall be issued for all work, goods or services to be supplied to the Council except for supplies of utility services, for periodical payments such as rent and rates, for petty cash purchases and purchases made using a Council purchasing card, and other exceptions as the Chief Financial Officer may approve individually.</p> <p>4 Each order shall indicate clearly the nature and quantity of the work or services required, any related contract or agreed prices, together with the date the order is placed, the initial of the originating officer, the signature of the authorising officer, the invoice address, the delivery address and delivery or contract completion date. The office copy order (whether paper or computer record) should indicate the accounting code to which the expenditure is to be charged.</p> <p>5 Official Orders shall not be issued unless there is provision for the expenditure in an approved budget or a supplementary estimate has been obtained, and the appropriate action taken to conform with these Rules and the Contracts Procedure Rules.</p>	<p>1. <i>Official orders shall be in a form agreed by the Chief Financial Officer and Chief Officers shall control their use. This applies to paper and computerised ordering systems.</i></p> <p>2. <i>Orders are to be signed in manuscript by authorised officers only unless the Chief Financial Officer determines that an electronic authorisation is acceptable. Each Chief Officer shall determine the list of authorised officers to operate in his/her Service Group. Lists of specimen signatures of these officers shall be maintained in each Service Group and updated on the change of authorised officer.</i></p> <p>3. <i>Official orders shall be issued for all work, goods or services to be supplied to the Council except for supplies of utility services, for periodical payments such as rent and rates, for petty cash purchases and other exceptions as the Chief Financial Officer may agree.</i></p> <p>4. <i>Each order shall indicate clearly the nature and quantity of the work or services required, any related contract or agreed prices, together with the date the order is placed, the initial of the originating officer, the signature of the authorising officer, the invoice address, the delivery address and delivery or contract completion date. The office copy order whether paper or computer record should indicate the budget head and code to which the expenditure is to be charged.</i></p> <p>5. <i>Official Orders shall not be issued unless there is provision for the expenditure in an approved budget or a supplementary estimate has been obtained, and the appropriate action taken to conform with these Rules and the Contracts Procedure Rules.</i></p>

1.4 OFFICIAL ORDERS

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>6 The Council's preference is to use central and co-ordinated purchasing arrangements where available. Any departure from these arrangements where a contract exists shall only be made where the appropriate Chief Officer in consultation with the Chief Legal Officer considers there are specific advantages to be obtained from using alternative arrangements.</p> <p>7 Urgent orders may be given over the telephone, facsimile or other communication methods as appropriate provided they are confirmed by an official order issued no later than the next working day.</p> <p>8 Copies of orders raised shall be retained for three years from the date the order is placed in document form if no computerised record is available.</p> <p>9 Order amendments or cancellations shall be notified in writing to the contractor and a full record should be kept in either paper or computerised record form.</p> <p>10 Period orders, requiring a number of deliveries or service calls over a period of time, shall be for a maximum duration of twelve months from the date the order is placed. If required, a new order shall be placed for each and every subsequent twelve month period.</p> <p>11 Any unused ordering stationery shall be held securely under the control of the responsible officer when not actually in use.</p>	<p>6. <i>The Council's preference is to use central and co-ordinated purchasing arrangements where available. Any departure from these arrangements where a contract exists shall only be made where the appropriate Chief Officer in consultation with the Chief Legal Officer considers there are specific advantages to be obtained from using alternative arrangements.</i></p> <p>7. <i>Urgent orders may be given over the telephone, facsimile or other communication methods as appropriate provided they are confirmed by an official order issued no later than the next working day.</i></p> <p>8. <i>Copies of orders raised shall be retained for three years from the date the order is placed in document form if no computerised record is available.</i></p> <p>9. <i>Order amendments or cancellations shall be notified in writing to the contractor and a full record should be kept in either paper or computerised record form.</i></p> <p>10. <i>Period orders, requiring a number of deliveries or service calls over a period of time, shall be for a maximum duration of twelve months from the date the order is placed. If required, a new order shall be placed for each and every subsequent twelve month period</i></p> <p>11. <i>Any unused ordering stationery shall be held securely under the control of the responsible officer when not actually in use.</i></p>

1.5 PAYMENT OF ACCOUNTS

<p style="text-align: center;">FINANCIAL PROCEDURE RULES</p> <p style="text-align: center;">REVISED VERSION</p>	<p style="text-align: center;"><i>FINANCIAL PROCEDURE RULES</i></p> <p style="text-align: center;"><i>CURRENT VERSION</i></p>
<p>1 Where an order is required under section 23 (Official Orders) and no such order has been raised, payment shall not be made.</p> <p>2 Apart from petty cash and other special payments agreed by the Chief Financial Officer, the normal method of payment of sums due from the Council shall be by cheque or other instrument or electronic means drawn on the Council's bank accounts by the Chief Financial Officer.</p> <p>3 Chief Officers issuing orders are responsible for examining, verifying and certifying the related invoice(s) and similarly for any other payment vouchers or accounts arising from sources in their Service Groups. Such certification shall be in manuscript (or other means agreed with the Chief Financial Officer) by or on behalf of the Chief Officer. The names of officers authorised to certify such records shall be sent to the Chief Financial Officer by each Chief Officer together with specimen signatures and amendments notified on the occasion of any change.</p> <p>4 Before certifying an account, the certifying officer shall be satisfied that:</p> <p>(a) The account has been verified where appropriate against the original order and the account details annotated thereon;</p> <p>(b) The work, goods or services to which the account relates have been received, carried out, examined and approved;</p> <p>(c) The prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct;</p> <p>(d) The relevant expenditure has been properly incurred and is</p>	<p>1. <i>Apart from petty cash and other special payments agreed by the Chief Financial Officer, the normal method of payment of sums due from the Council shall be by cheque or other instrument or electronic means drawn on the Council's bank accounts by the Chief Financial Officer</i></p> <p>2. <i>Chief Officers issuing orders are responsible for examining, verifying and certifying the related invoice(s) and similarly for any other payment vouchers or accounts arising from sources in their Service Groups. Such certification shall be in manuscript (or other means agreed with the Chief Finance Officer) by or on behalf of the Chief Officer. The names of officers authorised to certify such records shall be sent to the Chief Financial Officer by each Chief Officer together with specimen signatures and amendments notified on the occasion of any change.</i></p> <p>3. <i>Before certifying an account, the certifying officer shall be satisfied that:</i></p> <p>(a) <i>The account has been verified where appropriate against the original order and the account details annotated thereon;</i></p> <p>(b) <i>The work, goods or services to which the account relates have been received, carried out, examined and approved;</i></p> <p>(c) <i>The prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct;</i></p> <p>(d) <i>The relevant expenditure has been properly incurred and is within the relevant estimate provision;</i></p> <p>(e) <i>Appropriate entries have been made in inventories, stores</i></p>

