

By: Deputy Leader and Cabinet Member for Finance and Procurement – John Simmonds  
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To: Governance and Audit Committee – 29 April 2015

Subject: Updated Financial Regulations

Classification: Unrestricted

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Summary: This report asks Members to note the updated financial regulations, prior to approval by County Council.

## **FOR ASSURANCE**

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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. In line with the terms of reference of this Committee, the revised regulations need to be agreed before being submitted to County Council for approval as an amendment to the Constitution.
- 1.3 This review has been undertaken as part of a programme of work looking not only at the Financial Regulations but also a Delegation Matrix 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.

### **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 amendments made to the regulations can be seen in detail at Appendix A, as they are presented showing all tracked changes.
- 2.3 The main areas of change to highlight are:

- The regulation relating to the Corporate Director of Finance and Procurement being responsible for supporting the Superannuation Fund Committee in the management of the Kent Pension Fund has been removed and replaced with supporting the Superannuation Fund in relation to the control and investment of the Kent Pension Fund (Ref. Section 2.11)
- Regulation relating to Revenue Budgeting – Budget Format has been revised. (Ref. Section A.8)
- Regulation relating to Revenue Budgeting – Budget Preparation has been revised. (Ref. Section A.10)
- Regulation relating to the Capital Programme & Capital Budgeting – Corporate Directors responsibilities has been revised. (Ref. Section A.22)
- Regulations relating to the Maintenance of Reserves & Provisions have been revised. (Ref. Sections A.23 and A.24)
- Contingent liabilities have been added into the regulations. (Ref. Section A.25)
- The regulation relating to external audit requirements have been updated to reflect the effect of the Local Audit and Accountability Act 2014. (Ref. Section C.8)
- The regulation relating to the value for which invoices where additional certification from the Budget Manager os not required has been increased from £100 to £250. (Ref. Section D.9)
- Regulation on Internal Recharges has been expanded to include overheads. (Ref. Section D.26)
- The delegated authority matrix setting out approval limits have been amended to reflect the rules of delegation as set out in the Constitution. (Ref. Appendix 1)

### 3. Recommendation

Members are asked to comment the updated Financial Regulations, including the delegated authority matrix, that are to be put forward to County Council for approval.

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