

# Financial Procedures - Overview

To outline the proposed changes to the procurement process to be enshrined in the new financial regulations.		
<b>Recommendation:</b>		
1. Council is recommended to adopt the principles and schedule of delegation outlined below, to implement them immediately, and to instruct staff to prepare new financial regulations on this basis.		
	Yes	No
Does the decision involve new expenditure?		No
Is there an existing budget for the proposed expenditure (insert code)	N/A	
What procurement level is required?	N/A	
Are there equalities impacts / an equalities assessment required?		No
Does this require a full council decision? (Reports for full council decision should still be sent to the relevant committee where possible.)	N/A	
Is there a background paper or papers? (provide links below).		No
<ol style="list-style-type: none"> <li>1. Currently the financial regulations provide a great degree of latitude to the Responsible Financial Officer (RFO) with regard to purchasing decisions below £5,000 and above £25,000.</li> <li>2. In the RFO's opinion, sole authority for the Town Clerk should be reserved to purchases under £1000; purchases up to £2.5k should be authorised by one of the council's panel of bank account signatories, up to £5k by two signatories, and up to £25k by a tender process previously approved by two bank account signatories.</li> <li>3. Regulation 7.5 is unclear, and should make clear that, notwithstanding the urgency provisions of regulation 32(2)(c) of the Public Contracts Regulations 2015, the choices made by the RFO as to the appropriate route for a decision to be made should be after documented consultation with, and the approval of, at least three of the panel of signatories. This proposal, by the Town Clerk, reflects lessons learned from a review of the decision to purchase an electric vehicle in 2023.</li> <li>4. In every case referred to above all signatories should be contacted in advance of an approval being recorded, and where a decision is challenged purchase orders should not be issued until the matter has been resolved.</li> <li>5. Emails used to notify signatories of the need for authorization, and the responses received, should be filed with the purchase order.</li> </ol>		
<b>Issues arising from proposal</b>		
None.		
<b>Rationale for recommendation</b>		
To enable better internal control of purchasing decisions.		