

HERTFORDSHIRE LOCAL ENTERPRISE  
PARTNERSHIP (LEP)

**FINANCIAL  
REGULATIONS  
2018/19**

## SECTION ONE

### INTRODUCTION AND OVERVIEW

#### 1.1 What are the aims of this document?

The aims of this document are to:

- set out the Financial Regulations of the LEP; and
- provide a reference point to other documents, which contain the detailed procedures behind these Regulations

#### 1.2 Who should read this document?

The Regulations apply to all staff and Board Members of the LEP, but are of particular importance to:

- LEP Board and sub-board Members
- LEP Executive Director
- LEP Senior Management Team
- HCC Finance Staff

#### 1.3 Why have financial regulations?

Financial regulations set out the policies and framework within which the LEP manages its business. They clarify responsibilities and provide a framework for decision-making. The financial regulations ensure that the LEP complies with statutory powers and duties, as well as reflecting best professional practices and decisions of the LEP Board.

In summary, financial regulations are the regulatory framework for the financial affairs of the LEP.

#### 1.4 Corporate governance in local government and financial regulations

Effective local government relies on public confidence in elected members and officials. Good corporate governance underpins credibility and confidence in our public services. These Regulations help to establish a framework by which the LEP can demonstrate its compliance with the underlying principles of good governance, as set out in the LEP's Local Assurance Framework.

#### 1.5 What is the coverage of financial regulations?

The Regulations apply to all activities of the LEP.

In practice, this means all monies and funds administered by LEP officers in the course of their work, which includes capital and revenue grants.

External providers (outsourced services, contractors and consultants for example) are managed through the contract process. The contract document will set out the financial requirements. This will include for example, compliance with key control procedures, generation of service performance statistics, attendance at service client meetings and access to accounts.

## **1.6 Awareness and access**

It is the responsibility of the LEP Executive Director to ensure that all employees with financial responsibilities are made aware of and have access to these Regulations.

## **1.7 Non-compliance with financial regulations**

All staff with financial responsibilities must comply with Financial Regulations. A member of staff who fails to comply with these Regulations may be subject to disciplinary action. The Section 151 Officer is responsible for reporting to LEP Board, HCC Cabinet and Council, where appropriate, any breaches of these regulations.

## **1.8 Review of financial regulations**

The Section 151 Officer is responsible for maintaining a continuous review of these Regulations.

## **1.9 Other rules**

Apart from these Regulations, there are other rules which all members and officers must comply with. These include:

- The Law: Local Government law, general civil and criminal law
- Other parts of Hertfordshire County Council's Constitution, in particular:
  - standing orders for the Council, the Executive and for Committees;
  - schemes of delegations to committees
  - schemes of delegations to officers including any sub-delegations authorised under those schemes
  - contract regulations
  - codes of conduct for members and officers
- LEP Local Assurance Framework
- Personnel policies and procedures
- Instructions issued to staff and managers by LEP Executive Director

Procedures and guidance for Herts Finance, Budget Managers and Budget Holders, including all finance policies as published on the Intranet at <https://hertscc365.sharepoint.com/sites/intranet/policies>

## SECTION TWO

### FINANCIAL ROLES AND RESPONSIBILITIES WITHIN THE LEP

This section sets out the respective roles of S151 Officer, LEP Board Members, S73 Monitoring Officer and LEP Executive Team in the management of the LEP's finances.

The LEP is a single entity with devolved accountabilities but the overall responsibility for financial administration of the LEP remains with the Section 151 Officer.

From the LEP's Assurance Framework, where, in the view of the S151 Officer an issue or dispute presents an unacceptable legal or financial risk to HCC, the decision as to the resolution of any issue or dispute will be reserved to the S151 Officer.

For purposes of the Financial Regulations the role of:

- the Section 151 Officer is carried out by the Director of Resources;
- the Head of Risk Management is carried out by the Risk and Insurance Manager;
- the Chief Internal Auditor is carried out by the Head of Assurance Services.
- the Executive Member for Resources is carried out by the Executive Member for Resources, Property and the Economy.

The job titles of those carrying out these responsibilities may change from time to time.

#### 2.1 The Section 151 Officer

2.1.1 The Section 151 Officer must discharge the statutory duties or mandatory requirements defined in:

- Section 151, Local Government Act 1972, which provides for the designation of an officer to have responsibility for the proper administration of the council's financial affairs;
- Sections 114 and 114A, Local Government Finance Act 1988, which require the Section 151 Officer to report to the Council (LEP Board in the case of executive functions) if they consider that the Council, LEP Board or an employee has made (or is about to make) a decision involving expenditure or loss which is unlawful and to consult with the Monitoring Officer and the Head of Paid Service before making such a report;
- Section 25, Local Government Act 2003, which requires the Section 151 Officer to report to the Council, when it is considering its budget and council tax, on the robustness of estimates and adequacy of reserves;
- The Local Government Pension Scheme Regulations, which set out requirements for the administration and governance of the Local Government Pension Schemes;
- Local Government (Early Termination of Employment)(Discretionary Compensation)(England and Wales) Regulations 2006, which set out the requirements for calculating and administering redundancy and discretionary compensation payments to local authority staff;
- The Accounts and Audit Regulations;
- The Code of Practice on Local Authority Accounting in the United Kingdom (based

- on International Financial Reporting Standards);
- The Service Reporting Code of Practice (SeRCOP);
- The Prudential Code for Capital Finance in Local Authorities;
- Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes; and
- CIPFA statements defining best practice.

2.1.2 The Chief Executive and Chair of the LEP shall work with the Section 151 /73 Officer to agree an effective responsibility model. The shared responsibility should be agreed and set out in the Local Assurance Framework, ahead of the Section 151/73 Officer confirming compliance with the National Assurance Framework to MHCLG. The Section 151/73 Officer must also sign-off an Annual Assurance Statement (along with the Chair and CEO) - beyond this; they are free to delegate responsibility. (CIPFA 1.1)

- Provide verbal and written financial advice to LEP Board Members to support the strategic planning & policy making process to ensure efficient and effective use of resources (Mary Ney 5.1, 8.3)
- Provide advice and financial information on the optimum use and adequacy of available resources and management of the capital and revenue budgets (CIPFA 3.3)
- Provide advice on treasury management, taxation, pensions and trust funds and guidance on the safeguarding of financial assets; including risk management and insurance;
- Determine the LEP's accounting records and control systems including:
  - measures to prevent and detect inaccuracies and fraud, and the ability to reconstitute any records;
  - identification of the officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
  - procedures governing the write off of debts;
  - ensure the maintenance of proper accounting records in relation to government grants & council expenditure; and
  - publish an annual statement of accounts (Mary Ney 8.3, 9.2).

