

SALISBURY CITY COUNCIL

Report

Subject : Financial Regulations and Internal Financial Controls
Committee : Full Council
Date : 6 March 2023
Author : Estelle Sherry, Responsible Finance Officer

1. Report Summary:

1.1. The Financial Regulations and Internal Financial Controls (the Regulations) govern the conduct of financial management by the Council. The Regulations are one of the council's governing policy documents providing procedural guidance for Members and officers, and they must be observed in conjunction with the Council's Standing Orders.

1.2. The Regulations are reviewed at least annually to ensure they remain fit for purpose and may only be amended by resolution of Full Council in accordance with clause 1.1.

2. Amendments and Variations:

2.1. The Public Contracts (Amendment) Regulations 2022, which came into force on 21 December 2022, resulted in an amendment to Chapter 8, Regulation 109, Part 2.

2.2. Chapter 8 applies to procurements by contracting authorities with respect to public contracts where Part 2 does not apply because the estimated value of the procurement is less than the relevant threshold.

2.3. Prior to this amendment, the Regulation held that Part 2 does not apply:

- (c) Where the contracting authority is –
- (i) a sub-central contracting authority....., and
 - (ii) the procurement has a value net of VAT estimated to be less than £25,000.

This amendment increases this threshold to £30,000.

2.4. The following table summarises the amendments for which Full Council are asked to approve:

Clause	Description
Contracts	
11.2	Where the Council intends to procure or award a public supply, public service or public works contract as defined by the Public Contracts Regulations 2015 which is valued at £30,000 or more, the Council shall comply with the relevant requirements of the Regulations: <ul style="list-style-type: none">• To use the Contract Finder website to advertise contract opportunities;• Set out the procedures to be followed in awarding new contracts; and• To publicise the award of new contracts.

11.8	When the Council is to enter into a contract of less than £30,000 in value for the supply of goods or materials or for the execution of works or specialist services other than as are excepted in Regulation 11.1 above, three quotations shall be obtained. Where the value is below £10,000 and above £500 officers will strive to obtain three estimates.
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3. Recommendation:

It is recommended that Full Council:

- 3.1. Approve the adoption of these Financial Regulations and Internal Financial Controls.

4. Background Papers:

- 4.1. Appendix A – Financial Regulations and Internal Financial Controls

5. Implications:

- 5.1. **Financial:** As outlined in the report.
- 5.2. **Legal:** As outlined in the report
- 5.3. **Personnel:** None in relation to this report
- 5.4. **Environmental Impact:** None in relation to this report
- 5.5. **Equality Impact Statement:** None in relation to this report