

REGULATION 1: RESPONSIBILITIES OF MEMBERS

Quick Link

- 1.1 Overall Responsibilities
- 1.2 The Council
- 1.3 The Executive
- 1.4 The Scrutiny Board and Review Panels
- 1.5 The Standards Committee
- 1.6 Other Committees
- 1.7 The Audit Committee

1.1 OVERALL RESPONSIBILITIES

All members have a general duty of care to the Council and responsibility for taking all reasonable actions to:

- a) Provide for the security of assets under their control (including ICT systems).
- b) Ensure use of resources is legal and properly authorised.
- c) Ensure use of resources achieves best value.
- d) Ensure that at no time any assets, income or other resources under their control are put at risk of loss or waste.

1.2 THE COUNCIL

The (Full) Council has the general responsibility for:

'Setting the Council's Policy and Budget Framework'

The Council must therefore ensure the following:

- 1.2.1 **Strategy Approval:** Corporate strategies are approved in accordance with the projected resources of the Council.
- 1.2.2 **Treasury Management:** The Treasury Management Strategy and Annual Investment Strategy adequately balance perceived risks with the need to maximise the cash resources for the Council.
- 1.2.3 **Budget Approval:** Approved revenue budgets, capital programmes and council tax levels are in accordance with the Council's Financial Strategy.
- 1.2.4 **Budget Amendments:** Supplementary estimates are only approved after consideration of the Council's overall budgetary position.
- 1.2.5 **Members Allowances:** The recommendations of the Independent Advisory Panel have been given appropriate consideration prior to the approval of the scheme of members allowances.

SECTION A: FINANCIAL RESPONSIBILITIES – REG 1 (Members)

- 1.2.6 **Statutory Officer Reports:** Appropriate action is taken on any s114, s114A, s5 or budget overspend reports issued by the statutory officers.
- [These refer to sections 114/A of the Local Government Finance Act 1988 and section 5 of the Local Government and Housing Act 1989. The responsibilities of the statutory officers under these acts are detailed in [Regulation 2](#).]
- 1.2.7 **External Audit:** Appropriate action will be taken in response to any concerns raised in the External Audit Annual Audit and Inspection Letter.
- 1.2.8 **Corporate Governance:** Appropriate action will be taken in response to any concerns raised by the Audit Committee in relation to issues of Corporate Governance.
- 1.2.9 **Anti-Fraud and Corruption Policy:** Appropriate action will be taken in response to any concerns raised by the Audit Committee in response to the review of the Anti-Fraud and Corruption Policy.
- 1.2.10 **Risk Management Policy and Strategy:** Appropriate action will be taken in response to any concerns raised by the Audit Committee in response to the review of the Risk Management Policy and Strategy.

1.3 THE EXECUTIVE

The Executive has the general responsibility for:

'Making Decisions on Council's Services within the Policy and Budget Framework set'.

The Executive must therefore ensure the following:

- 1.3.1 **Financial Strategy:** The Financial Strategy for the Council is considered and any appropriate action needed identified and recommended to Council.
- 1.3.2 **Treasury Management Strategy:** The Treasury Management Strategy is considered in light of the Council's Financial Strategy and projected resources and any appropriate action needed identified and recommended to Council prior to approval.
- 1.3.3 **Setting of Budgets:** Detailed estimates of income and expenditure for all services and committees, and the proposed Council Tax levels are prepared within the context of the Council's Financial Strategy for approval by the Council on an annual basis.
- 1.3.4 **Power to Incur Expenditure:** Expenditure is only incurred if it forms part of the approved Service Revenue Budget or Capital Programme, or is urgent and is in accordance with the provisions of the Constitution, [Regulation 6](#) or [Regulation 8](#).

SECTION A: FINANCIAL RESPONSIBILITIES – REG 1 (Members)

- 1.3.5 **Amendments to Budgets (virements):** Any decision to reallocate revenue or capital budget funds from one service to another does not exceed the virement rules approved by the Council. See [Regulation 8](#) and [9](#).
- 1.3.6 **Budgetary Control:** The overall revenue budget and capital programme approved by the Council is not exceeded.
- 1.3.7 **Action if Resources Likely to be Exceeded:** Any report issued by the Statutory Chief Finance Officer, indicating that expenditure is likely to exceed the resources available, is considered and referred to the Council.
- 1.3.8 **Decision-Making:** The forward rolling plan of key decisions uses the agreed criteria, as set out in the Constitution.
- 1.3.9 **Financial Implications of Decisions:** Any proposals, which have significant financial implications, are only made by the whole Executive and meet the consultation requirements, set out in the Constitution. In all cases a report must be considered, in consultation with the Statutory Chief Finance Officer, which clearly identifies the costs and benefits before any decision is taken.
- 1.3.10 **Capital Scheme Approval:** Approved capital schemes are in accordance with the Council's Capital Strategy and Asset Management Plan. Any increases in the value of any single scheme are approved in accordance with [Financial Regulation 9.2.5](#).
- 1.3.11 **Award of Contracts:** Propriety and Best Value are maintained in the award of any Council contract.
- 1.3.12 **S115B Reports -** An appropriate report is prepared for the Scrutiny Board in response to any s114 or s114A reports on financial misconduct issued by the Statutory Finance Officer.