1.5 PAYMENT OF ACCOUNTS

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>within the relevant estimate provision;</p> <p>(e) Appropriate entries have been made in inventories, stores records or stock books as required;</p> <p>(f) The account has not been previously passed for payment and is a proper liability of the Council;</p> <p>(g) In the case of periodical charges, for example, gas, electricity, telephones and water, that any standing charges are correct and that the consumption recorded has been verified and is reasonable in the light of previous and current experience.</p> <p>5 Duly certified accounts shall be passed without delay to the Chief Financial Officer who shall examine them to the extent that is considered necessary, for which purpose the Chief Financial Officer shall be entitled to make such enquiries and to receive such information and explanations as may be required.</p> <p>6 Any amendment to a paper account shall be made in ink and initialled by the officer making it, stating briefly the reasons where they are not self-evident. Amendment to electronic accounts should be recorded to the same standard.</p> <p>7 Approval of Discretionary Housing Benefit payments is delegated to the Head of Benefits.</p>	<p><i>records or stock books as required;</i></p> <p><i>(f) The account has not been previously passed for payment and is a proper liability of the Council;</i></p> <p><i>(g) In the case of periodical charges, for example, gas, electricity, telephones and water, that any standing charges are correct and that the consumption recorded has been verified and is reasonable in the light of previous and current experience.</i></p> <p>4. <i>Duly certified accounts shall be passed without delay to the Chief Financial Officer who shall examine them to the extent that is considered necessary, for which purpose the Chief Financial Officer shall be entitled to make such enquiries and to receive such information and explanations as may be required.</i></p> <p>5. <i>Any amendment to a paper account shall be made in ink and initialled by the officer making it, stating briefly the reasons where they are not self-evident. Amendment to electronic accounts should be recorded to the same standard.</i></p> <p>6. <i>Approval of Discretionary Housing Benefit payments is delegated to the Head of Benefits.</i></p>

1.6 SALARIES, WAGES, PENSIONS AND ALLOWANCES	
FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>1 The payment of all salaries, wages, pensions, compensation and other emoluments to all employees or former employees of the Council together with payments of pensions and other associated payments from the Pension Fund shall be made by, or under arrangements approved by the Chief Financial Officer.</p> <p>2 Each Chief Officer shall notify the Chief Human Resources Officer without delay and in the form prescribed by him/her of all matters affecting the payment of such emoluments, and in particular:-</p> <p style="padding-left: 40px;">(a) Appointments, resignations, dismissals, suspensions, secondments and transfers;</p> <p style="padding-left: 40px;">(b) Absences from duty for sickness or other reasons, apart from approved leave;</p> <p style="padding-left: 40px;">(c) Changes in remuneration, other than normal increments and pay awards and agreements of general application;</p> <p style="padding-left: 40px;">(d) Information necessary to maintain records of service for pensions, income tax, national insurance and other relevant matters.</p> <p>3 Appointments and promotions of all employees shall be made in accordance with approved policies and practices of the Council and the approved establishments, grades and rates of pay. In addition re-gradings shall be in accordance with the Council's established practices.</p> <p>4 All time records or other pay documents shall be in a form</p>	<p>1. <i>The payment of all salaries, wages, pensions, compensation and other emoluments to all employees or former employees of the Council together with payments of pensions and other associated payments from the Pension Fund shall be made by, or under arrangements approved and controlled by the Chief Finance Officer.</i></p> <p>2. <i>Each Chief Officer shall notify the Chief Financial Officer without delay and in the form prescribed by him/her of all matters affecting the payment of such emoluments, and in particular:-</i></p> <p style="padding-left: 40px;"><i>(a) Appointments, resignations, dismissals, suspensions, secondments and transfers;</i></p> <p style="padding-left: 40px;"><i>(b) Absences from duty for sickness or other reasons, apart from approved leave;</i></p> <p style="padding-left: 40px;"><i>(c) Changes in remuneration, other than normal increments and pay awards and agreements of general application;</i></p> <p style="padding-left: 40px;"><i>(d) Information necessary to maintain records of service for pensions, income tax, national insurance and other relevant matters.</i></p> <p>3. <i>Appointments and promotions of all employees shall be made in accordance with approved policies and practices of the Council and the approved establishments, grades and rates of pay. In addition regradings shall be in accordance with the Council's established practices.</i></p> <p>4. <i>All time records or other pay documents shall be in a form prescribed or approved by the Chief Financial Officer and shall</i></p>

1.6 SALARIES, WAGES, PENSIONS AND ALLOWANCES

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>prescribed or approved by the Chief Human Resources Officer and shall be certified in manuscript by or on behalf of the Chief Officer. The names of officers authorised to sign such records shall be maintained by each Chief Officer together with specimen signatures (amended on the occasion of any change) and copies sent to the Chief Human Resources Officer.</p> <p>5 Except with the approval of the Chief Financial Officer all employees and pensioners will be paid by direct credit to a bank or building society account.</p> <p>6 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be sent for payment to the Chief Human Resources Officer and duly certified in a form approved by him/her. Such claims shall be made up to a specified day of each month. The names of Officers authorised to sign such records shall be sent to the Chief Human Resources Officer by each Chief Officer together with specimen signatures and amendments notified on the occasion of any change. Late claims may be refused for payment unless the reason for the delay is exceptional.</p> <p>7 The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying officer is satisfied that the claims relate to authorised activities and any expenses claimed have been properly incurred.</p> <p>8 All individual overtime claims exceeding £500 shall be approved by the claimant's Chief Officer prior to payment.</p>	<p><i>be certified in manuscript by or on behalf of the Chief Officer. The names of officers authorised to sign such records shall be maintained by each Chief Officer together with specimen signatures (amended on the occasion of any change) and copies sent to the Chief Financial Officer.</i></p> <p><i>5. Except with the approval of the Chief Financial Officer all new employees and pensioners will be paid by direct credit to a bank or building society account.</i></p> <p><i>6. All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be sent for payment to the Chief Financial Officer and duly certified in a form approved by him/her. Such claims shall be made up to a specified day of each month. The names of Officers authorised to sign such records shall be sent to the Chief Financial Officer by each Chief Officer together with specimen signatures and amendments notified on the occasion of any change. Late claims may be refused for payment unless the reason for the delay is exceptional.</i></p> <p><i>7. The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying officer is satisfied that the claims relate to authorised activities and any expenses claimed have been properly incurred.</i></p> <p><i>8. All individual overtime claims exceeding £500 should be approved by the claimant's Director prior to payment.</i></p>

