

**NORTHERN IRELAND SOCIAL
CARE COUNCIL**

MANAGEMENT STATEMENT

AND

FINANCIAL MEMORANDUM

September 2007

MANAGEMENT STATEMENT AND FINANCIAL MEMORANDUM

AGREEMENT OF TERMS

between

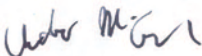
THE DEPARTMENT OF HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY

and

THE NORTHERN IRELAND SOCIAL CARE COUNCIL


The *Management Statement and Financial Memorandum*, revised in September 2007, sets out the strategic control framework within which the Northern Ireland Social Care Council (“the Council”) is required to operate, including the conditions under which government funds are provided as detailed in *Government Accounting Northern Ireland (GANI)*. It aims to achieve prudent and effective management of resources by the Council, combined with a reasonable degree of day-to-day freedom for the Council to manage its operations.

The *Management Statement and Financial Memorandum* has been drawn up by the Department, in consultation with the Council, who agree to conduct their finances and business within the conditions contained therein. The contents of the *Management Statement and Financial Memorandum* have been approved by the Department of Finance and Personnel.

Signed: 

Date: 12 September 2007

On behalf of the Department

Signed: 

Date: 12-9-07

On behalf of the Council

SECTION 1

MANAGEMENT STATEMENT

NORTHERN IRELAND SOCIAL CARE COUNCIL

MANAGEMENT STATEMENT AND FINANCIAL MEMORANDUM

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1. INTRODUCTION

1.1 This document

1.1.1 This *Management Statement* and *Financial Memorandum* has been drawn up by the Department of Health, Social Services and Public Safety (“the Department”) in consultation with the Northern Ireland Social Care Council (“the Council”), 7th Floor, Millennium House, 19-25 Great Victoria Street, Belfast BT2 7AQ.

1.1.2 Subject to the legislation noted below, this *Management Statement* sets out the broad framework within which the Council will operate, in particular:

- the Council’s overall aim, objectives and targets in support of the Department’s wider strategic aims and the outcomes and targets contained in its current Public Service Agreement (PSA);
- the rules and guidelines relevant to the exercise of the Council’s functions, duties and powers;
- the conditions under which any public funds are paid to the Council; and
- how the Council is to be held to account for its performance.

However, the *Management Statement* and *Financial Memorandum* do not convey any legal powers or responsibilities.

1.1.3 The associated *Financial Memorandum* sets out in greater detail certain aspects of the financial provisions which the Council shall observe.

1.1.4 The *Management Statement* and *Financial Memorandum* will normally be formally reviewed every five years.

1.1.5 The Council, the Department, or the Minister, may propose amendments to this document at any time. Any such proposals by the Council shall be considered in the light of evolving Departmental policy aims, operational factors and the track record of the Council itself. The guiding principle shall be that the extent of flexibility and freedom given to the Council shall reflect both the quality of its internal controls to achieve performance and its operational needs. The Department shall determine what changes, if any, are to be incorporated in the document. Legislative provisions shall take precedence over any part of the document. Significant variations to the document shall be cleared with the Department of Finance and Personnel (DFP) and/or the Office of the First Minister and Deputy First Minister (OFMDFM) after consultation with the Council, as appropriate. The Department, in consultation with DFP and/or OFMDFM, will determine the definition of “significant”.

1.1.6 The combined *Management Statement* and *Financial Memorandum* is signed and dated by the Department and the Council. It should be copied to OFMDFM for information.

1.1.7 The Department shall resolve any question regarding the interpretation of the document after consultation with the Council and, as necessary, with DFP and/or OFMDFM.

1.1.8 Copies of this document and any subsequent substantive amendments shall be placed in the Library of the Assembly. It will also be available to members of the public on the Council's website.

1.2 Founding legislation; status

1.2.1 The Council is established under Part I of the Health and Personal Social Services Act (Northern Ireland) 2001 ("the Act"). The status and constitution of the Council is set out in Schedule 1 to the Act. The Council does not carry out its functions on behalf of the Crown.