2.1.3 The Section 151 Officer must: (Mary Ney 8.3)

- Establish monitoring and reporting arrangements to ensure awareness of significant issues in the delivery of programmes and projects and the consumption of resources, to enable prompt management action;
- Establish systems to secure financial probity, control, security and best practice in safeguarding the LEP's activities and assets;
- Establish processes to ensure that personnel, property and information are managed in a manner consistent with financial control;
- Establish processes to check and evaluate the effectiveness of controls;
- Establish standards of internal control and through their senior management team, ensure the proper identification and cost effective management of financial risk;
- Set adequate standards and procedures for budgeting, accounting systems, reporting and monitoring; and
- Maintain and review service accounting records and control systems in accordance with legislative and proper practice requirements.

- Carry such checks that are necessary to independently ensure the proper administration of financial affairs in the LEP (CIPFA 1.2)

#### 2.1.4 Trustee of Public Monies

- As trustee of the local taxpayer's money <sup>(1)</sup>, the Section 151 Officer must manage the council's resources on their behalf and report any decision or action that would result in unlawful expenditure or incur expenditure that would exceed available resources. (1) The case of Attorney General v De Winton in 1906
- Where serious concerns are encountered during the year, for example repeated non-compliance with legal requirements or fraud, then S151 officer shall promptly raise these with the Cities & Local Growth Team (CIPFA 4.4)

#### 2.1.5 Financial Expertise

As head of profession for the council's employed finance staff, the Section 151 Officer sets the framework and processes for recruitment, professional support and career development, and ensures proper professional practices are maintained by finance staff across the organisation.

#### 2.1.6 Other Duties

The Section 151 Officer is responsible for the:

- Appointment of bankers, monitoring the bank contract and approving officers for:
  - opening and closing service bank and imprest accounts,
  - cheque signatories for the bank accounts,
  - investment and borrowing transactions, and
  - confirming lease agreements;
- Overall arrangements for the monitoring and review of bank / imprest accounts and balances
- Setting the rules for the retention and disposal of financial documents;
- Authorisation of grant claims
- Maintaining a register of authorised signatories
- Preparing the Council's Treasury Management Systems Document, in accordance with CIPFA's Code of Practice on Treasury Management in the Public Services;
- Advising the council on the setting of prudential indicators in compliance with the Prudential Code for Capital Finance in Local Authorities, and establishing monitoring procedures in respect of these indicators
- Agree & approve budget risks facing the LEP at the outset of the financial year, and review them on a frequent basis (CIPFA 3.2)
- Sign off an Annual Assurance Statement along with Chief Executive & Chair (CIPFA 1.1)
- Providing an annual report to the Annual Conversation on their work for the LEP and their opinion with a specific requirement to identify any issues of concern on governance and transparency (Mary Ney 8.3)
- Raise concerns / make recommendations about changes required to ensure the proper administration of financial affairs (CIPFA 1.3)
- Acknowledge that proper administration of financial affairs continues throughout the year; improvements set out in a Local Assurance Framework action plan and monitored (CIPFA 1.4)
- Identify staff training needs to ensure compliant spend of funds, and that all staff understand the governance and control arrangements (CIPFA 1.4)

- S151 officer has the right to record an opinion on the financial implication and assessment of risk in every Board paper. (CIPFA 2.3)
- S151 officer (or delegated representative) should be invited to attend all Board meetings and Board agenda setting meetings, but shall not be entitled to vote or otherwise make LEP decisions (CIPFA 2.4)
- Recognise that Treasury Management and borrowing is part of the role of the Accountable Body. S151 officer ensures correct, established financial processes in place leading up to Board decisions such that financial delegations are respected (CIPFA 2.5)
- Raise concerns about systemic financial problems with Cities & Local Growth Team. Task the LEP with improving financial standards, and progress shall become standing item in Board meetings until S151 officer is satisfied concern is resolved (CIPFA 2.6)
- Ensure LEP has procedures in place to consider the financial implications of decisions before and during the decision making process rather than reviewing decisions afterwards (CIPFA 3.1)
- Report to LEP Board comments that relate to LEP following a completed audit, and provide them to the Cities & Local Growth Team (CIPFA 4.3)
- The S151 officer shall be given appropriate resources by the Accountable Body to carry out its functions in respect of the LEP including external audit opinion where this is a compliance requirement. LEPs and Accountable Bodies should frequently review resource needs, and consider if they are being appropriately met (CIPFA 5.1)
- To have line of sight on all decisions and ability to provide financial advice (Mary Ney 5.1)
- Regular review of these Regulations

## 2.2 LEP Board / Programme Management Committee (PMC) / Chairs Panel

The LEP Board and its supporting governance structure (where there are appropriate schemes of delegation) is the strategic body responsible for taking decisions on LEP Business and LEP programme activity. For this purpose, this includes LEP Board, LEP Programme Management Committee and Chairs Panel as all can make financial decisions. (CIPFA 2.1)

The duties of LEP Board Members are to:

- Adopt the Financial Regulations, Scheme of Delegation and Contract Regulations
- Set the budget framework and monitor budget performance as well as service performance
- Provide the framework to monitor the programmes within the resources allocated
- Agree resources to ensure the finance function is able to support management in securing effective financial control (CIPFA 5.1)
- Scrutinise financial probity through the audit committee process with a clearly agreed & defined role for S151 officer (CIPFA 2.7)
- Responsible for making changes in line with S151 officer recommendations to address concerns or improper financial administration. Where the Board doesn't agree, the matter shall be referred to MHCLG (CIPFA 2.2)
- S151 officer has the right to record an opinion on the financial implication and assessment of risk in every Board paper. If the LEP Board does not agree and decides on a course of action which goes against that opinion, the Board should

