

## AUDIT AND GOVERNANCE COMMITTEE

THURSDAY 26<sup>TH</sup> JUNE 2014

### REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

#### FINANCIAL GUIDANCE

##### EXEMPT INFORMATION

None

##### PURPOSE

To seek member endorsements of the recently reviewed Financial Guidance which forms an important part of the Council's regulatory framework, and to provide an opportunity for Members of the Committee to raise any issues they consider appropriate on the subject.

##### RECOMMENDATION

**That Members endorse the changes to Financial Guidance.**

##### EXECUTIVE SUMMARY

As part of the core functions under the terms of reference, this Committee is empowered to maintain an overview of the Council's Financial Regulations.

The last review of Financial Guidance was approved by this Committee in January 2014. This review has been completed to ensure that the Financial Guidance aligns to the recently reviewed and approved Constitution with regard to the virement limits. Financial Guidance has been updated to ensure that income generation limits and budget transfers are set in line with these virement limits by increasing the limits from £30,000 to £50,000 for budget holders and increasing the limit for the Executive Director Corporate Services can approve above this amount from an additional £20,000 to an additional £50,000.

Other minor changes are detailed below:

Procurement – deleted the requirement to complete a Pre Qualification Questionnaire(PQQ) as this is now completed in the Intention To Tender(ITT).

Payment of Salaries/Allowances/Expenses – reduced the time to submit expenses claims from 4 months to 3 months and inserted a clause to submit salary claims in line with expenses claims.

The updated version of Financial Guidance is attached as **Appendix 1**.

**RESOURCE IMPLICATIONS**

None

**LEGAL/RISK IMPLICATIONS**

None

**SUSTAINABILITY IMPLICATIONS**

None

**BACKGROUND INFORMATION**

None

**REPORT AUTHOR**

Angela Struthers – Head of Internal Audit Services

**LIST OF BACKGROUND PAPERS**

None

**APPENDICES**

Appendix 1 – Financial Guidance