1.7 BANKING ARRANGEMENTS AND CHEQUES	
FINANCIAL PROCEDURE RULES	<i>FINANCIAL PROCEDURE RULES</i>
REVISED VERSION	<i>CURRENT VERSION</i>
<p>1 Under the general direction of the Cabinet Panel (Resources) all arrangements with the Council's bankers shall be made by or approved by the Chief Financial Officer who shall be authorised to operate such bank accounts, including Girobank, as he/she may consider necessary. No new bank account shall be opened for Council purposes without the approval of the Chief Financial Officer.</p> <p>2 Supplies of all cheques, including Girobank payment forms and payment, debit or credit cards, but excluding cheques drawn on authorised imprest accounts, shall be ordered only by the Chief Financial Officer (or his/her delegate) who shall also make proper arrangements for their safe custody.</p> <p>3 Cheques drawn on any of the Council's bank accounts, including Girobank accounts, shall either bear the facsimile signature of the Chief Financial Officer or be signed in manuscript by the Chief Financial Officer or another officer authorised to do so by the Chief Financial Officer.</p>	<p>1. <i>Under the general direction of the Cabinet Panel (Resources) all arrangements with the Council's bankers shall be made by or approved by the Chief Financial Officer who shall be authorised to operate such bank accounts, including Girobank, as he/she may consider necessary. No new bank account should be opened for Council purposes without the agreement of the Chief Financial Officer.</i></p> <p>2. <i>Supplies of all cheques, including Girobank payment forms and payment, debit or credit cards, but excluding cheques drawn on authorised imprest accounts, shall be ordered only by the Chief Financial Officer who shall also make proper arrangements for their safe custody unless alternative specific arrangements are agreed by the Chief Financial Officer.</i></p> <p>3. <i>Cheques drawn on any of the Council's bank accounts, including Girobank accounts, shall either bear the facsimile signature of the Chief Financial Officer or be signed in manuscript by Chief Financial Officer other officer authorised to do so.</i></p>

1.8 IMPREST AND PETTY CASH ACCOUNTS

<p style="text-align: center;">FINANCIAL PROCEDURE RULES</p> <p style="text-align: center;">REVISED VERSION</p>	<p style="text-align: center;"><i>FINANCIAL PROCEDURE RULES</i></p> <p style="text-align: center;"><i>CURRENT VERSION</i></p>
<p>1 The Chief Financial Officer shall provide imprest accounts if considered appropriate for officers of the Council who may need them for the purpose of defraying petty cash and other expenses. Proper records of account in a form prescribed by the Chief Financial Officer must be maintained by the responsible officer and reconciliations must be carried out on a regular basis.</p> <p>2 Where appropriate, the Chief Financial Officer may open bank accounts for use by the imprest holders who shall ensure that such accounts do not become overdrawn. It shall be a standing instruction to the bank that duplicate copies of bank statements shall be submitted direct to the Chief Financial Officer for monitoring purposes.</p> <p>3 No income received on behalf of the Council may be paid into an imprest account, but must be banked or paid to the Council as provided elsewhere in these regulations. No personal cheques are to be encashed from imprest accounts.</p> <p>4 Payments shall be limited to items of expenditure of low value.</p> <p>5 VAT and other receipts for petty cash expenditure shall be obtained when possible and forwarded to the Chief Financial Officer with claims for reimbursement at the required frequency. Chief Officers shall send a list of officers authorised to certify claims from petty cash together with specimen signatures to the Chief Financial Officer and amendments notified on the occasion of any change.</p> <p>6 An officer responsible for an imprest account shall, if so requested and in any event on 31 March each year provide to the Chief Financial Officer a certificate as to the state of that account.</p>	<p>1. <i>The Chief Financial Officer shall provide imprest accounts if considered appropriate for officers of the Council who may need them for the purpose of defraying petty cash and other expenses. Proper records of account in a form prescribed by the Chief Financial Officer must be maintained by the responsible officer and reconciliations must be carried out on a regular basis.</i></p> <p>2. <i>Where appropriate, the Chief Financial Officer may open bank accounts for use by the imprest holders who shall ensure that such accounts do not become overdrawn. It shall be a standing instruction to the bank that duplicate copies of bank statements shall be submitted direct to the Chief Financial Officer for monitoring purposes.</i></p> <p>3. <i>No income received on behalf of the Council may be paid into an imprest account, but must be banked or paid to the Council as provided elsewhere in these regulations. No personal cheques are to be encashed from imprest accounts.</i></p> <p>4. <i>Payments shall be limited to items of expenditure of low value.</i></p> <p>5. <i>VAT and other receipts for petty cash expenditure shall be obtained when possible and forwarded to the Chief Financial Officer with claims for reimbursement at the required frequency. A list of officers authorised to certify claims together with specimen signatures shall be sent to the Chief Financial Officer and amendments notified on the occasion of any change.</i></p> <p>6. <i>An officer responsible for an imprest account shall, if so requested and in any event on 31 March each year provide to the Chief Financial Officer a certificate as to the state of that account.</i></p>

1.8 IMPREST AND PETTY CASH ACCOUNTS

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES</i> <i>CURRENT VERSION</i>
7 On leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest advance, the imprest holder shall account to their Chief Officer for the amount originally advanced.	7. <i>On leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest advance, the imprest holder shall account to their Chief Officer for the amount originally advanced.</i>

1.9 FINANCIAL ARRANGEMENTS FOR CONTRACTS

<p style="text-align: center;">FINANCIAL PROCEDURE RULES</p> <p style="text-align: center;">REVISED VERSION</p>	<p style="text-align: center;"><i>FINANCIAL PROCEDURE RULES</i></p> <p style="text-align: center;"><i>CURRENT VERSION</i></p>
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>No changes are proposed at this stage to this section of the Financial Procedure Rules however it will be updated when the Contract Procedure Rules are reviewed.</p> <p>In future it is also proposed that the specific financial procedure rules relating to contracts will be detailed in the Contract Procedure Rules section to aid navigation around the Constitution document</p> </div> <ol style="list-style-type: none"> 1. <i>All contracts on behalf of the Council shall be arranged and executed in accordance with the Contracts Procedure Rules.</i> 2. <i>A Contract Register or Registers shall be maintained for all Class II, III, IV and V contracts as provided in Contracts Procedure Rules in a form that follows advice given by the Chief Financial Officer which shows the state of the account for each contract with the Council, together with any other related payments and the associated professional fees.</i> 3. <i>Payments on account to contractors for works contracts shall be authorised only on a suitable Certificate signed by the Chief Officer or the duly authorised officer of the appropriate Service Group which shall show the total amount of the contract and value of the work executed to date, retention money, amounts paid to date, and the amounts now certified.</i> 4. <i>Every variation on a contract shall be authorised in writing by the duly authorised officer.</i> 5. <i>Where a contract provides for payments to be made by instalments, a cost plan shall be prepared by the appropriate Chief Officer for such contracts and payments monitored against</i> 	<ol style="list-style-type: none"> 1. <i>All contracts on behalf of the Council shall be arranged and executed in accordance with the Contracts Procedure Rules.</i> 2. <i>A Contract Register or Registers shall be maintained for all Class II, III, IV and V contracts as provided in Contracts Procedure Rules in a form that follows advice given by the Chief Financial Officer which shows the state of the account for each contract with the Council, together with any other related payments and the associated professional fees.</i> 3. <i>Payments on account to contractors for works contracts shall be authorised only on a suitable Certificate signed by the Chief Officer or the duly authorised officer of the appropriate Service Group which shall show the total amount of the contract and value of the work executed to date, retention money, amounts paid to date, and the amounts now certified.</i> 4. <i>Every variation on a contract shall be authorised in writing by the duly authorised officer.</i> 5. <i>Where a contract provides for payments to be made by instalments, a cost plan shall be prepared by the appropriate Chief Officer for such contracts and payments monitored against that plan. If it appears at any time that any approved contract cost will be exceeded due either to significant variations of either specification or price, a report setting out the circumstances and the revised estimated contract cost shall be submitted to the Cabinet as soon as possible.</i> 6. <i>The final certificate for a contract (as determined in the Contract Procedure Rules) shall not be passed for payment until the responsible Chief Officer has prepared a summary statement and</i>