- indicate and record the rationale for not following it (CIPFA 2.3)
- S151 officer (or delegated representative) should be invited to attend all Board meetings and Board agenda setting meetings, but shall not be entitled to vote or otherwise make LEP decisions, with the exception of the LEP Programme Management Committee and LEP Chairs' Panel where the S151 is a voting member. (CIPFA 2.4)
- Recognise that Treasury Management and borrowing is part of the role of the Accountable Body. S151 officer ensures correct, established financial processes in place leading up to Board decisions such that financial delegations are respected (CIPFA 2.5)
- S151 officer will raise concerns about systemic financial problems with Cities & Local Growth Team, task the LEP with improving financial standards, and progress shall become standing item in Board meetings until S151 officer is satisfied concern is resolved (CIPFA 2.6)
- With the S151 officer, agree & approve budget risks facing the LEP at the outset of the financial year, and review them on a frequent basis. The Board will also provide the risk register to the S151 officer on each occasion it is revised (CIPFA 3.2);
- Agree an internal audit plan, including a risk based audit plan of LEP activity that provides assurance to S151 officer & LEP Board at appropriate points through the year (CIPFA 4.1)
- Electronic decision making – all decisions must be subject to the normal business case, evaluation and scrutiny arrangements; there must be a written report with the opportunity for S151 officer to provide comments. The Urgency Procedure is set out in para 2.6 – 2.9 of the Local Assurance Framework. (Mary Ney 5.2).

### **2.3 Chief Legal Officer (as Section 73 Monitoring Officer)**

The functions and responsibilities of the Monitoring Officer are carried out by the Chief Legal Officer.

The functions of the Monitoring Officer are explained fully in Hertfordshire County Council's Constitution. Those relevant to the Financial Regulations include:

- Reporting, after consultation with the Head of Paid Service and the Section 151 Officer, any actual or potential breaches of the law or maladministration to the Council and/or to the LEP Board.
- Advising whether the decisions of LEP Board are in accordance with the budget and policy framework.
- Provision of advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all members of the council.

### **2.4 LEP Executive Director**

2.4.1 LEP Executive Director manages resources available for their services, as per the Scheme of Delegation to Officers, which includes responsibility for financial

management and control.

LEP Executive Director acts on advice or guidance of the Section 151 Officer ensuring the rules are enforced.

2.4.2 LEP Executive Director must act within budget and policy parameters, promote probity and sound financial control.

2.4.3 LEP Executive Director must develop and maintain procedures to monitor and ensure compliance with key controls set by the Section 151 Officer and also various acts, statutory instruments, regulations, circulars, guidance and statutory codes.

2.4.4 LEP Executive Director must:

- take a lead on ensuring staff have the financial expertise to discharge duties and functions delegated by the Section 151 Officer (CIPFA 1.4)
- establish clear accountabilities for budgets, systems and information
- consider the financial effects of new policy
- relate existing policy to resources
- ensure compliance with monitoring and reporting framework and probity and policy framework
- establish arrangements for the review of services and processes to identify service improvements and efficiency gains
- ensure rules and guidance to staff responsible for financial management and administration are communicated
- where fraud or corruption is suspected LEP Executive Director must immediately report to the Chief Internal Auditor (CIPFA 4.4)
- work with S151 Officer to agree an effective responsibility model (CIPFA 1.1)
- sign off an Annual Assurance Statement along with the LEP Chair and S151 Officer (CIPFA 1.1)
- where S151 officer raises concerns or makes recommendations about changes required to ensure proper administration of financial affairs, these shall be acted up promptly (CIPFA 1.3)
- acknowledge that proper administration of financial affairs continues throughout the year; improvements set out in a Local Assurance Framework action plan and monitored (CIPFA 1.4)
- identify staff training needs to ensure compliant spend of funds, and that all staff understand the governance and control arrangements (CIPFA 1.4)
- provide a capital programme and revenue commitments and projection at the beginning of each financial year (CIPFA 3.3)
- set out scrutiny arrangements in the Local Assurance Framework (CIPFA 3.3)

2.4.5 LEP Executive Director must report to the Section 151 Officer and LEP Board Members on any matter which may result in a failure of the departmental financial control environment or, any other matter which could adversely affect the financial standing of their department. (CIPFA 1.4)

More specifically, the LEP Executive Director must report to the Section 151 Officer if:

- structural changes might impact on the demand for financial support service;

- there are potential budget overspends; and
- proposed variations in policy have financial effects.

## **2.5 Statement of Responsibility and Accountability - Budget Managers**

2.5.1 Budget managers are accountable for the budget delegated to them by the LEP Executive Director. All budgets should be assigned to a named budget manager. Budget Managers for the LEP will include:

- Operations Director
- Head of Assurance & Performance
- LEP Manager (Strategic Infrastructure)
- LEP Manager (Innovation & Enterprise)
- Enterprise Zone Programme Manager

2.5.2 Budget managers must:

- be able to explain what value is being obtained from their spending in terms of service delivery and meeting council priorities;
- explain reasons for likely or actual over or under spending, and also over and under performance;
- propose and implement measures to bring spending / performance back on target; and
- plan service developments and bid for resources as necessary.
- Monitor budgets
- Identify problems and solutions

## **2.6 Statement of Responsibility and Accountability - Chief Internal Auditor**

2.6.1 The Chief Internal Auditor must ensure adequate and effective internal audit coverage of the LEP's activities.

2.6.2 The Chief Internal Auditor's reporting lines are set out in Section 8 of these Regulations.

2.6.3 Agree an internal audit plan, including a risk based audit plan of LEP activity that provides assurance to S151 officer & LEP Board at appropriate points through the year (CIPFA 4.1)

2.6.4 Internal audits need to be independent of the LEP, but not necessarily the Accountable Body and will be carried out by the Hertfordshire Shared Internal Audit Service. (CIPFA 4.2)

## **SECTION THREE**

### **EXECUTIVE DECISIONS**

This section sets out the requirements in order to comply with the statutory guidance on the financial aspects of executive decisions, under the access to information regime for local authorities in England. The Government's aim is to ensure open and accountable decision-making.

#### **3.1 Financial Thresholds for Key Decisions**

The LEP sets financial thresholds for key decisions which are significant having regard to the LEP's budget for the service or function concerned. The current level is £250,000 or above in respect of expenditure (i.e. £250,000 per year, or where the decision is a commitment to a contract, across the term of the contract. The Chairs Panel can authorise decisions up to £250,000; whereas the LEP Board must authorise decisions over £250,000.

#### **3.2 Officer Delegations**

The LEP Executive Director must ensure all departmental officer delegations are kept under continuous review and updated as part of the Assurance Framework (annex C).

