

**PROPOSED AMENDMENTS TO THE CONSTITUTION
OF LEICESTERSHIRE COUNTY COUNCIL
NOVEMBER 2015**

<u>ITEM</u>	<u>PROPOSED AMENDMENT</u>	<u>EXPLANATION</u>
<p><u>PART 4F – FINANCIAL PROCEDURE RULES</u></p> <p><u>Standard Financial Instructions</u></p> <p>Instruction 2 - Substitution</p>	<p>Rename Instruction 2 to; 'Instruction 2 – Changes to the Capital Programme' and amend to read as follows:-</p> <p>The Chief Financial Officer may approve requests to add or amend schemes within the capital programme, providing that they are totally funded, there is no overall increase in revenue costs, there is no change in overall policy and subject to reporting the changes to the Executive and Scrutiny as part of the next MTFS monitoring report. In any particular instance, the Chief Financial Officer may decline to give approval and instead refer the proposal to the Executive.</p>	<p>To provide flexibility to enable in year changes and new schemes to be added to the capital programme, e.g. in year grant awards, section 106 contributions, earmarked funds and other external contributions.</p>
<p>Instruction 4 – Revenue Virement</p>	<p>Remove section (b) iv., and renumber (b) v. to (b) iv.</p>	<p>Following the proposed changes to Instruction 2 above, it is proposed that subsection (b) iv., which states that virement is not allowed where it involves funding capital expenditure from revenue, can now be removed. This is included in the proposed changes to Instruction 2 where these can be approved by the CFO.</p>

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Instruction 13 – Income Records and Grant Claims	<p>Amend section (a) to read as follows:-</p> <p>The collection of all monies due to the Council, including income from trading activities, should be under the control of the Chief Financial Officer. He or she will require that all monies due are promptly recorded, are collected in accordance with an approved collection strategy and all monies are promptly banked.</p>	Clarification that debts are collected in accordance with an approved Collection Strategy
Instruction 14 – Write Offs	<p>Amend section (b) to read as follows:-</p> <p>(b) Amounts up to £10,000 in any one case may be written-off by the Chief Financial Officer with the agreement of the chief officer of the department concerned. In special categories of write-offs, such as library issues, the Chief Financial Officer may authorise chief officers or nominated officers to write-off debts on his or her behalf.</p>	To allow the Chief Financial Officer to authorise appropriate nominated officers to write-offs debts in special categories.
Instruction 17 – Salaries, Wages and Pensions	<p>Amend section (c) to read as follows:-</p> <p>Tax, pension, national insurance and all other deductions from pay and related matters must be recorded and controlled in such a manner as determined by the Chief Financial Officer.</p>	Delete the word 'superannuation' and replace with 'pension'.
Instruction 22 – Schools and Fair Funding Regulations	<p>Amend to read as follows:-</p> <p>(a) The School Standards and Framework Act 1998, through the Leicestershire Scheme for Financing Schools allows governors of schools to determine their own arrangements for payroll, ordering and payments to suppliers, the collection of income and banking.</p> <p>(b) The Act also confirms the Chief Financial Officer's overall</p>	Minor updates to wording.

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	<p>responsibility for ensuring that arrangements for the proper administration of the school's financial affairs are in place.</p> <p>(c) When undertaking this role, the Chief Financial Officer will wish to be assured that the Standard Financial Instructions outlined in the document are in place. He or she will also wish to be assured that the financial requirements on schools contained in the Scheme for Financing Schools are being carried out.</p>	