1.9 FINANCIAL ARRANGEMENTS FOR CONTRACTS

FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p><i>that plan. If it appears at any time that any approved contract cost will be exceeded due either to significant variations of either specification or price, a report setting out the circumstances and the revised estimated contract cost shall be submitted to the Cabinet as soon as possible.</i></p> <p>6. <i>The final certificate for a contract (as determined in the Contract Procedure Rules) shall not be passed for payment until the responsible Chief Officer has prepared a summary statement and reconciliation of the contractor's final account and has notified the Chief Financial Officer who may wish to examine it. In the event of an examination taking place, the Chief Financial Officer shall be entitled to receive such further supporting documentation and explanation as may be necessary.</i></p> <p>7. <i>All contracts involving special financing arrangements shall be arranged by the Chief Financial Officer in consultation with the Chief Legal Officer.</i></p> <p>8. <i>All contracts for the supply or disposal of goods, materials or service shall be subject to the Council's standard conditions of contract unless otherwise agreed by the Chief Financial Officer or the Chief Legal Officer. The appropriate Chief Officer shall obtain the prior agreement of the Chief Legal Officer to use any amended or additional conditions of contract to meet specific requirements.</i></p> <p>9. <i>Before executing any contract which has been subject to the competitive quotation or tendering procedure, the appropriate Chief Officer shall ensure him/herself that a thorough quotation or tender evaluation exercise has been carried out. Written records of the evaluation shall be retained for inspection for a period of twelve months from the expiry or final completion of the contract.</i></p>	<p><i>reconciliation of the contractor's final account and has notified the Chief Financial Officer who may wish to examine it. In the event of an examination taking place, the Chief Financial Officer shall be entitled to receive such further supporting documentation and explanation as may be necessary.</i></p> <p>7. <i>All contracts involving special financing arrangements shall be arranged by the Chief Financial Officer in consultation with the Chief Legal Officer.</i></p> <p>8. <i>All contracts for the supply or disposal of goods, materials or service shall be subject to the Council's standard conditions of contract unless otherwise agreed by the Chief Financial Officer or the Chief Legal Officer. The appropriate Chief Officer shall obtain the prior agreement of the Chief Legal Officer to use any amended or additional conditions of contract to meet specific requirements.</i></p> <p>9. <i>Before executing any contract which has been subject to the competitive quotation or tendering procedure, the appropriate Chief Officer shall ensure him/herself that a thorough quotation or tender evaluation exercise has been carried out. Written records of the evaluation shall be retained for inspection for a period of twelve months from the expiry or final completion of the contract.</i></p>

1.10 INCOME	
FINANCIAL PROCEDURE RULES	FINANCIAL PROCEDURE RULES
REVISED VERSION	CURRENT VERSION
<p>1 The Chief Financial Officer shall approve the arrangements for the collection and banking of all money due to the Council.</p> <p>2 Each Chief Officer shall ensure the prompt rendering of debtor accounts for the recovery of income due in accordance with arrangements approved by the Chief Financial Officer.</p> <p>3 All receipts, tickets, debtor accounts and other such items of stationery used in connection with the collection and recording of income shall be ordered and supplied to Service Groups only by the Chief Financial Officer, or under approved arrangements. The Chief Financial Officer will determine the arrangements for their control.</p> <p>4 Every sum received by a cashier or other authorised officer shall immediately be acknowledged by the issue of an official receipt, voucher or register entry. Cheques will be immediately crossed "Wolverhampton City Council - Account Payee only" and the name of the receiving service group establishment recorded on the reverse.</p> <p>5 All money received on behalf of the Council shall without delay be paid to the Chief Financial Officer or, directly into the relevant Council bank account. No deduction may be made from such money without the written approval of the Chief Financial Officer. In accordance with the Accounts and Audit Regulations 2003 the amount of each cheque shall be recorded on bank paying in slips together with sufficient information to identify the debt e.g. receipt number or name of debtor.</p> <p>6 Personal cheques shall not be encashed through the Council's bank accounts unless under a scheme approved by the Chief Financial Officer.</p>	<p>1. <i>The arrangements for the collection and banking of all money due to the Council shall be subject to the agreement and direction of the Chief Financial Officer .</i></p> <p>2. <i>Each Chief Officer shall provide the Chief Financial Officer with such particulars in connection with work done, goods supplied or services rendered and of all other amounts due as may be required to record correctly all sums due to the Council.</i></p> <p>3. <i>Each Chief Officer shall ensure the prompt rendering of debtor accounts for the recovery of income due in accordance with arrangements approved by the Chief Financial Officer.</i></p> <p>4. <i>All receipts, tickets, debtor accounts and other such items of stationery used in connection with the collection and recording of income shall be ordered and supplied to Service Groups only by the Chief Financial Officer, or under approved arrangements. The Chief Financial Officer will determine the arrangements for their control.</i></p> <p>5. <i>Every sum received by a cashier or other authorised officer shall immediately be acknowledged by the issue of an official receipt, voucher or register entry. Cheques will be immediately crossed "Wolverhampton City Council - Account Payee only" and the name of the receiving Service Group establishment recorded on the reverse.</i></p> <p>6. <i>All money received on behalf of the Council shall without delay be paid to the Chief Financial Officer or, directly into the relevant Council bank account. No deduction may be made from such money without the written approval of the Chief Financial Officer. In accordance with the Accounts and Audit Regulations 2003 the amount of each cheque shall be recorded on bank paying in slips</i></p>