## SECTION FOUR

### INTERNAL CONTROL FRAMEWORK AND STANDARDS FOR FINANCIAL TRANSACTIONS

This section sets out the basic internal control framework and financial standards regime, which aims to minimise the occurrence of significant control failings and weaknesses (that is, in any action, procedure or operation). All staff must understand the internal control and risk implications of the tasks they perform, and act accordingly.

#### 4.1 Responsibility for Overall Framework

The LEP Executive Director is responsible for ensuring that control systems and procedures are in place within their department; whilst individual staff members are responsible for ensuring that the standards are complied with at all times.

The LEP Executive Director is also responsible for ensuring that monitoring processes are in place to review regularly the effectiveness and operation of these standards.

#### 4.2 Features of Internal Control

The basic internal control features applicable to each area of activity can be summarised as follows:

- formal allocation of responsibilities;
- organisational structure and reporting channels;
- segregation of duties;
- personnel (are competent, suitably qualified and trained);
- completeness and accuracy of the records;
- verification and certification of transactions;
- secure and effective systems (including access to and storage of accounting records);
- documentation (of procedures and business transactions);
- preparation of documentation (set of instructions); and
- physical security.

If the internal control principles are in place and observed they should:

- PREVENT unwanted events or failures;
- DETECT where things have gone wrong or not happened; and
- CORRECT the processes to stop further problems occurring.

#### 4.3 Financial Policies

All financial transactions must be carried out in accordance with the relevant finance Policies for Budget Management, Buying and Paying (including Purchasing), and Raising Income and Debt Management (published on the HCC Intranet).

## 4.4 Financial Standards

The following financial standards apply to financial transactions.

### 4.4.1 Financial Standard - Revenue & Capital Budget Management

- There must be specific budget approval for all expenditure.
- Each budget is allocated to a named individual.
- Budget managers accept accountability for their budgets and the level of service to be delivered.
- Budget managers must ensure that all expenditure accords with the objectives and priorities set out in the service plan, and reflected in the approved budgets.
- Budget managers follow an approved certification process for all expenditure.
- Income and expenditure is properly recorded and accounted for.
- Performance levels are monitored and necessary action taken.
- Processes are in place to meet corporate needs for the management of the budget for the LEP as a whole.
- In practice this means the provision of service:
  - budget planning information (base budget return);
  - cashflow forecasting & monitoring
  - monitor (revenue and capital) reports; and
  - outturn reports.

*In accordance with the instructions and timetable set out in the guidance published by the Section 151 Officer.*

### 4.4.2 Financial Standard – accounting systems

To support this budget management and to meet statutory accounting requirements, all Income, expenditure, assets and liabilities of the LEP must be properly recorded and accounted for. This will include:

- Regular in-year monitoring which will show projects expected and actual spend, slippage, mitigating actions and validation of balance sheet entries.
- The accounting systems and processes to ensure:
  - production of accurate, effective management and budget/accounting information which is easily accessible, timely, relevant and complete and pertinent to officers and Members;
  - integrity of decision making;
  - support for the policy making processes of the LEP as a whole as per the LEP's Assurance Framework;
  - demonstration of implementation of agreed policy objectives;
  - high personal effectiveness of budget managers and budgetary control;
  - flexible capacity for changes to information requirements as service requirements evolve;
  - prompt processing of all data and month and year end closure of accounts;
  - secure and auditable systems, and effective and efficient financial administration in achievement of value for money in financial systems;
  - satisfaction of all legal requirements for the financial accounts to be a true

and complete record of the income and expenditure, and assets and liabilities of the LEP.

*All the above is to be established within a controlled and disciplined environment which, amongst other things, avoids, or identifies immediately significant departures from service policy.*

- The accounting systems also to be capable of providing appropriate, accurate and timely management information for the corporate centre.

#### **4.4.3 Financial Standard - Personnel and Payroll**

- Payments are made only to bona-fide employees.
- Payments are in accordance with individuals conditions of employment.
- Payments are made only in respect of services provided to the LEP.
- Salaries, wages and expenses are processed only through the payroll system to ensure proper deductions are made for income tax, national insurance and, where applicable, superannuation.
- Amendments to the payroll are duly authorised and promptly and properly processed by the Department, in particular, where failure to do so would result in an overpayment.
- Payments are charged to the appropriate expenditure code, coupled with frequent reconciliations against approved budget.
- The LEP to check, at least annually, that gross pay agrees with contracts or other authorised documents and that deductions have been correctly determined.
- The LEP to ensure that, where practicable, the duties of authorising appointments, making changes to individuals' conditions or terminating the employment of staff are separated from the duties of processing claims.
- Processes are in place to meet corporate needs for the management of the payroll function of the LEP as a whole.
- Processes are in place to recover overpayments with minimum delay.
- HCC to provide LEP Executive Director with a monthly payroll report from SAP

#### **4.4.4 Financial Standard - Orders for Goods and Services**

- The County Council's Contract Regulations must be complied with in full in all cases. Similarly, best procurement practice must also be observed and adhered to.
- Resources are available to meet expenditure.
- Purchase Orders must be raised on SAP for all goods and services, except:
  - orders where payments will be processed through feeder systems
  - utilities (e.g. water, electricity and gas) rents, national non- domestic rates and petty cash payments;
  - exceptional circumstances where payment is required before a VAT invoice is provided; and
  - In cases of emergency a verbal order may be made, provided a SAP order is raised at the earliest opportunity and the supplier notified of the SAP order number.
- SAP online orders over £500 are to be approved online by the designated authoriser or their delegated authoriser, as held within

the system.

- Staff must not use official orders to obtain goods and services for their private use.

#### **4.4.5 Financial Standard - Delivery of Goods and Services**

- Staff must check goods and services upon receipt to ensure they are in accordance with the order. Ideally this check should be carried out by someone other than the person who input the order, and who will approve payment against the order in SAP.

