

By: John Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement  
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To: County Council – 23 May 2013

Subject: Proposed Changes to Financial Regulations

Classification: Unrestricted

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Summary: This report asks Members to approve the updated Financial Regulations and the introduction of a Delegated Authority Matrix of Approval Limits, as an amendment to the Constitution.

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## **1. Introduction**

- 1.1 The Financial Regulations have been reviewed and updated. Whilst there has been no major re-write or change to the format of the regulations, amendments have been made to reflect changes in structures/working practices, to ensure our regulations reflect current best practice and strengthen areas where there were known gaps.
- 1.2 This review has been undertaken as part of a programme of work looking not only at the Financial Regulations but also a Delegated Authority Matrix of Approval Limits and Financial Procedures. The aim is to publish the whole suite of updated financial documentation on KNet with appropriate links between the documents as well as to other relevant procedures/publications, making it easily accessible to all staff.
- 1.3 The revised Financial Regulations and Delegated Authority Matrix of Approval Limits were agreed by the Governance & Audit Committee at their meeting on 11 April 2013 and now need to be approved by the County Council as an amendment to the Constitution.

## **2. Main Amendments**

- 2.1 The process for conducting this review included:
  - Looking at the Constitution to ensure the regulations comply with the Constitution;
  - Addressing concerns/gaps raised by finance staff;
  - Ensuring other relevant procedures/publications are still relevant and available on KNet.
- 2.2 The main areas of change are:

- Clarification of the role of the Corporate Director of Finance & Procurement in respect of risk management;
- Revision of the regulations relating to the Kent Pension Fund;
- Inclusion of the earmarking of capital receipts;
- Expansion of the regulations relating to audit requirements;
- Amending the section relating to procurement and ordering of goods to reflect i-Procurement;
- Strengthening the regulations relating to Companies;
- The introduction of a delegated authority matrix setting out approval limits;
- It has been made explicit that that the Financial Regulations are a KCC policy and failure to follow the regulations could be seen as misconduct, as set out in the Blue Book.

2.3 The revised Financial Regulations and Delegated Authority Matrix of Approval Limits are shown at Appendix 1 and 2 respectively.

### 3. **Recommendation**

Members are asked to:

3.1 Consider and approve the updated Financial Regulations and Delegated Authority Matrix of Approval Limits.

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