1.3 The functions, duties and powers of the Council

1.3.1 The Act gives the Council:

functions:

- maintaining a register of social workers and social care workers;
- preparing and publishing codes of practice and conduct expected of social care workers and their employers;
- approving courses in relevant social work; and
- undertaking any functions that may be delegated to it by the Department, under Section 14 (5)(a) of the Act.

duties:

- to promote high standards of conduct and practice among social care workers in Northern Ireland; and
- high standards in their training.

The Council also has a duty to carry out its functions effectively, efficiently and economically.

powers:

- register applicants who are of good character, physically and mentally fit to perform the work, satisfy such training requirements as may be specified in the Council's rules and who satisfy the Council's rules as to conduct and competence;
- determine the evidence to be produced by those applying for registration;

- charge such registration fees (including applications for registration, or for amendment of the register) as the Department may agree;
- refuse registration to applicants who do not satisfy the registration requirements;
- determine how the register of social care workers may be kept;
- determine the circumstances in which, and the means by which:
 - a person may be removed from a part of the register, whether or not for a specified period;
 - a person who has been removed from a part of the register may be restored to that part;
 - a person's registration in a part of the register may be suspended for a specified period;
 - the suspension of a person's registration in a part of the register may be terminated;
 - an entry in a part of the register may be removed, altered or restored;
- charge a fee for provision of copies of, or extracts from the register;
- review and vary the provisions of the codes of practice;
- take into account failure to comply with the codes of practice when considering removal of a person from the register;
- charge a fee for provision of copies of the codes of practice;
- determine the rules for approval of training of social workers;
- determine the rules for approval of persons who may participate in courses;
- determine the rules for approval of the numbers of persons who may participate in courses of social work training;
- determine the rules for the award, by the Council, of certificates of the successful completion of courses;
- determine the rules for lapse, renewal or withdrawal of approval of social work training; and
- charge a fee for approval of courses under section 10 of the Act or for the provision of training.

Rules made by the Council are subject to the consent of the Department.

1.3.2 Subject to any direction given by the Department, the Council, may do anything which appears to it to be necessary or expedient for the purpose of, or in connection with, the exercise of its functions. That includes, in particular:

- co-operating with other public authorities in the United Kingdom;
- acquiring and disposing of land and other property; and
- entering into contracts.

1.4 Classification

1.4.1 For policy/administrative purposes the Council is classified as an executive non-departmental public body (NDPB).

1.4.2 For national accounts purposes the Council is classified to the central government sector.

1.4.3 References to the Council include, (where they exist), all its subsidiaries and joint ventures that are classified to the public sector for national accounts purposes. If such a subsidiary or joint venture is created, there shall be a document setting out the arrangements between it and the Council (section 5.9 of the *Financial Memorandum*).

2. AIM, OBJECTIVES AND TARGETS

2.1 Overall aim

2.1.1 The Minister has approved the overall aim for the Council as follows:

- the aim of the Council is to protect the public through improving safeguards for vulnerable people, raising the standards of social care practice and strengthening the professionalism of the workforce

2.2 Objectives and key targets

2.2.1 The Department determines the Council's performance framework in light of its wider strategic aims and current PSA objectives and targets (paragraph 1.1.2). The Minister has approved the following objectives, key targets and performance measures within the Council's corporate and business planning process (Section 4 below):

Objective 1: To strengthen public protection through registration of the social care workforce;

Objective 2: To improve the quality of social care through the development, promotion and regulation of education and training;

Objective 3: To strengthen and support the professionalism of the social care workforce;

Objective 4: To ensure that social care staff, supported by employers, meet agreed standards of conduct and practice;

Objective 5: To discharge its responsibilities having regard to the views of users of social care services, carers, registrants and other key stakeholders.

2.2.2 The following performance measures are to be used to assess progress against these objectives. They should be used as a basis for reporting progress against the objectives.

Objective 1: To strengthen public protection through registration of the social care workforce.