<p>7 Every transfer of official money from one member of staff to another will be evidenced in the records of the responsible Service Group(s) by the signature of the receiving officer.</p> <p>8 The Council has established an Anti-Money Laundering Policy to ensure it is compliant with the requirements of the current Money Laundering Regulations. Therefore, all Officers receiving cash on behalf of the Council should ensure that they comply with this policy.</p> <p>9 To monitor compliance with current Money Laundering Regulations all individual cash payments received by the Council, in excess of £10,000, shall be reported to the Chief Legal Officer and the Chief Financial Officer.</p> <p>10 All income streams in excess of £25,000 that were not included in the approved budget shall be reported to the Chief Financial Officer at the earliest opportunity.</p>	<p><i>together with sufficient information to identify the debt e.g. receipt number or name of debtor.</i></p> <p>7. <i>Personal cheques shall not be encashed through the Council's bank accounts unless under a scheme approved by the Chief Financial Officer.</i></p> <p>8. <i>Every transfer of official money from one member of staff to another will be evidenced in the records of the Service Group(s) concerned by the signature of the receiving officer.</i></p> <p>9. <i>The Council has established an Anti-Money Laundering Policy to ensure it is compliant with the requirements of the Money Laundering Regulations 2003. Therefore, all Officers receiving cash on behalf of the Authority should ensure that they comply with this policy.</i></p> <p>10. <i>To monitor compliance with Money Laundering Regulations 2003 all individual cash payments received by the Council, in excess of £10,000, shall be reported to the Chief Legal Officer/Chief Financial Officer.</i></p> <p>11. <i>Sums due to the Council shall only be written off in the accounts in accordance with these Rules.</i></p> <p>12. <i>Each Chief Officer, in consultation with the Chief Financial Officer shall at least annually review all rents (excluding term leases) and charges for facilities and services provided and report thereon to the Cabinet Panel (Resources). Such reviews shall ensure, subject to the Council's social and economic policies, that charges are revised at least in line with changes in the cost of providing the service.</i></p>
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1.11 STORES AND STORES ACCOUNTING

<p>FINANCIAL PROCEDURE RULES</p> <p>REVISED VERSION</p>	<p><i>FINANCIAL PROCEDURE RULES</i></p> <p><i>CURRENT VERSION</i></p>
<p>1 It shall be the responsibility of Chief Officers to ensure that there is proper care and custody of the stocks and stores in their Service Groups and to ensure that all receipts and issues are properly recorded on the official records.</p> <p>2 Stocks held shall not be in excess of normal operational requirements, except in special circumstances with the approval of the Cabinet (Resources) Panel.</p> <p>3 Chief Officers shall, unless other arrangements are agreed with the Chief Financial Officer, arrange for continuous or periodical physical stocktaking of stocks by persons independent of storekeeping or stores accounting and shall ensure that all stocks are checked at least once in every year. Any significant differences revealed on items of stock when a comparison is made between physical and book stock shall be reported by the Chief Officer to the Cabinet (Resources) Panel in order that the appropriate adjustment may be made in the accounts.</p> <p>4 Stores deemed to be surplus to requirements and saleable old materials shall not be disposed of except on written authority of the responsible Chief Officer. Sales of such items shall be made in accordance with these Rules.</p> <p>5 Chief Officers shall supply the Chief Financial Officer with such information as is required in relation to stores for accounting and costing purposes and a certificate of the stock held, as at the 31 March each year.</p>	<p>1. <i>It shall be the responsibility of Chief Officers to ensure that there is proper care and custody of the stocks and stores in their Service Groups and to ensure that all receipts and issues are properly recorded on the official records.</i></p> <p>2. <i>Stocks held shall not be in excess of normal operational requirements, except in special circumstances with the approval of the Cabinet Panel (Resources) concerned.</i></p> <p>3. <i>Chief Officers shall, unless other arrangements are agreed with the Chief Financial Officer, arrange for continuous or periodical physical stocktaking of stocks by persons independent of storekeeping or stores accounting and shall ensure that all stocks are checked at least once in every year. Any significant differences revealed on items of stock when a comparison is made between physical and book stock shall be reported by the Chief Officer to the Cabinet Panel (Resources) in order that the appropriate adjustment may be made in the accounts.</i></p> <p>4. <i>Stores deemed to be surplus to requirements and saleable old materials shall not be disposed of except on written authority of the Chief Officer concerned. Sales of such items shall be made in accordance with these Rules.</i></p> <p>5. <i>Chief Officers shall supply the Chief Financial Officer with such information as is required in relation to stores for accounting and costing purposes and a certificate of the stock held, as at the 31 March each year.</i></p>

1.11 STORES AND STORES ACCOUNTING

FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES</i> <i>CURRENT VERSION</i>
6 Chief Officers shall instigate such systems of identification marking as practicable in order to deter theft and make recognition possible	6. <i>Chief Officers shall instigate such systems of identification marking as practicable in order to deter theft and make recognition possible.</i>

1.12 INVENTORIES	
FINANCIAL PROCEDURE RULES REVISED VERSION	FINANCIAL PROCEDURE RULES CURRENT VERSION
<p>31.1 Inventories shall be kept in every service group in a form approved by the Chief Financial Officer.</p> <p>31.2 Inventories shall record all items of moveable furniture, equipment and vehicles and plant with a significant purchase price (or value in the case of gifts, bequests, etc). Where there are vulnerable items these should be recorded in inventories irrespective of price.</p> <p>31.3 Inventory items should be recorded in inventories immediately on receipt, and where it is appropriate they shall be clearly and permanently marked as the property of the Council.</p> <p>31.4 It shall be the responsibility of each Chief Officer to ensure that at least an annual verification of the inventory is made and the responsible officer shall certify the fact on the inventory record. Differences shall be dealt with as in the case of stores, and any action taken shall be recorded in the inventories.</p> <p>31.5 The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes, except in accordance with specific directions issued by the responsible Chief Officer. Sales of surplus or obsolete equipment shall be dealt with as in the case of stores.</p>	<p>1. <i>Inventories shall be kept in every Service Group in a form approved by the Chief Financial Officer.</i></p> <p>2. <i>Inventories shall record all items of moveable furniture, equipment and vehicles and plant with a significant purchase price (or value in the case of gifts, bequests, etc). Where there are vulnerable items these should be recorded in inventories irrespective of price.</i></p> <p>3. <i>Inventory items should be recorded in inventories immediately on receipt, and where it is appropriate they shall be clearly and permanently marked as the property of the Council.</i></p> <p>4. <i>It shall be the responsibility of each Chief Officer to ensure that at least an annual verification of the inventory is made and the responsible officer shall certify the fact on the inventory record. Differences shall be dealt with as in the case of stores (see Rule P.3), and any action taken shall be recorded in the inventories.</i></p> <p>5. <i>The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes, except in accordance with specific directions issued by the Chief Officer concerned. Sales of surplus or obsolete equipment shall be dealt with as in the case of stores, (see Rule P.4).</i></p>

