

# FINANCIAL REGULATIONS

## GENERAL

1. (1) These regulations are made under Section 95 of the Act of 1973 as applied to the Board by Section 106 of the said Act.
- (2) Section 95 of the Act empowers the Board to make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Board has responsibility for the administration of those affairs. The Board has appointed the Treasurer to the Board to be the proper officer. The Local Authority Accounts (Scotland) Regulations 1985 lay down that the system of accounting control and the form of the accounts and supporting records should be determined by the Treasurer and that he shall ensure that the systems of accounting control is observed and that the accounts and supporting records are kept up-to-date.
- (3) The Assessor will designate a senior member of the management team as Finance Officer to be responsible for the financial activities undertaken within his Office who will act within the framework set out in Standing Orders and these Financial Regulations to secure value for money in relation to Office expenditure. All procedures that are implemented to meet the requirements of these Financial Regulations must be approved by the Treasurer insofar as such procedures do not exist in Standing Orders.
- (4) The Finance Officer will provide financial management information to the Treasurer, Assessor or other nominee(s) to allow proper execution of delegated authority granted by the Board.
- (5) The Treasurer is statutorily responsible for all financial matters in which the Board is involved.

## ACCOUNTS

2. (1) The following activities will be done in accordance with procedures approved by the Treasurer:
  - supervision and control of accounting, costing and other financial systems, records and operations;
  - the production of financial management information; and
  - the closing of accounts.

- (2) The Treasurer will ensure that the accounts are properly maintained and prepared in accordance with Board policy, the relevant legislation and Codes of Practice.

## **BUDGETS**

3. The preparation of financial plans and budgets and their form will be done in accordance with procedures approved by the Treasurer insofar as such procedures do not exist in Standing Orders. The Assessor will report to the Board where this procedures would result in an operational difficulty or conflict with the discharge of the statutory duties placed upon him. Capital Plans will be recommended to the Board by the Assessor.

## **EXPENDITURE AUTHORISED**

4. (1) The authorisation of expenditure and operation of budgetary control will be done in accordance with procedures approved by the Treasurer insofar as such procedures do not exist in Standing Orders.
- (2) The Finance Officer will ensure the daily operation and maintenance of controls in financial systems and procedures.

## **AUDIT**

5. The Treasurer will make arrangements for the internal audit of the accounts of the Board. The Assessor and officers of the Board shall make available for inspection by internal auditors such cash, vouchers, documents, correspondence or other items as shall be deemed necessary by the Treasurer. The Treasurer will ensure that arrangements for the carrying out of the Statutory Audit, in terms of Section 96 of the Act of 1973, are in order.

## **IRREGULARITIES**

6. Any member of the Board or its staff discovering any suspected fraud or irregularity in the financial transactions of the Board shall immediately inform the Treasurer thereof and the Treasurer will take such action as appropriate.

## **INVOICES, SALARIES ETC**

7. The incurring of expenditure, the verification, certification, submission and payment of invoices, salaries, wages and pensions will be done in accordance with procedures specified by the Treasurer.

## **TRAVELLING CLAIMS ETC**

8. The submission and processing of members travelling, subsistence, attendance allowances and financial loss claims will be done in accordance with procedures specified by the Treasurer and the relevant statutory provisions.

## **REVENUES**

9. The collection of all revenues accruing to the Board shall be arranged by the Finance Officer in consultation with the Treasurer.

## **DEBT RECOVERY**

10. The Treasurer can sign petitions and certificates to the Sheriff Court for summary warrant applications.

## **BAD DEBTS**

11. The Finance Officer will have the authority having exhausted recognised means of debt collection, to authorise the writing off of bad debts up to a maximum of £1000 in any case and for any sum where the debtor:
  - (a) is a company in liquidation (subject to an appropriate claim against the liquidator having been lodged); or
  - (b) is untraceable.
  - (c) Subject in the case of (a) above to an appropriate claim against the liquidator having been lodged. The Treasurer will report all other irrecoverable debts to the Board for the authority to write-off.

