

Council – 14 April 2025

Financial Regulations Review

Purpose	For Decision
Classification	Public
Executive Summary	This report sets out to Council the proposed revisions to the council's financial regulations.
Recommendation(s)	It is recommended that Council approve: 1) the updated Financial Regulations, as set out in the report and in appendices 1-3, are approved. 2) the consequential changes to align the Contract Standing Orders (CSO) thresholds as set out in appendix 4.
Reasons for recommendation(s)	The council's financial regulations should be reviewed regularly to ensure they reflect the current policy and practice required by the Council, including due regard to the current organisational structure.
Ward(s)	All
Portfolio Holder(s)	Councillor Jeremy Heron – Finance and Corporate
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources and Transformation (Section 151 Officer)
Officer Contact	Paul Whittles Assistant Director – Finance (Deputy Section 151 Officer) 02380 285766 paul.whittles@nfdc.gov.uk

Introduction and background

1. The Council's Financial Regulations need to be reviewed regularly to ensure they reflect the current policy and practise required by the Council, including due regard to the current organisational structure.

2. The last review by Audit Committee was 22 March 2024 and included updates regarding the new Assistant Director positions and thresholds, with the changes being fully adopted by Council at the 8 April 2024 meeting. The latest proposals were considered by Audit Committee at the 21 March 2025 meeting and were agreed as being recommended for approval by Council.
3. Up-to-date Financial Regulations support the Section 151 Officer in directing the Council's financial affairs and ensure the proper administration of the financial affairs of the Council. They are also another central point of reference for managers, which form a mandatory framework for financial administration in New Forest District Council.

Summary of Amendments

4. The key changes proposed are to amend the current threshold limits found at Appendix 1 for transfers, virements and supplementary budgets as revised and detailed in Appendix 2.
5. Additionally, the Authorisation Level Required table now clearly defines those who must be consulted and those who are the ultimate decision maker, as well as those making the initial request.
6. The proposed Financial Regulations can be found in Appendix 3. Some minor and grammatical updates have been made including alterations to values, job roles and specific procedural policy updates.
7. Furthermore, the thresholds for certifying payments have consequently been adjusted to align with the new management structure and can be found in paragraph 11.1.1 in appendix 3.

Corporate plan priorities

8. The Financial Regulations provide the governance and framework for the council's financial activity. In turn they provide controlled flexibility to budget holders, enabling decisions to be made that support all council priorities, whilst continuing to be financially responsible.

Options appraisal

9. The Council could choose not to agree to the proposed revisions and maintain the existing authorisation levels which would not result in empowering managers to take on greater responsibility for their budget and could potentially create undesired delays to budgetary decisions.

Consultation undertaken

10. Internal consultation between the Portfolio Holder for Finance and Corporate, NFDC statutory officers and finance officers, have determined the recommendation presented in the report.
11. The Audit Committee considered the proposed financial regulations at its meeting 21 March 2025 and supported recommendation 1 set out in the report. Recommendation 2 was not presented to the Committee but is consequential to the approval of the updated financial regulations.

Financial and resource implications

12. There are no direct financial implications as a result of this report. The revisions do however empower managers across the Council to make financial decisions in their service areas. As a matter of course, managers will be expected to consult and brief their respective Portfolio Holders on the matters affecting their budgets, on a regular basis.

Legal implications

11. There are no direct legal implications as a result of this report.
12. Consequential amendments to the Constitution arising from the changes to thresholds, including implications for the Key Decision threshold will be made following the decision.

Risk assessment

13. The level and breadth of consultation supporting the decision maker is considered appropriate to any increased potential financial risk.

Environmental / Climate and nature implications

14. There are no direct environmental, climate or nature implications as a result of this report.

Equalities implications

15. There are no direct equalities implications as a result of this report.

Crime and disorder implications

16. There are no direct crime and disorder implications as a result of this report.

Data protection / Information governance / ICT implications

17. There are no direct data protection or information governance implications as a result of this report. Financial systems, where necessary, shall need to be updated with the relevant thresholds applicable to officers.

Appendices:

Appendix 1 – NFDC Financial Regulations Summary – Authorisation Level Required (Current)

Appendix 2 – NFDC Financial Regulations Summary – Authorisation Level Required (Proposed)

Appendix 3 – Financial Regulations (Proposed)

Appendix 4 – Annex B of Contract Standing Orders (Proposed)

Background Papers:

Council 8 April 2024:

[Agenda Item 5 Financial Regulations Review](#)

Audit Committee 22 March 2024:

[Agenda Item 10 Review of Financial Regulations](#)

NFDC FINANCIAL REGULATIONS SUMMARY - AUTHORISATION LEVELS REQUIRED (CURRENT)

Table 1: Authorisations Required for Budget Transfers, Virements & Supplementary Budgets								
Value	S151 Officer	Senior/ Service Manager (Band 10-11)	Assistant Director	Strategic Director	Portfolio Holder	Finance Portfolio Holder	Cabinet	Council
Transfers: Any Value	Y	Y						
Virements:								
<= £25,000	Y	Y						
£25,001 - £50,000	Y	Y	Y	Y	Y			
£50,001 - £240,000 revenue	Y	Y	Y	Y			Y	
£50,001 - £240,000 capital	Y	Y	Y	Y	Y	Y		
> £240,000	Y	Y	Y	Y			Y	Y
Supplementary Budgets:								
<= £10,000	Y	Y						
£10,001 - £50,000	Y	Y	Y	Y	Y	Y		
£50,001 - £120,000 revenue	Y	Y	Y	Y			Y	
£50,001 - £120,000 capital	Y	Y	Y	Y	Y	Y		
> £120,000	Y	Y	Y	Y			Y	Y

NFDC FINANCIAL REGULATIONS SUMMARY - AUTHORISATION LEVELS REQUIRED (PROPOSED)

Table 1: Authorisations Required for Budget Transfers, Virements & Supplementary Budgets								
Value	S151 Officer	Senior/ Service Manager (Band 10-11)	Assistant Director*	Strategic Director	Portfolio Holder	Finance Portfolio Holder	Cabinet	Council
Transfers: Any Value	C	D						
Virements:								
<= £50,000	C	D	C*					
£50,001 - £150,000	C	R	R	D	C			
£150,001 - £450,000 revenue	C	R	R	R			D	
£150,001 - £450,000 capital	C	R	R	D	C	C		
> £450,000	C	R	R	R			C	D
Supplementary Budgets:								
<= £25,000	C	D	C*					
£25,001 - £150,000	C	R	R	D	C	C		
£150,001 - £450,000 revenue	C	R	R	R			D	
£150,001 - £450,000 capital	C	R	R	D	C	C		
> £450,000	C	R	R	R			C	D

R = Requester

D = Decision maker

C = Consultee

*Note: should your organisational structure not include an Assistant Director then you must consult your Strategic Director