Associated Performance Measures:

- Develop and maintain an effective registration process.
- Development of a prioritised registration programme for social care workers for approval by the Department.
- Complete registration of priority groups, including social workers, care staff in children's homes, designated managers and social work students within timeframes agreed with the Department.
- Complete the roll-out of registration to the timeframe agreed with the Department.
- The number of social care workers in each phase of the roll-out programme, registered as a percentage of the social care workers in that phase of registration.
- The number of social care workers registered as a percentage of the total social care workforce.
- Participation in the development of the 4-Country registration programme.

Objective 2: To improve the quality of social care through the development, promotion and regulation of education and training.

Associated Performance Measures:

- Contribution to the implementation of the Reform of Social Work Training Policy.
- Approval and regulation of Degree in Social Work courses in Northern Ireland.
- Monitor, evaluate and advise on the final outputs of the Diploma in Social Work in Northern Ireland.
- Development and monitoring of standards against which social work education and training are regulated.

- Development of a new regulatory framework for Post Qualifying training in Northern Ireland for submission to the Department.
- Monitor and evaluate the implementation of the new regulation framework for Post Qualifying Framework.
- Contribute to the development of a Practice Learning Strategy linked to the Personal Social Services (PSS) Training Strategy.
- Monitor the quality and, where necessary, improve the quality and quantity of practice learning opportunities.
- The extent of activity undertaken to promote social work training.
- The number of applications for places on social work training courses in comparison with the number the previous year.
- The numbers of places filled on social work training courses in comparison with the previous years, from 2004.
- Monitor and evaluate the outputs from the social work degree courses on an annual basis.
- The level of contribution made to development of National Occupational Standards and related National Vocational Qualifications for social care workers.

Objective 3: To strengthen and support the professionalism of the social care workforce.

Associated Performance Measures:

- Contributing to the development and implementation of the Personal Social Services Training Strategy.
- Producing for the Department's consideration a draft Framework linking qualifications and training with registration requirements for social care workers.
- The number of social care workers with relevant qualifications as a proportion of the total social care workforce.

Objective 4: To ensure that social care staff, supported by employers, meet agreed standards of conduct and practice.

Associated Performance Measures:

- The publication and promotion of codes of practice for social care workers and their employers.

- Establishing and implementing effective, efficient, fair and transparent procedures to support regulation of the social care workers.
- Review of codes of practice and dissemination of lessons learned.

Objective 5: To discharge its responsibilities having regard to the views of users of social care services, carers, registrants and other key stakeholders.

Associated Performance Measures:

- The extent to which decisions of the Council have been informed by the views of users of social care services, carers, the registrants and other key stakeholders.
- The development of effective communication networks with the public, educators, employers and other regulatory bodies in Northern Ireland and elsewhere as appropriate.

2.2.3 The key performance targets relating to these performance measures are to be set out in the Council's corporate and business plans (see Section 4 below).

3. RESPONSIBILITIES AND ACCOUNTABILITIES

3.1 The Minister

3.1.1 The Minister is accountable to the Assembly for the activities and performance of the Council. His responsibilities include:

- approving the Council's strategic objectives and the policy and performance framework within which the Council will operate (as set out in this *Management Statement* and *Financial Memorandum* and associated documents);
- keeping the Assembly informed about the Council's performance;
- approving the amount of grant-in-aid to be paid to the Council, and securing Assembly approval; and
- carrying out responsibilities specified in the founding legislation, including appointments to the Council, approving the terms and conditions of Council members, approval of the appointment of the Chief Executive, give directions as to the appointment of staff and the terms and conditions of staff, and laying of the annual report and accounts before the Assembly.

3.2 The Accounting Officer of the Department

3.2.1 The Permanent Secretary, as the Department's principal Accounting Officer ("the Departmental Accounting Officer"), is responsible for the overall organisation, management and staffing of the Department and for ensuring that there is a high standard of financial management in the Department as a whole. The Departmental Accounting Officer is accountable to the Assembly for the issue of any grant-in-aid to the Council. The Departmental Accounting Officer designates the Chief Executive of

the Council as the Council's Accounting Officer, and may withdraw the Accounting Officer designation if he believes that the incumbent is no longer suitable for the role.