1.13 INSURANCES

FINANCIAL PROCEDURE RULES – REVISED VERSION	FINANCIAL PROCEDURE RULES – CURRENT VERSION
<p>1 Under the direction of the Cabinet Panel (Resources), the Chief Financial Officer shall effect all insurance cover and negotiate all claims in consultation with other Chief Officers where necessary.</p>	<p>1. <i>Under the direction of the Cabinet Panel (Resources), the Chief Finance Officer shall effect all insurance cover and negotiate all claims in consultation with other Chief Officers where necessary.</i></p>
<p>2 Chief Officers shall give prompt notification to the Chief Financial Officer of all new risks, properties, vehicles or major items of plant and equipment which require to be insured and of any alterations affecting existing insurances.</p>	<p>2. <i>Chief Officers shall give prompt notification to the Chief Financial Officer of all new risks, properties, vehicles or major items of plant and equipment which require to be insured and of any alterations affecting existing insurances</i></p>
<p>3 Chief Officers must as soon as possible notify the Chief Financial Officer in writing of any loss, liability or damage or any event likely to lead to a claim and take such other action without delay as may be necessary to satisfy any policy conditions . In the case of fire claims likely to exceed £10,000 the Chief Financial Officer should be notified immediately to arrange the appointment of a loss adjuster. The Council’s approved procedures for handling insurance claims together with target times for completion should always be followed.</p>	<p>3 <i>Chief Officers must as soon as possible notify the Chief Financial Officer in writing of any loss, liability or damage or any event likely to lead to a claim and take such other action without delay as may be necessary to satisfy any policy conditions . In the case of fire claims likely to exceed £10,000 the Chief Financial Officer should be notified immediately to arrange the appointment of a loss adjuster. The Council’s approved procedures for handling insurance claims together with target times for completion should always be followed.</i></p>
<p>4 The Chief Financial Officer shall annually, or at such other period as he/she may consider necessary, review all insurances in consultation with other Chief Officers as appropriate. Chief Officers should ensure that they have maintained accurate schedules of equipment to be insured.</p>	<p>4. <i>The Chief Financial Officer shall annually, or at such other period as he/she may consider necessary, review all insurances in consultation with other Chief Officers as appropriate. Chief Officers should ensure that they have maintained accurate schedules of equipment to be insured.</i></p>
<p>5 Chief Officers shall consult the Chief Financial Officer and the Chief Legal Officer regarding the terms of any indemnity which the Council is requested to give.</p>	<p>5. <i>Chief Officers shall consult the Chief Financial Officer and the Chief Legal Officer regarding the terms of any indemnity which the Council is requested to give.</i></p>
<p>6 Chief Officers shall keep suitable records to ensure that the inspections of engineering plant under their control, which is normally inspected by an insurance company, are carried out by the Company within the periods prescribed by the relevant legislation. In the event of any failure by the insurance company to carry out the inspection within the prescribed periods, the</p>	<p>6. <i>Chief Officers shall keep suitable records to ensure that the inspections of engineering plant under their control, which is normally inspected by an insurance company, are carried out by the Company within the periods prescribed by the relevant legislation. In the event of any failure by the insurance company to carry out the inspection within the prescribed periods, the</i></p>

1.13 INSURANCES

FINANCIAL PROCEDURE RULES – REVISED VERSION

Chief Financial Officer shall be notified

FINANCIAL PROCEDURE RULES – CURRENT VERSION

Chief Financial Officer shall be notified

1.14 SECURITY	
FINANCIAL PROCEDURE RULES REVISED VERSION	<i>FINANCIAL PROCEDURE RULES CURRENT VERSION</i>
<p>33.1 Chief Officers are responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc. under their control. Each Chief Officer shall consult the Chief Financial Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.</p> <p>33.2 Maximum limits for cash holdings shall not be exceeded without the express permission of the Chief Financial Officer.</p> <p>33.3 Keys to safes and similar receptacles are to be carried on the person of those responsible at all times; the loss of any such keys must be reported to the Chief Financial Officer immediately.</p>	<ol style="list-style-type: none"> 1. <i>Chief Officers are responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc. under their control. Each Chief Officer shall consult the Chief Financial Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.</i> 2. <i>Maximum limits for cash holdings shall not be exceeded without the express permission of the Chief Financial Officer.</i> 3. <i>Keys to safes and similar receptacles are to be carried on the person of those responsible at all times; the loss of any such keys must be reported to the Chief Financial Officer immediately.</i> 4. <i>Each Chief Officer, under the overall direction of the Director for Customer and Shared Services, shall be responsible for maintaining proper security and privacy in accordance with the Data Protection legislation with regard to the information held in the computer records or on computer input or output documents or paper records and documents.</i> 5. <i>Chief Officers are responsible for ensuring that sufficient access control and protection software is used on all Personal Computer or similar equipment within their Service Group and that adequate copies of data and programs are retained such that, in the event of a disaster, the operation of the service can reasonably continue. The Council's Policy on computer misuse and security of data protection should be strictly followed.</i>

1.15 SCHEDULE OF RESPONSIBILITIES	
FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
<p>1 <u>Full Council</u></p> <p> The full Council shall:</p> <p>1.1 Determine the Budget and Policy Framework Procedure Rules</p> <p>1.2 Approve the following year’s budget (both revenue and capital).</p> <p>1.3 Approve the following year’s levels of Council tax and housing rents.</p> <p>1.4 Approve expenditure over and above the total provided for in the current year’s budget (supplementary budgets).</p> <p>1.5 Receive a Treasury Management strategy and plan for the coming year, a mid-year review of these, regular monitoring reports on current Treasury Management activity, and a retrospective report on Treasury Management activity for a financial year.</p> <p>1.6 Approve the Council’s prudential indicators.</p> <p>2 <u>Cabinet</u></p> <p> The Cabinet shall:</p> <p>2.1 Recommend an overall following year budget (both revenue and capital) to Council.</p> <p>2.2 Recommend the levels of Council tax and housing rents to the Council.</p> <p>2.3 Determine strategic guidelines for the following year’s budget.</p> <p>2.4 Receive reports where there is a forecast over spend that is judged by the Chief Financial Officer to be material to the finances of the Council.</p> <p>2.5 Determine the Council’s policy on provisions and reserves</p> <p>2.6 Approve the establishment or disestablishment of provisions and reserves shall be established or dissolved</p> <p>2.7 Approve the transfer to or from provisions or reserves</p> <p>2.8 Receive reports setting out the medium term forecast.</p> <p>3 <u>Cabinet (Resources) Panel</u></p> <p> The Cabinet (Resources) Panel shall:</p> <p>3.1 Be responsible for overseeing the execution of financial policy, financial administration and control in the Council, and for supervising the provision of financial services, all subject to direction from the Council and Cabinet.</p>	<p><i>There is no equivalent section in the current financial procedure rules</i></p>

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
3.2	Receive budget monitoring reports.
3.3	Receive outturn reports.
3.4	Receive notification of budget carry forwards approved by the Chief Financial Officer.
3.5	Receive notification of virements approved by officers.
3.6	Approve virements exceeding the limit set by the Chief Financial Officer.
3.7	Approve fees and charges.
3.8	Approve deviations from the Council's standard approach to calculating fees and charges.
3.9	Approve the list of names in which funds under the Council's control may be invested.
3.10	Receive a Treasury Management strategy and plan for the coming year, a mid-year review of these, regular monitoring reports on current Treasury Management activity including treasury management and prudential indicators, and a retrospective report on Treasury Management activity for a financial year.
3.11	Receive notification of write offs of sums due to the Council approved by the Chief Financial Officer.
3.12	Approve the write off of sums due to the Council that the Chief Financial Officer is not authorised to approve.
3.13	Approve the holding of stocks in excess of normal operational requirements.
3.14	Receive reports on significant differences between physical and book stock discovered in the course of a stock take or otherwise.
4	<u>Scrutiny Board and Panels</u>
	The Scrutiny Board and Panels shall:
4.1	Scrutinise the budget recommendations made by the Cabinet.
5	<u>Audit Committee</u>
	The Audit Committee shall:
5.1	Approve the Council's financial statements.
5.2	Scrutinise the Council's treasury management policy and practices.
5.3	Receive a sample of accounts paid by the Council, on a basis determined by the committee.