#### **4.4.6 Financial Standard - Payment of Creditors (non grant claims)**

- Payment only to be made where:
  - a proper VAT invoice is matched against a receipted SAP purchase order;
  - invoice details have been supplied in an approved interface file; or
  - invoices or requests for payment have been manually coded and approved by an authorised member of staff where no SAP order was placed
- In the case of all payments the following conditions must apply:
  - goods or services have been confirmed as received;
  - expenditure has been properly incurred and is within budget provision;
  - prices accord with quotations, tenders, contracts or catalogue prices and arithmetic is correct;
  - discounts where available have been taken;
  - the correct accounting treatment of VAT has been applied; and
  - the payment is correctly coded.
- All paid invoices shall be stored securely in a manner that will facilitate retrieval (this may include via electronic image).
- Payment must not be made on a photocopied invoice or a statement from a supplier; particular care to be taken with invoices sent as email attachments, to avoid duplicate payment.
- Payment must not be made on an invoice without the supplier's VAT Registration Number.
- Invoices must be processed in accordance with best practice regarding prompt payment; and arrangements made to monitor performance.

#### **4.4.7 Financial Standard - Income**

- Wherever possible, payment should be collected before goods and services are provided.
- Debtor invoices must not be raised for amounts below £25. Where possible, consideration should also be given to the need to raise an invoice for less than £50 due to administrative costs of processing invoices.
- Where goods and services are provided on credit, accounts must be raised and settlement obtained with minimum delay.
- For all intended write-offs of debt, the authorising officer must first ensure that:
  - no instalment agreement has been set up;
  - all reasonable steps have been taken to recover the debt;
  - there is no reasonable prospect for cost-effective recovery, in whole or in part, either directly or by offset against payment due to the debtor. Debts of

- under £25 are not currently routinely referred for legal action if the reminder process has proved ineffective;
- budgetary provision exists, or virement has been arranged and authorised as appropriate for the debt to be written off against a valid ledger code;
  - that the Debt Write-Off Policy is reviewed.
- All write-offs must be actioned on SAP using the Debt Write Off Form.
  - Debts raised for incorrect amounts or in error should be corrected by raising a credit note or supplementary invoice.

*Further information can be found in the Income Collection and Debt Management Policy.*

#### **4.4.8 Financial Standard - Taxation**

- Staff to be provided with relevant information and kept up-to-date on tax issues.
- All taxable transactions are identified, properly carried out and accounted for.
- Staff to be instructed on required record keeping.
- Records to be maintained in accordance with instructions.
- Appropriate, accurate and timely management information is provided to the corporate centre to enable returns to be made to the appropriate authorities within the stipulated timescale.

#### **4.4.9 Financial Standard - Retention and Disposal of Financial Records**

All financial and accounting records and supporting documentation are retained and stored for the defined period in accordance with the *Guidelines on Retention and Disposal of Financial Records*.

#### **4.4.10 Financial Standard – Payment of Grant claims**

- Applicants fully complete the LEP grant claim form submit to LEP with backing evidence
- LEP carries out checks: expenditure is eligible, is for capital projects and excludes VAT, ensures milestones and outputs have been achieved and signs the claim off
- Sent to HCC Finance for counter-authorisation & onward for payment (28 day terms)

## SECTION FIVE

### STRATEGIC FINANCIAL MANAGEMENT AND REPORTING REQUIREMENTS

This section sets out the overall arrangements for strategic financial management and reporting, including decisions on balances and reserves. It also sets out the financial limits at which budget changes are to be reported and approved.

#### 5.1 Strategic Financial Management

- 5.1.1 There are three key strategic financial processes - budget setting (within the Integrated Planning process), in-year budget monitoring, and year-end accounts. For each of these, the Section 151 Officer must each year arrange for the timely publication of the procedures, guidance and timetables in support of these key financial processes. LEP Executive Director must ensure that arrangements that meet service needs and corporate requirements are in place; and that their staff members comply with these arrangements.
- 5.1.2 In carrying out these processes, the Section 151 Officer and LEP Executive Director must ensure that they and their staff follow the principles and guidance set out in Section Two.
- 5.1.3 LEP Executive Director, in consultation with the Section 151 Officer, must report financial information in a full and clear manner to LEP Board Members. This will ensure decisions are informed by a sound understanding of the financial consequences.
- 5.1.4 LEP Executive Director must report to the Section 151 Officer and LEP Board Members, at the earliest opportunity, any matter that may have a significant financial impact on the LEP.

#### 5.2 LEP Budget

- 5.2.1 The LEP Operational Plan is approved by the LEP Board in March of the preceding year. The total LEP Budget includes a capital plan, and revenues plans for head office functions, Growth Hub, Career & Enterprise, Visit Herts and the Enterprise Zone.

#### 5.3 General Balances and Reserves

- 5.3.1 Key decisions regarding application of general balances are taken in the budget report, approved by LEP, and the Finance Monitor, approved by LEP Board.
- 5.3.2 In addition, earmarked reserves are held for specific policy decisions. For each reserve established, both the purpose and subsequent timeframe for usage will need to be clearly defined. Any transfer to reserves requires LEP Board approval, except where the reserve has been agreed to operate on a rolling top up basis. Transfers from reserves require authorisation at level, provided that the planned expenditure is in line with the specific purpose of the reserve. If transfers from reserves are being made for a different reason, then further LEP Board approval will be required. If any element of a reserve is no longer required, then they may authorise its release into general

balances.

#### **5.4 Statement of Accounts**

5.4.1 LEP accounts are included within HCC accounts, and in order to meet the external statutory reporting deadlines, the audited Statement of Accounts will either be approved by the HCC full council or HCC Audit Committee.

#### **5.5 Revenue/Capital Virement and Carry Forward Rules**

5.5.1 The framework for virement and carry-forward recognises the need for management flexibility within and between financial years. The framework aims to balance incentives for services to benefit from efficiency and planned savings with the need to ensure in overall terms that policy and service priorities are being met where unplanned under or overspending occurs.

5.5.2 LEP Executive Director must ensure that net expenditure does not exceed the total of their service's delegated budget. Overspending on individual budgets should be dealt with wherever possible by managing expenditure and achieving offsetting underspends on other budgets within the LEP, and will be a first call on these savings.

5.5.3 All requests for movements to/from reserves must be submitted and authorised using the appropriate forms.

## **SECTION SIX**

## **FINANCIAL INFORMATION SYSTEMS**

These Regulations cover those financial information systems, which hold or generate data or information that forms part of the prime financial record of the LEP.

In Hertfordshire, financial information systems are delivered within the Council's IS/ICT Strategy, which is subject to regular review.