[These refer to sections 114/A of the Local Government Finance Act 1988. The responsibilities of the Statutory Finance Officers under these acts are detailed in [Regulation 2](#).]

1.4 THE SCRUTINY BOARD AND REVIEW PANELS

The Scrutiny Board has the general responsibility to:

'monitor and review the policy, strategy and finance activities of the Council; to help the Council develop appropriate policies and strategies; and to scrutinise the decisions of the Executive to make sure it is delivering effective services and providing value for money'.

The Review Panels have the general responsibility for:

'monitoring and reviewing the activities of the Council associated with their portfolio, and to help develop appropriate policies and strategies. In particular they examine Executive decisions before or after implementation to ensure they are within the Policy and Budget Framework set'.

The Scrutiny Board with the Review Panels must therefore ensure the following:

- 1.4.1 **Setting of Service Budgets:** Annual budgets proposed for the provision of Council services are reviewed against the policy and strategy set for the service.
- 1.4.2 **Budgetary Control:** Any specific budgets allocated to the Scrutiny Board or Review Panel are adequately controlled.

1.5 THE STANDARDS COMMITTEE

The Standards Committee has the general responsibility for:

'Advising on an internal framework of ethical governance'.

The Standards Committee must therefore ensure the following:

- 1.5.1 **Promotion of Probity and Ethics:** The required standards of conduct are promoted amongst members and employees.
- 1.5.2 **Committee Budget:** Detailed estimates of income and expenditure for the Committee's services are submitted to the Executive for approval by the Council on an annual basis.
- 1.5.3 **Budgetary Control:** The budget approved by the Council is not exceeded.

1.6 THE OTHER COMMITTEES

The Other Committees consist of:

- a) **The Licensing and Regulatory Affairs Committee**
- b) **The Planning Development Control Committee**
- c) **The Appeals Committee**
- d) **any other Committees appointed by the Council.**

Other Committees have the general responsibility for:

"Carrying out non-executive functions within the powers delegated to them by the Council"

The Other Committees must therefore ensure the following:

- 1.6.1 **Setting of Budgets:** Detailed estimates of income and expenditure for the Committee services, where applicable, are submitted to the Executive for approval by the Council on an annual basis.

SECTION A: FINANCIAL RESPONSIBILITIES – REG 1 (Members)

- 1.6.2 **Budgetary Control:** The individual Committee budgets approved by the Council are not exceeded.
- 1.6.3 **Action if Resources Likely to be Exceeded:** Any report issued by the Statutory Chief Finance Officer, indicating that expenditure is likely to exceed the resources available, is considered and referred to the Council.

1.7 THE AUDIT COMMITTEE

The Audit Committee has the responsibilities to:

'provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment; and to oversee the financial reporting process.'

These responsibilities are defined further in **FRSD 28 – Audit Committee Responsibilities.**

The Committee must therefore ensure the following:

- 1.7.1 **Financial Policies:** Recommendations are made to Council which will support appropriate arrangements being made for the proper administration of financial affairs. This includes reviewing the annual updates to the Council's Financial Regulations and Contract Standing Orders.
- 1.7.2 **Risk Management Policy:** The Council's risk management policy is pertinent to being custodians of public monies.
- 1.7.3 **Risk Management Strategy:** The Council's risk management strategy is appropriate to support the development and embedding of risk management processes throughout the Council.
- 1.7.4 **Strategic Risk Registers:** Adequate action is taken to identify, assess and control any strategic risks identified for the Council.
- 1.7.5 **External Audit Plan:** The External auditors' plan of work for the year is considered and approved as necessary.
- 1.7.6 **External Audit Report:** The External Audit Annual Audit and Inspection letter is considered and any appropriate action needed is reported to the Council.
- 1.7.7 **Internal Audit Plans:** Internal audit coverage is appropriate and provides assurance across the framework of internal control in the Council. Actions are being taken to address weaknesses found.

SECTION A: FINANCIAL RESPONSIBILITIES – REG 1 (Members)

- 1.7.8 **Internal Control Assurance:** The Head of Audit's Annual Report is considered and any appropriate actions taken.
- 1.7.9 **Anti-Fraud and Corruption Policies:** Appropriate Anti-Fraud and Corruption Policies and Strategies are maintained and reports on the work carried out in respect of these are received and any appropriate action needed is reported to the Council.
- 1.7.10 **Code of Corporate Governance:** The annual review of the Code of Corporate Governance is considered and any appropriate action needed identified and reported to the Council.
- 1.7.11 **Statement of Accounts:** The authority's statement of accounts, income and expenditure, balance sheet and Annual Governance Statement, are scrutinised and approved as necessary.

Other Points of Reference (underline denotes a hyperlink is available)

Constitution Part 1 – The Constitution

[Regulation 2: Responsibilities of Statutory Officers](#)

[Regulation 5: Corporate Planning](#)

[Regulation 6: Financial Strategies](#)

[Regulation 7: Financial Reporting](#)

[Regulation 8: Revenue Budgets](#)

[Regulation 9: Capital Budgets](#)

[Regulation 10: Risk Management](#)

[Regulation 11: Internal Audit](#)

[Regulation 12: Treasury Management](#)

[Regulation 18.4: Members Allowances](#)

[Financial Regulation Support Document 28: Responsibilities of an Audit Committee](#)