

Constitution Review Proposed amendments to Finance Standing Orders

Section	Existing Wording	Proposed Wording	Reason for Change
All	Remove references to Operational Director and Divisional Manager job titles	Replace with Directors and Heads of Service	Updated job titles introduced during 2024
4.1.1	The financial implications of any proposed scheme shall be clearly set out by the appropriate Executive Director. Each Executive Director shall consult with the relevant accountant on the funding arrangements and financial consequences before it is submitted to the Executive Board or Policy and Performance Board.	The financial implications of any proposed scheme shall be clearly set out by the appropriate Executive Director. Each Executive Director shall consult with the relevant accountant on the funding arrangements and financial consequences before it is submitted to the Executive Board.	Reference to Policy and Performance Board removed as approval of proposed schemes which have financial implications ultimately sits with Executive Board.
5.1.2	The approval, funding, monitoring, control and accounting treatment of all capital expenditure shall be in accordance with the Capital Guidance reported annually to Executive Board as part of the Council's Capital Strategy.	The approval, funding, monitoring, control and accounting treatment of all capital expenditure shall be in accordance with the Capital Guidance reported annually to Council as part of the Council's Capital Strategy.	Reporting arrangements updated to reflect what actually happens in practice.
5.1.5	Variations in the cost of approved schemes up to £500,000 may be addressed by capital virement under the powers delegated to the Operational Director – Finance, as set out in Standing Order 4.2.3. Virement exceeding £500,000 may only be approved by the Executive Board. Virements within a programme may only be authorised with the written approval of the Operational Director – Finance or by the Executive Board.	Variations in the cost of approved schemes up to £500,000 may be addressed by capital virement under the powers delegated to the Operational Director – Finance, as set out in Standing Order 4.2.3. Virement exceeding £500,000 may only be approved by Council. Virements within a programme may only be authorised with the written approval of the Director – Finance or by the Council.	Reporting arrangements updated to reflect what actually happens in practice.

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5.1.6	The appropriate Executive Director must immediately produce a report for the Executive Board where the total cost of an individual scheme is forecast to exceed the figure approved for that scheme by 10% on schemes costing less than £5m and £500,000 on schemes costing £5m and above (subject to a minimum of £25,000). The report shall identify how the increased cost of the scheme will be dealt with.	The appropriate Executive Director must immediately produce a report for Council where the total cost of an individual scheme is forecast to exceed the figure approved for that scheme by 10% on schemes costing less than £5m and £500,000 on schemes costing £5m and above (subject to a minimum of £25,000). The report shall identify how the increased cost of the scheme will be dealt with.	Reporting arrangements updated to reflect what actually happens in practice.
5.1.8	The Operational Director - Finance shall report quarterly to the Executive Board on capital spends.	The Director - Finance shall report quarterly to Council on capital spending.	Reporting arrangements updated to reflect what actually happens in practice.
5.2.1 (first para)	The approved Revenue Budget shall be deemed to give authority to the Executive Directors to expend or incur liabilities, during the period covered by that budget, to the extent of the detailed provisions contained therein. In accordance with the Council's scheme of delegation, these deemed authorities shall be exercisable by the Operational Directors.	The approved Revenue Budget authorises Executive Directors to incur expenses or liabilities within the budget's provisions for the period covered by the budget. Under the Council's scheme of delegation, Directors may also exercise this authority.	Simplification of wording

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5.2.2.2 (para 5)	No virement is permitted which involves a change in policy or commits expenditure into future years without the specific approval of the Executive Board. Virements which commit expenditure into future years should not be done so without the prior approval of the Operational Director – Finance.	No virement is permitted which involves a change in policy without the specific approval of the Executive Board. Virements which commit expenditure into future years should not be done so without the prior approval of the Director – Finance, carrying forward balances through earmarked reserves.	Clarification on process for virements which commit expenditure into future years.
6.3.4	Each Operational Director shall notify the Operational Director – Finance of new risks or properties which require insurance, and of any alterations affecting existing risks or insurance in advance of the changes to cover being required.	Each Director shall notify the Director – Finance of new risks or assets which require insurance, and of any alterations affecting existing risks or insurance in advance of the changes to cover being required.	Replace ‘property’ with ‘assets’ as insurance cover is also placed for non-property assets
6.5.4	The Council nominates the Corporate Services Policy and Performance Board to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.	The Council nominates the Audit and Governance Board to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.	Audit and Governance Board has oversight of the Council’s financial management arrangements.
8.3.4	Payment will be made by the Operational Director – Finance in the manner considered most appropriate e.g. BACS payment or payment by government procurement card. Other cost effective methods of payment may also be considered as and when required.	Payment will be made by the Director – Finance in the manner considered most appropriate, e.g. BACS payment, payment by government procurement card, payment by corporate credit card. Other cost effective methods of payment may also be considered as and when required.	Payment by corporate credit card added as an example of an acceptable payment method.

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9.1.1	Any proposal to introduce a new source of income or to vary any existing source of income, shall, before implementation, be submitted to the Executive Board. Fees and charges are to be set in accordance with the principles set out in the Corporate Charging Policy Framework.	Fees and Charges are to be set out in accordance with the principles set out in the Corporate Charging Policy Framework and reported annually to Executive Board, prior to the start of a financial year.	It is impractical for Executive Board to be informed of all new sources of income or variations to existing sources of income prior to implementation. However, the annual report reviewing all fees and charges ensures that Executive Board is consulted.