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
<p>6 <u>Chief Financial Officer</u></p> <p>The Chief Financial Officer shall:</p> <p>6.1 Approve commitments to expenditure in future financial years for which there is as yet no approved budget.</p> <p>6.2 Prepare and issue a Budget Book.</p> <p>6.3 Maintain the list of Budget Holders.</p> <p>6.4 Submit reports to the Cabinet where an over spend on a service or capital scheme is forecast and is judged to be material to the finances of the Council.</p> <p>6.5 Submit budget monitoring reports to the Cabinet (Resources) Panel.</p> <p>6.6 Submit outturn report to the Cabinet (Resources) Panel.</p> <p>6.7 Approve the carry forward of unused budgets.</p> <p>6.8 Approve lower-value virements in accordance with the conditions set out in the relevant section below.</p> <p>6.9 Specify the limit above which virements require member approval.</p> <p>6.10 Maintain the fees and charges register.</p> <p>6.11 Determine the Council's accounting policies and, where appropriate, estimation techniques.</p> <p>6.12 Prepare the Council's financial statements in accordance with statutory requirements and other proper practice.</p> <p>6.13 Ensure that the Council complies with relevant tax legislation, and that the Council maintains adequate accounting records in respect of its tax affairs.</p> <p>6.14 Designate the software packages that shall be the Council's definitive accounting record.</p> <p>6.15 Approve the use of any other accounting records.</p> <p>6.16 Be responsible for ensuring that access to the definitive accounting record is controlled and restricted accordingly.</p> <p>6.17 Approve grant applications.</p> <p>6.18 Determine the format and content of records to be maintained in respect of grants.</p> <p>6.19 Maintain a register of all grants receivable by the Council.</p> <p>6.20 Approve commitments to enter into leasing or lease-type arrangements.</p> <p>6.21 Approve lending and borrowing of Council funds, and other sophisticated financial transactions.</p> <p>6.22 Be the registrar of stocks, bonds and mortgages and maintain records of all borrowing by the Council.</p> <p>6.23 Submit to the Cabinet (Resources) Panel a Treasury Policy Statement, regular reports on current Treasury Management activity, and a retrospective</p>	

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
<p>report on Treasury Management activity for a financial year.</p> <p>6.24 Be responsible for determining the Council's policy on provisions and reserves, and approve the establishment and dissolution of any provisions or reserves, and the transfers of money to or from provisions or reserves.</p> <p>6.25 Assist Chief Officers in reviewing the provisions and reserves relating to their service.</p> <p>6.26 Determine an appropriate level of general reserves as part of the budget preparation process, and advise the Council on the adequacy of the proposed level of reserves.</p> <p>6.27 Prepare medium term financial forecasts in conjunction with Chief Officers, at regular intervals for reporting to the Cabinet.</p> <p>6.28 Receive and consider all reports to certain member bodies.</p> <p>6.29 Approve financial implications contained in any report to member bodies.</p> <p>6.30 Withdraw reports with inadequate financial implications from the agenda of a member meeting.</p> <p>6.31 Approve write offs of sums due to the Council in certain circumstances, as set out in the Financial Procedure Rules.</p> <p>6.32 Determine the format of reports notifying the Cabinet (Resources) Panel of write offs approved by the Chief Financial Officer.</p> <p>6.33 Ensure that an adequate and effective internal audit of all Council activities is carried out.</p> <p>6.34 Be entitled to require and receive certain information and rights in respect of internal audit.</p> <p>6.35 Receive notification of actual or potential financial irregularities, misappropriations or indications of corruption, and take such action as he/she considers appropriate.</p> <p>6.36 Notify the Chief Executive and the Council's external auditor in significant cases of fraud or corruption.</p> <p>6.37 Produce audit reports as appropriate.</p> <p>6.38 Approve the format of official orders.</p> <p>6.39 Approve individual exceptions to the requirement to use official orders.</p> <p>6.40 Approve the arrangements for making payment of salaries, wages, pensions, compensation and other emoluments.</p> <p>6.41 Approve individual exceptions to the requirement for payment to employees to be made by direct credit.</p> <p>6.42 Approve the Council's banking arrangements, including the opening of a bank account for Council purposes.</p> <p>6.43 Order cheques, debit or credit cards for the Council, and make proper</p>	

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
<p>arrangements for their safe custody.</p> <p>6.44 Sign all cheques drawn on the Council's accounts, or authorise other officers to do so.</p> <p>6.45 Provide imprest accounts if considered appropriate, and prescribe the form of records required to be kept in respect of those accounts.</p> <p>6.46 Open bank accounts for use by imprest holders, where appropriate, and receive bank statements for those accounts directly.</p> <p>6.47 Maintain the list of officers authorised to certify claims from imprest accounts.</p> <p>6.48 Approve the arrangements for the collection and banking of all money due to the Council.</p> <p>6.49 Approve the arrangements for the issue of debtor accounts.</p> <p>6.50 Approve the arrangements for the control of receipts, tickets, debtor accounts and other items of stationery connected with the collection and recording of income.</p> <p>6.51 Receive notification of all individual cash payments in excess of £10,000.</p> <p>6.52 Receive notification of all income streams in excess of £25,000 that were not included in the approved budget.</p> <p>6.53 Receive notification of information required for stock accounting and a certificate of stocks held at each 31 March.</p> <p>6.54 Approve the format of inventories.</p> <p>6.55 Effect all insurance cover, and negotiate claims.</p> <p>6.56 Receive notification of all matters that may impact on insurance cover, or be likely to lead to a claim.</p> <p>6.57 Review all insurances in consultation with Chief Officers as appropriate.</p> <p>6.58 Receive notification from a Chief Officer in the event of any failure by the insurance company to carry out an inspection of relevant engineering plant within the prescribed periods.</p> <p>6.59 Approve the holding of cash in excess of the maximum limit.</p> <p>7 <u>Chief Legal Officer</u></p> <p> The Chief Legal Officer shall:</p> <p>7.1 Hold all securities and the title deeds of all property in the ownership of the Council or its nominees.</p> <p>7.2 Receive notification of all individual cash payments in excess of £10,000.</p> <p>8 <u>Chief Human Resources Officer</u></p>	