- 6.1. The Section 151 Officer is legally responsible for all financial systems, which operate within the LEP.
- 6.2. The Section 151 Officer will be responsible for providing core systems for statutory accounting purposes.
- 6.3. The Section 151 Officer must ensure that financial systems are managed in a professional and secure manner by a nominated responsible officer, with full operational and procedural documentation, and that all staff and contractors are aware of their responsibilities and are adequately trained and supported.
- 6.4. LEP Executive Director and the Section 151 Officer must agree processes for the operation of interfaces between local and corporate systems.
- 6.5. LEP Executive Director must comply with the necessary guidance issued by the Section 151 Officer, covering:
  - operation and management of the ledger system;
  - code structures;
  - code classes and groups;
  - ensuring that income and expenditure is correctly recorded and accounted for;
  - record keeping and supporting documentation; and
  - reconciliation of local and central financial systems.
- 6.6. LEP Executive Director must ensure that their staff understand their responsibilities and are adequately trained and supported.
- 6.7. The Section 151 Officer and LEP Executive Director must ensure that all financial systems comply with the Council's ICT policies, and in particular:
  - Are registered under the Data Protection Act;
  - Are operated in line with the relevant IT security policies, standards and guidelines as published on the Intranet (and that staff are aware of these documents); and
  - Are covered by a business continuity plan which safeguards against the loss of critical data and allows for its recovery following a major incident or other interruption in service.
- 6.8. Data held in financial information systems must be retained in accordance with the Hertfordshire County Council's Data Retention policy; and must be capable of retrieval to meet Freedom of Information and other statutory requests.

## **SECTION SEVEN**

## CAPITAL

This section covers the specific regulations and processes for capital expenditure and funding.

### 7.1 Capital Programme and Capital Strategy

The LEP sets out its priorities in the Strategic Economic Plan which was refreshed in 2017. The LEP receives capital grant annually from MHCLG to fund projects and programmes as agreed with Central Government under the “Growth Deal”. The LEP in its Assurance Framework sets out the process for projects and programmes being prioritised and the approval process. Once a project is approved, a legal agreement is drawn up setting out the milestones and outputs the investment will deliver.

#### 7.1.1 Development of Business Cases

- LEP Executive Director must ensure that all proposed capital schemes, irrespective of funding source(s), have been approved via the Chairs’ Panel or LEP Board as appropriate prior to the start of a project. All schemes in the Capital Programme must be reviewed annually.
- LEP Executive Director must ensure all relevant proposed capital schemes, irrespective of funding source(s), which involve a property and/or ICT element have been developed in accordance with guidance issued by the County Property Officer and the Assistant Director – Improvement & Technology respectively.
- LEP Executive Director must ensure that the Section 151 Officer is consulted during the project initiation stage where the proposed capital schemes involve partnerships with other organisations or financing from other public service bodies and private sector organisations.
- LEP Executive Director must ensure that the County Property Officer and S151 Officer are consulted during the project initiation stage where proposed capital schemes involve the acquisition or disposal of property capital assets; and must comply with section 123 of the Local Government Act 1972 (the ‘1972 Act’), to ensure best value is achieved, that is, that any disposal is for consideration that is not less than the best consideration reasonably

#### 7.1.2 Development and Review of Capital Programme

All capital projects including self-financing, grant aided or externally assisted programmes must be included within the overall capital programme.

New applications or request for re-programming for the annual Capital Programme are reviewed by the Chairs’ Panel. LEP Executive Director must comply with the process and provide the necessary information by the appointed times for the review of all capital schemes as determined by this group.

#### 7.1.3 Funding Additional Project Spend

The overall cash programme for capital expenditure by year, by programme, cannot be exceeded without LEP Board approval for all funding sources other than ring-fenced grants, and external contributions to specific schemes (including the use of Section 106 contributions), and use of revenue budgets or reserves as below.

Where grant aided, revenue funded or externally assisted programmes arise outside of the capital programme planning cycle, these may only be added to the capital programme after approval by the Chairs' Panel or LEP Board depending on the financial threshold, who will confirm that funding is secured and all necessary approvals have been obtained. The increase to the capital programme will then be reported to LEP Board in the Finance Monitor.

#### **7.1.4 Project Authorisation**

Inclusion of a scheme in the LEP's approved capital programme does not, in itself, constitute approval to enter into the scheme or incur capital expenditure. The Scheme must be approved through the LEP's normal decision making processes, as set out in the Assurance Framework. In addition no capital contracts may be entered into, or expenditure incurred, unless the Section 151 Officer has authorised the scheme to commence, having confirmed that the scheme has been properly approved, that all funding sources are in place and all necessary capital accounting issues have been considered, and the following processes and approvals have been completed.

For schemes under £250,000, authorisation by the Chairs panel is required; Schemes £250,000 and above, the LEP Board needs to approve the scheme.

#### **7.1.5 Approval of project cost variances**

Where additional costs are identified, either at contract tender or during the project, additional budget must be approved or transferred.

- Usually, the LEP grant value is fixed and additional costs are met by the applicant. On rare occasions where the LEP agrees to fund additional grant, the applicant must complete a new application & this has to go through the whole project pathway including officer sift, external appraisal, Chairs Panel and/or LEP Board depending on financial value.

Once approved, these budget changes will be reported in the Finance Monitor.

#### **7.1.6 Monitoring of Capital Schemes**

- LEP Executive Director is responsible for the in-year monitoring of all projects within the capital programme.
- In-year capital monitoring information must include:
  - analysis of variances from budget in year over £100k, between (a) re-

- programming / re-profiling cash flow and (b) over / under spending; and
- explanations for the variance and any impact on subsequent years' programmes.
- Reprogramming of budget between years must be approved by LEP Board if over £250,000 and Chairs' Panel if below £250,000
- For every capital project, the LEP Executive Director will nominate a Programme Manager Project Sponsor.
- The Capital Team in Finance must ensure that reliable systems and processes are in place, and documented for identifying capital accounting and valuation implications.

#### **7.1.7 Post Project Review**

For all capital schemes over £250k, the project sponsor should ensure a post implementation review is conducted, within the timeframe agreed with the relevant Chief Officer and with the support of the project sponsor involving all stakeholders as well as consultants and contractors.

Any overspends must be reported to LEP Board in the Finance Monitor. LEP Executive team will be expected to take action to identify offsetting underspends, which will also be reported to LEP Board for approval.