## **CHARGES**

12. The Assessor will ensure that discretionary charges are annually reviewed.

## **BANK ACCOUNTS**

13. The Treasurer will be responsible for the opening, closing and operation of all bank accounts on behalf of the Board.

## **ADVANCES**

14. The Assessor will advance such amounts to such person as deemed necessary in order that such persons may defray petty expenditure. The Assessor in consultation with the Treasurer will determine the conditions relating to such advances.

## **INVESTMENTS**

15. The Treasurer can undertake any function which might reasonably be deemed to be investment business and decide on specific purchases and sales of stocks, shares or any other allowable investments as long as the Treasurer takes the appropriate advice where necessary. The Treasurer can do this for the superannuation funds and any other Board funds.

## **TREASURY MANAGEMENT**

16. (1) The Board's treasury management will be carried out according to the approved Treasury Policy Statement of the Treasurer's employing authority.
- (2) Where practical, all Board money will be aggregated for the purposes of treasury management and will be under the control of the Treasurer.
- (3) All executive decisions on the approved treasury management activities will be delegated to the Treasurer. The Treasurer will act according to CIPFA's *Code for Treasury Management in Local Authorities*.
- (4) The Treasurer will arrange for the borrowing of such sums as may be required from time to time by the Board in accordance with the Treasury Policy Statement. The signatories to any document or agreement relating to, constituting the security for or acknowledging the existence of or receipt of any loan arranged under the terms of the Treasury Policy Statement will be those nominated by the Board in respect of the signing of cheques. Mortgage Deeds in the name of the Board will be signed and sealed in accordance with Section 194 of the Act of 1973, as amended.

## **INVENTORIES**

- 17 (1) Records of stocks and stores will be kept by the Finance Officer in such form as shall be approved by the Treasurer.
- (2) The Assessor will be responsible for ensuring that up-to-date inventories of furnishings, office equipment, machinery, scientific apparatus, silverware, works of art and other valuable property are maintained.

## **PROPERTY AND CONTRACTS**

18. (1) The financial aspects of property administration and contracts will be undertaken by procedures approved by the Treasurer.
- (2) The Assessor will be responsible for the daily administration of suitable arrangements, systems and procedures for property and contracts insofar as such procedures do not exist in Standing Orders.

## **PROPERTY REGISTER**

19. The Assessor will maintain an up-to-date register (Property Terrier) of all land and heritable property owned by or leased by the Board whether in its own right or in trust and will ensure that all such property is readily identifiable at any time.

## **INSURANCE**

20. (1) The Treasurer will approve arrangements or risk management and the insurance (including negotiation of claims) of all such risks as may be required to be covered. All insurance arrangements will be reviewed from time to time.
- (2) The Treasurer will effect all insurance cover and negotiate with the Board's insurers all claims.
- (3) The Assessor will take due account of any recommendation proposed by the Board's appointed insurance adviser or relevant insurer(s), arising from a risk survey.

### **STAFF RECORDS, PAY ETC**

21. The Treasurer will approve procedures regarding the maintenance of such staff records as are necessary for pay and superannuation purposes.

### **SIGNING AND SEALING**

22. The Treasurer designated in terms of the Act of 1973 as "proper officer" for the purposes of Section 193 (authentication of documents) and 194, as amended, (execution of Deeds and use of Seal) as regards signing and sealing (where necessary) of:
- mortgages, bonds and other financial instruments; or
  - instruments effecting the transfer of any of them; or
  - instruments giving effect to the powers of investment or borrowing delegated to the Treasurer by Financial Regulations 15 and 16.

### **VIREMENT**

23. The Assessor may vire money between one budget heading and another always providing that the total budget is not overspent or expected to be overspent. The Assessor should refer back to the Board when virement would incur continuing significant liabilities or substantial changes in Board policy. The threshold for referrals being 2% of the total budget.

### **EX GRATIA PAYMENTS**

24. The Assessor may award ex gratia payments in circumstances agreed with the Treasurer.

Approved 8 March 2004