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
<p>The Chief Human Resources Officer shall:</p> <p>8.1 Receive notification of all relevant matters to enable accurate payment of salaries, wages etc to employees.</p> <p>8.2 Approve the format of all time records and other pay documents, and maintain the list of officers authorised to sign such records.</p> <p>9 <u>Chief Officer</u></p> <p>A Chief Officer shall:</p> <p>9.1 Nominate Budget Holders for each service and capital scheme for which they are responsible, and notify the Chief Financial Officer of all changes.</p> <p>9.2 Notify the Chief Financial Officer immediately of any emerging financial liabilities not provided for in the approved budget or an existing provision or reserve.</p> <p>9.3 Be responsible for ensuring that grant conditions are met and appropriate records maintained in support of grant claims.</p> <p>9.4 Review all provisions and reserves relating to their services, in conjunction with the Chief Financial Officer.</p> <p>9.5 Respond in writing on any recommendations made in an audit report without delay.</p> <p>9.6 Control the use of official orders.</p> <p>9.7 Determine the list of officers authorised to sign official orders and invoices for payment on behalf of his/her service.</p> <p>9.8 Be responsible for examining, verifying and certifying invoices for payment, and passing these to the Chief Financial Officer.</p> <p>9.9 Notify the Chief Human Resources Officer of all relevant matters to enable accurate payment of salaries, wages etc to employees.</p> <p>9.10 Notify the Chief Human Resources Officer of all officers authorised to sign time records and other pay documents for his/her service.</p> <p>9.11 Approve individual overtime payments exceeding £500.</p> <p>9.12 Notify the Chief Financial Officer of all officers authorised to certify petty cash claims.</p> <p>9.13 Ensure that there is proper care and custody of the stocks and stores in their service, and that all receipts and issues are properly recorded on the official records.</p> <p>9.14 Arrange for stocktaking of the stocks in their service, and report any significant differences between physical and book stock to the Cabinet (Resources) Panel.</p>	

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
9.15 Approve (in writing) the disposal of stores deemed to be surplus to requirements and saleable old materials.	
9.16 Provide the Chief Financial Officer with such information as is required in relation to stores for accounting and costing purposes, and a certificate of the stock held at each 31 March.	
9.17 Instigate such systems of identification marking of stock as practicable in order to detect theft and make recognition possible.	
9.18 Ensure that a verification of the inventory is made no less than once per year, and deal with any discrepancies as for stores.	
9.19 Notify the Chief Financial Officer of all matters that may impact on insurance cover, or be likely to lead to a claim.	
9.20 Maintain accurate schedules of equipment to be insured.	
9.21 Consult with the Chief Financial Officer and the Chief Legal Officer regarding the terms of any indemnity which the Council is required to give.	
9.22 Keep suitable records to ensure that the inspections of engineering plant under their control, which is normally inspected by an insurance company, are carried out by the Company within the periods prescribed by the relevant legislation.	
9.23 Notify the Chief Financial Officer in the event of any failure by the insurance company to carry out the inspection within the prescribed periods.	
9.24 Be responsible for maintaining proper security at all times for all assets under their control, and consult the Chief Financial Officer where security is thought to be defective.	
10 <u>Budget Holder</u>	
A Budget Holder shall:	
10.1 Be able to incur expenditure up to the limit set within the approved budget for each service or capital scheme for which they are responsible.	
10.2 Be responsible for generating income for services or capital schemes for which they are responsible.	
10.3 Submit reports to the Cabinet (Resources) Panel explaining over spends where required to do so by the Chief Financial Officer.	
10.4 Monitor expenditure and income, with reference to the budget and in liaison with the Chief Financial Officer, on an ongoing basis.	
10.5 Where he/she believes that it is likely that the budget will be exceeded for one of his/her services/capital schemes, raise it with the relevant Chief Officer immediately.	

1.15 SCHEDULE OF RESPONSIBILITIES

FINANCIAL PROCEDURE RULES – REVISED VERSION	<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>
<p>10.6 Notify the Chief Financial Officer immediately of any emerging financial liabilities not provided for in the approved budget or an existing provision or reserve.</p> <p>10.7 Approve lower-value virements in accordance with the conditions set out, and in conjunction with the Chief Financial Officer.</p> <p>10.8 Arrange for reports requesting higher-value virements to be prepared and submitted to the Cabinet (Resources) Panel.</p> <p>11 <u>Head of Benefits</u></p> <p>The Head of Benefits shall:</p> <p>11.1 Approve Discretionary Housing Benefit payments.</p>	

1.16 SCHEDULE OF FINANCIAL LIMITS

FINANCIAL PROCEDURE RULES – REVISED VERSION		FINANCIAL PROCEDURE RULES – CURRENT VERSION	
Budget Monitoring Reports to the Cabinet (Resources) Panel		Budget Monitoring Reports to the Cabinet (Resources) Panel	
Minimum limit for variances requiring separate identification in report	£100,000	<i>Minimum limit for variances requiring separate identification in report</i>	<i>n/a</i>
Virements		Virements	
Maximum limit for virements not requiring member approval	£100,000	<i>Revenue budget virements for cumulative expenditure in a full financial year.</i>	<i>£10,000</i>
Commitment to incur expenditure on a capital scheme		Commitment to incur expenditure on a capital scheme	
Where expenditure can be met within the overall programme within any one year and the scheme has been approved by the Cabinet (Resources) Panel	n/a	Where expenditure can be met within the overall programme within any one year and the scheme has been approved by the Cabinet (Resources) Panel	<i>£50,000</i>
Write Offs		Write Offs	
Maximum limit for individual write offs not requiring member approval (except in cases of bankruptcy and liquidation, for which no limit applies)	>£5,000	<i>Individual sums to be written off – requiring Member approval</i>	<i>>£5,000</i>
Overtime Claims		Overtime Claims	
Maximum limit for overtime claims not requiring sign off by Chief Officer	£500	<i>Maximum limit for overtime claims not requiring sign off by Chief Officer</i>	<i>£500</i>
Income		Income	
Minimum limit for individual cash receipts to be notified to the Chief Financial Officer	£10,000	<i>Minimum limit for individual cash receipts to be notified to the Chief Financial Officer</i>	<i>£10,000</i>
Minimum limit for unbudgeted income streams to be notified to the Chief Financial Officer	£25,000	<i>Minimum limit for unbudgeted income streams to be notified to the Chief Financial Officer</i>	<i>n/a</i>

1.16 SCHEDULE OF FINANCIAL LIMITS

FINANCIAL PROCEDURE RULES – REVISED VERSION		<i>FINANCIAL PROCEDURE RULES – CURRENT VERSION</i>	
Insurance		<i>Insurance</i>	
Minimum limit for claims for fire damage to be notified to the Chief Financial Officer	£10,000	<i>Minimum limit for claims for fire damage to be notified to the Chief Financial Officer</i>	<i>£10,000</i>