#### **7.2 Prudential Code for Capital Finance in Local Authorities**

To comply with the Prudential Code a series of prudential indicators must be set annually by full Council.

The Section 151 Officer is responsible for ensuring that all matters required to be taken into account in making the decision are reported to council and that procedures are in place to monitor performance against the indicators set.

## SECTION EIGHT

### INTERNAL AUDIT

The LEP, as part of Hertfordshire County Council, is required under the *Accounts and Audit Regulations (England) 2015* to maintain an adequate and effective system of internal audit.

The terms of reference of the Council's Internal Audit are as follows.

#### 8.1 Responsibilities and objectives

Internal Audit is an assurance function that provides an independent and objective opinion to the Council on the control environment, by evaluating its effectiveness in achieving the Council's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

#### 8.2 Organisational independence

Internal Audit is independent of the Council's day-to-day management and of the activities that it audits, while working in partnership with management to improve the control environment and helping the Council to achieve its objectives.

#### 8.3 Accountability

8.3.1 The internal audit function is delivered by the staff of the Hertfordshire Shared Internal Audit Service, who report to and are managed by the Council's Chief Internal Auditor (the Head of Assurance). The Chief Internal Auditor will also report to the Section 151 Officer on any matters affecting that officer's statutory duties.

8.3.2 The Chief Internal Auditor will report to the Audit Committee on:

- The internal audit charter;
- The strategy, plans and performance of internal audit;
- The implementation of internal audit recommendations; and
- The annual Internal Audit report and other summary reports.

8.3.3 As required by the Public Sector Internal Audit Standards, the Chief Internal Auditor will conduct an annual review of the effectiveness of the system of internal audit, and will provide the Committee with factual information relevant to this review.

8.3.4 The Chief Internal Auditor will ensure that good working relationships between internal audit staff and elected members are established and maintained, in compliance with the *Protocol for Relationships between Members and Officers*, and will act as Lead Officer for the Audit Committee.

#### 8.4 Remit

Internal Audit's remit extends to the whole of the LEP's control environment: this includes the LEP's systems of governance, risk management and internal control arrangements, as well as its systems of financial and performance management.

## **8.5 Review of control environment**

Internal Audit's work will contribute to and co-ordinate an annual review of the effectiveness of the Council's control environment, leading to the preparation of the Council's Annual Governance Statement for scrutiny and approval by the Audit Committee.

## **8.6 Fraud and corruption**

- 8.6.1 Any employee or member of the Council who suspects fraud, corruption or other financial irregularity must ensure that this is reported promptly to the Chief Internal Auditor for possible investigation, or through the LEP Whistleblowing procedure.
- 8.6.2 Normally, employees must first report any complaint, allegation or suspicion of such an irregularity to their LEP Executive Director, who must report this to the Chief Internal Auditor.
- 8.6.3 Exceptionally, if an employee believes that the matter cannot be properly resolved in this way, they should report it direct to the Chief Internal Auditor, or follow the council's Whistleblowing Procedure.
- 8.6.4 The Chief Internal Auditor must consider whether an investigation is appropriate, and, if so decided, must arrange for such an investigation. The Chief Officer must agree any further action with the Chief Internal Auditor before proceeding.
- 8.6.5 The Chief Internal Auditor, in consultation with the relevant Chief Officer, the Chief Legal Officer and, if relevant, the Section 151 Officer, will decide whether any matter concerning financial irregularity is referred to the police for further investigation.
- 8.6.6 An employee who suspects money laundering activity must report this promptly to the Chief Internal Auditor, who is designated as the Council's Money Laundering Reporting Officer (see Section 16 of these Regulations).
- 8.6.7 If the Head of Assurance is not available, then the Chief Internal Auditor role will be fulfilled by the relevant Audit Manager.

## **8.7 Consultancy work**

Internal Audit may carry out consultancy or other investigative work, as commissioned by the Section 151 Officer or other senior officer, provided that it does not adversely affect the resources available for the core assurance work.

## **8.8 Resource requirement**

The Chief Internal Auditor will evaluate the staff and other resources needed to deliver the annual audit plan, and will also assess the impact of unplanned work (such as fraud investigations) on available resources. He or she will agree appropriate action with the Section 151 Officer if the resources are evaluated as not matching those required.

## **8.9 Right of audit access and responses to reports**

8.9.1 The staff of the Chief Internal Auditor must be given access to any document, information or explanation that they require from employees or members in order to carry out their duties. This right of access is not limited to financial information or accounting records. If a manager is concerned about giving access to non-financial information, he or she may request a discussion with the Head of Assurance or relevant Audit Manager before it is disclosed.

8.9.2 Any employee responsible for the development of, or a major change to, a computerised financial system must give Internal Audit reasonable opportunity to evaluate the adequacy of the system's controls before live operation.

8.9.3 Recipients of Internal Audit reports must provide a formal response to these, in accordance with a timescale set out by the Chief Internal Auditor, stating the action intended to address any recommendations.

## SECTION NINE

### EXTERNAL GRANT FUNDING

External grant funding is an important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the LEP.

#### 9.1 LEP Executive Director

The LEP Executive Director must:

- 9.1.1 Ensure that the key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood
- 9.1.2 Ensure that funds are acquired only to meet the priorities of the LEP
- 9.1.3 Ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements
- 9.1.4 Ensure that all claims and submissions are reviewed by the Head of Corporate Finance, and authorised as required
- 9.1.5 Ensure that all claims for funds are made by the due date
- 9.1.6 Ensure that the project progresses in accordance with the agreed project plan and that all expenditure is properly incurred and recorded
- 9.1.7 Ensure that all the funding notified by external bodies is received and properly recorded in the County Council's accounts; and
- 9.1.8 Ensure that audit requirements are met.

## SECTION TEN

### RISK MANAGEMENT

Risk management is:

- The identification, analysis, and economic control of all risks, which threaten the assets, activities and objectives of an organisation;
- An umbrella discipline that cuts across all areas of the authority's activities, from the strategic to the operational, and needs to be integral to all activities; and
- About being 'risk aware' – in managing risk the LEP seeks to minimise losses, though not necessarily eliminate threats.

Although services can reduce their exposure to the financial consequences of certain risks by way of insurance it must be stressed that insurance does not prevent loss and is not a substitute for good risk management. By reducing, or even preventing, the incidence of losses, whether they result from crime or accident, the LEP will benefit from reduced costs of providing insurance cover and will also avoid the disruption and wasted time caused by losses and insurance claims.

