

## Part 4 Section 3

### Financial Regulations

#### Financial Regulation A - General

##### 1. General Introduction

- 1.1 The Financial Regulations and Financial Procedures of the County Council are intended to help the County Council exercise its statutory financial responsibilities, safeguard its finances and assets, and ensure the proper record keeping and reporting of its financial accounts. The Financial Regulations form part of the Council's Constitution while the Financial Procedures are held outside of the Constitution. The Financial Regulations clarify responsibilities and provide a framework for decision making.
- 1.2 ***Arrangements in relation to funds for which the Pensions Committee has responsibility for will be determined by the Pensions Committee. As far as possible these will align with the Financial Regulations of the County Council.***
- 1.3 Any changes to Financial Regulations will be drawn up jointly by the Director of Finance and Support Services and Director of Law and Assurance and approved by the County Council in the light of advice from the Regulation, Audit and Accounts Committee, ***or by the Pensions Committee as appropriate.***
- 1.4 Any employee who knowingly or by negligence breaches the Financial Regulations may be subject to disciplinary action and in some instances may incur criminal liability.
- 1.5 The regulations also apply to persons who are carrying out the business of the County Council but are employed by any contractor, partner or other organisation representing the County Council.
- 1.6 The Director of Finance and Support Services, in consultation with the Director of Law and Assurance, may approve a departure from Financial Regulations, where he or she concludes that such action is appropriate to safeguard the interests of the County Council.
- 1.7 It is the responsibility of all Directors to make all employees and other persons carrying out Council business aware of the Financial Regulations.

##### 2. Financial Management

###### 2.1 Introduction

- 2.1.1 Financial management covers all financial accountabilities in relation to the running of the authority, including the Policy Framework, revenue and capital budgets and treasury management.

###### 2.2 The County Council

2.2.1 The County Council is responsible for adopting the authority's Constitution and for approving the Policy Framework and budget within which the Executive operates. In terms of financial planning, the key elements are:

- The Medium Term Financial Strategy
- The Annual Revenue Budget
- The Capital Strategy
- The Treasury Management and Investment Strategy

2.2.2 It is also responsible for approving and monitoring compliance with the County Council's overall framework of accountability and control, and for monitoring compliance with the agreed policy and related executive decisions. The functions of the County Council are listed in Responsibility for Functions, Part 3 of the Constitution.

### 2.3 **The Cabinet**

2.3.1 The Cabinet is the principal Executive body of the County Council. The Cabinet is responsible for proposing the Policy Framework and budget to the County Council, and for discharging Executive functions in accordance with the Policy Framework and budget including Standing Orders and the Scheme of Delegation. The role of the Cabinet is described in the Description of the Constitution, Part 2, Chapter 7.

2.3.2 Executive functions can be delegated to the Cabinet, individual Cabinet Members, officers or through joint arrangements with other public bodies. The County Council's Scheme of Delegation is set out in Appendices 1 to 4 of Part 3 of the Constitution.

### 2.4 **Regulation, Audit and Accounts Committee**

2.4.1 The Regulation, Audit and Accounts Committee's purpose is to provide an independent high-level oversight of the Council's systems of governance and risk management and its arrangements for financial control and compliance.

2.4.2 The Committee is responsible for reviewing the external auditor's reports including the Audit Plan and Audit Results Report. Additionally, it is responsible for reviewing internal audit's work plan, progress and delivery of audit recommendations to assess the level of assurance it can give over the council's corporate governance arrangements. It can consult directly with internal and external auditors. The Committee also deals with the approval of the statutory Statement of Accounts of the County Council (and the Pension Fund) and the review of the Governance Framework including the system of internal control.

### 2.5 **Pensions Committee**

**2.5.1 *The Pensions Committee is a non-executive Committee whose purpose is to exercise the powers and duties of the County Council in its capacity as Administering Authority in relation to the Local Government Superannuation Acts and Regulations Pension Scheme.***