

Audit, Governance & Standards Committee

30 July 2018

◆ REVIEW OF CONSTITUTION - FINANCIAL AND CONTRACT PROCEDURE RULES / OFFICERS CODE OF CONDUCT

Report of Corporate Director (S151 Officer)

**All Wards
Key Decision = Y**

1.0 Purpose of Report

1.1 The purpose of this report is to request approval for amendments to Financial and Contract Procedure Rules and Officers Code of Conduct for onward consideration by Full Council.

2.0 Decisions sought

2.1 Members are requested to approve the amendments to Financial and Contract Procedure Rules and the Officers Code of Conduct for consideration by Full Council.

3.0 Link to Corporate Priorities

3.1 Financial and Contract Procedure Rules relate to all aspects of the Council operations and therefore all corporate priorities. The Officers Code of Conduct forms part of the 'Fit for purpose' strategic theme corporate priority.

4.0 Introduction & Background

4.1 The Audit, Governance and Standards Committee considered and approved the update to Contract and Financial Procedure Rules in September 2017. These form part of the Councils' Constitution and reflect the rules set by members and legislation relating to a) contractual requirements and compliance with procurement regulations and b) financial issues, including budget setting and spending against budget.

4.2 There are only a couple of issues that need to be updated; for financial regulations, it is to provide clarity on procedures relating to applications for grants / financial instruments. For contract regulations it is proposed to include an additional clause relating to hiring of staff.

4.3 This report is brought for Members consideration as The Constitution requires that it is reviewed annually (including Financial and Contract Procedure Rules).

5.0 Proposed Changes

5.1 In relation to financial procedure rules, the proposed changes are set out at **Appendix 1**

5.2 For contract procedure rules the proposed changes are set out at **Appendix 2.**

6.0 Recommendations

6.1 Members are requested to approve the revised Financial Procedure and Contract Procedure Rules for consideration by Council.

7.0 Corporate Implications

Scrutiny Consultation	None
Community Engagement	None
Environment & Sustainability	None
Financial Implications and Efficiencies	None
Legal Implications	The updated regulations reflect the latest legislative requirements.
Risk Implications	The report and revised procedures are intended to control the risk exposure of the Council to minimise any opportunity of challenge.
Human Resource Implications	Addressed in Officers Code of Conduct proposed changes
Equalities Implications	Not applicable as relates to internal processes and procedures and not specific people or groups of people
Health & Safety Implications	None

8.0 Further Information

8.1 Background Papers – None.

8.2 File Reference – None.

8.3 Appendices – Appendix 1 – Updated Financial Procedure Rules
Appendix 2 – Updated Contract Procedure Rules

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Proposed amendments to Financial Procedure Rules

21.0 External Funding

- 21.1 Senior Officers will explore all opportunities for external funding, taking account of the Council's policy framework and any additional risks implied.
- 21.2 Approval should be obtained from the Chief Finance Officer and the Monitoring Officer prior to any submission of bids for external funding.
- 21.3 Prior to entering into agreements, Senior Officers must inform the Chief Finance Officer of any matched funding requirements and any accountable body responsibilities. This is to ensure that if funding is available and risks assessed, then all future revenue and capital implications are determined and that appropriate financial arrangements are in place.
- 21.4 The Chief Finance Officer will ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- 21.5 Senior Officers are responsible for ensuring claims for funds are made by the due date in accordance with instructions issued by the Chief Finance Officer.
- 21.6 Senior Officers must also inform the Chief Finance Officer of any subsequent changes to agreements so that the revenue and capital budget implications may be addressed.

Proposed addition to Contract Procedure Rules

14.0 Hiring and Engaging Staff

- 14.1 Where an Officer is hiring or engaging a staff member who is not on the Council payroll there is legal requirement to determine whether it is the responsibility of the Council to deduct tax and national insurance at source. This is in accordance with the requirement of the Social Security Contributions (Intermediaries) Regulations 2000, as amended (IR35).