#### 10.1 LEP Executive Director:

10.1.1 Is responsible for ensuring that risk management is integrated into both the business planning and finance planning processes. Specifically, the preparation of business plans and budgets are undertaken in the light of the identified risks facing the LEP;

10.1.2 Budget Managers must establish and maintain effective systems and processes for identifying, profiling, evaluating and managing all significant strategic and operational risks, which includes:

- i) the awareness and understanding of the key issues,
- ii) the maintenance of a risk register and
- iii) plans and controls to mitigate and manage these risks;

The process requires answers to the following questions:

- What is the risk? (risk identification)
- What will happen to desired outcomes? (risk evaluation - impact)
- How likely is the event to happen? (risk evaluation - probability)
- Does the benefit outweigh the risk? (risk/benefit analysis)
- Can we do anything to reduce the risk? (risk reduction)
- Has anything happened which alters the risk? Are controls being as effective as expected? (risk monitoring)
- What plans can we put in place in case the event should happen? (contingency/service continuity planning)
- What insurance can we buy to mitigate the risk, or can we contract out this risk? (risk transfer)
- What financial provisions should we hold for the primary or residual risk? (risk funding)

10.1.3 Must notify the Risk & Insurance Manager of any significant risk that takes place

irrespective of whether it was identified through the LEP's risk management system;

- 10.1.4 Must seek to minimise the risk of significant service disruption by ensuring that they have in place appropriate and robust business/service continuity plans;
- 10.1.5 Must supply annually the LEP Executive Director with whatever information is necessary and within the prescribed deadline in order for the Annual Joint Assurance Statement for the Annual Conversation.
- 10.1.6 Must supply the Section 151 Officer with whatever information is necessary and within the prescribed deadline in order for the LEP to comply with the Audit Commission's *Code of Audit Practice*, which requires the external auditors to annually evaluate the risk assessment and management arrangements of local authorities.

## **10.2 Risk and Insurance Manager**

The Risk and Insurance Manager is responsible for:

- 10.2.1 Developing and maintaining an effective policy and strategy on managing risk, which has the support of the Chief Executive and LEP Executive Director;
- 10.2.2 Developing and maintaining a framework for managing risk;
- 10.2.3 Keeping under continuous review the departmental arrangements for managing risk to ensure that risk is being managed to an acceptable standard, and report to the Chief Officer if corrective action is necessary; and
- 10.2.4 Advising the Council on matters of risk management, and for raising awareness of and promoting risk management amongst its staff.

## SECTION ELEVEN

### INCOME

The fees and charges levied by councils are an important source of income. Income can be a vulnerable asset and effective collection systems are necessary to ensure that it is collected promptly for chargeable events and that all income due is identified, collected, receipted and banked properly.

#### **11.1 LEP Executive Director**

The LEP Executive Director must:

- 11.1.1 Establish and keep under review a charging and credit policy for the supply of goods or services, including the appropriate charging of VAT;
- 11.1.2 Ensure that all income due to the LEP is identified and charged correctly, in accordance with the charging and credit policy;
- 11.1.3 Ensure that all income is collected from the correct person, at the right time, using the correct procedures;
- 11.1.4 Ensure all appropriate income documents are retained and stored for the defined period in accordance with the Council's document retention policy and schedule;
- 11.1.5 Ensure full compliance with the LEP's overall charging policy and rules on set out in the Income Collection and Debt Management Policy.
- 11.1.6 Collect income and provide audit evidence to document this;
- 11.1.7 Pursue non-payment of invoices within defined timescales;
- 11.1.8 Monitor and report the level and age of debt monthly, requiring budget managers/holders take timely debt recovery action where appropriate; and
- 11.1.9 Correctly makes accounting adjustments to the ledger for any debt written-off.

## SECTION TWELVE

### MONEY LAUNDERING

Although the relevant Regulations relating to money laundering do not, in many cases directly apply to local authorities, guidance from CIPFA states that local authorities should comply with the requirements of these Regulations. All members of staff and those acting on behalf of the LEP must follow the Council's Anti Money Laundering Policy, published on the Intranet.

This Policy sets a limit on payments to the Council in the form of cash; place a duty on members of staff who suspect money laundering activity to report this to the Money Laundering Reporting Officer; and require that officer to make appropriate reports to the National Crime Agency.

#### *The Money Laundering Reporting Officer*

The officer nominated to receive disclosures about money laundering activity within the Council is the Head of Assurance Services, who can be contacted as follows:

Head of Assurance Services  
Shared Internal Audit Service  
Postal Point SROB105  
Hertfordshire County Council  
Robertson House  
Six Hills Way  
Stevenage  
Herts SG1 2FQ  
Direct dial number: 01438 845508 (Comnet: 55508) Fax: 01438  
845501 (Comnet: 55501)

In the absence of the Head of Assurance, the Audit Managers are authorised to deputise.

## SECTION THIRTEEN

### TREASURY MANAGEMENT

This section sets out how Hertfordshire County Council, on behalf of the LEP, operates its treasury management function and how it complies with the Chartered Institute of Public Finance and Accountancy (CIPFA) *Treasury Management in the Public Services: Code of Practice* (the TM Code).

Treasury Management is defined as:

*'The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'*

- 13.1 The Chief Finance Officer is responsible for maintaining:
- A Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its treasury management activities.
  - Treasury Management Practices (TMPs) and setting out the manner in which the organisation will seek to achieve policies and objectives and prescribing how it will manage and control those activities.
- 13.2 The Chief Finance Officer must ensure that the Policy Statement and TMPs follow the recommendations contained in the TM Code, subject only to amendment where necessary to reflect the particular circumstances of the authority. Such amendments will not result in the authority materially deviating from the TM Code's key principles.
- 13.3 The Chief Finance Officer must ensure that the County Council will receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close.
- 13.4 The Chief Finance Officer is responsible for ensuring that the key principles set out in the Treasury Management Policy Statement for managing the authority's treasury management activities are abided by.
- 13.5 The Chief Finance Officer has responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet, and for the execution and administration of treasury management decisions, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice (the SoPP) on Treasury Management.
- 13.6 County Council nominates the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies. At budget setting time, the Audit Committee will delegate this function to the Overview and Scrutiny Committee to enable the treasury management strategy to be considered alongside the budget.