3.2.2 In particular, the Departmental Accounting Officer shall ensure that:

- the Council's strategic aim and objectives support the Department's wider strategic aims and current PSA objectives and targets;
- the financial and other management controls applied by the Department to the Council are appropriate and sufficient to safeguard public funds and for ensuring that the Council's compliance with those controls is effectively monitored ("public funds" include not only any funds granted to the Council by the Assembly but also any other funds falling within the stewardship of the Council);
- the internal controls applied by the Council conform to the requirements of regularity, propriety and good financial management; and
- any grant-in-aid to the Council is within the ambit and the amount of the Request for Resources and that Assembly authority has been sought and given.

3.2.3 The responsibilities of a Departmental Accounting Officer are set out in more detail in Annex 4.1 to Chapter 4 of *Government Accounting Northern Ireland* (GANI).

3.3 The sponsoring team in the Department

3.3.1 Within the Department, the Office of Social Services (OSS) is the sponsoring team for the Council. The Team, in consultation as necessary with the Departmental Accounting Officer, is the primary source of advice to the Minister on the discharge of his responsibilities in respect of the Council, and the primary point of contact for the Council in dealing with the Department. The Team shall carry out its duties under the management of a senior officer, who shall have primary responsibility within the Team for overseeing the activities of the Council.

3.3.2 The sponsoring team shall advise the Minister on:

- an appropriate framework of objectives and targets for the Council in the light of the Department's wider strategic aims and current PSA objectives and targets;
- an appropriate budget for the Council in the light of the Department's overall public expenditure priorities; and
- how well the Council is achieving its strategic objectives and whether it is delivering value for money.

3.3.3 In support of the Departmental Accounting Officer the sponsoring team shall:

on performance and risk management –

- monitor the Council's activities on a continuing basis through an adequate and timely flow of information from the Council on performance, budgeting, control and risk management, including early sight of the Council's Statement on Internal Control;
- address in a timely manner any significant problems arising in the Council, whether financial or otherwise, making such interventions in the affairs of the Council as the Department judges necessary; and
- periodically carry out a risk assessment of the Council's activities to inform the Department's oversight of the Council; strengthen these arrangements if necessary; and amend the *Management Statement* and/or *Financial Memorandum* accordingly. The risk assessment shall take into account the nature of the Council's activities; the public monies at stake; the Council's corporate governance arrangements; its financial performance; internal and external auditors' reports, the openness of communications between the Council and the Department; and any other relevant matters;

on communication with the Council -

- inform the Council of relevant Government policy in a timely manner; if necessary, advise on the interpretation of that policy; and issue specific guidance to the Council as necessary; and
- bring concerns about the activities of the Council to the attention of the Chairman and Council Members, and require explanations and assurances from them that appropriate action has been taken.

3.4 The Chairman of the Council

3.4.1 The Chairman is appointed through open competition by the Minister. The terms of office for the Chairman are covered in Schedule 1 to the Act and associated regulations. The Northern Ireland Social Care Council (Appointments and Procedure) Regulations (Northern Ireland) 2001,¹ as amended, provide that the chairman shall be appointed for a period not exceeding 4 years. Subject to Regulation 4, the chairman on the termination of the period of tenure of office may be eligible for re-appointment for such further period, not exceeding 4 years as the Department may in any particular case determine.

3.4.2 The Chairman is appointed, not as a representative of any special interest or group but because of the personal skills and experience he possesses, which will benefit the running of the Council. The post of Chairman receives annual remuneration for a minimum time commitment of two days per week. The appointment of the Chairman is made under the Department's Public Appointment Procedures, which are firmly

¹ SR 2001 No. 313

based on the Code of Practice issued by the Commissioner for Public Appointments for Northern Ireland.

3.4.3 The Chairman is responsible to the Minister. The Chairman shall ensure that the Council's policies and actions support the wider strategic policies of the Minister; and that the Council's affairs are conducted with probity. The Chairman shares with other Council Members the corporate responsibilities set out in paragraph 3.5.4, and in particular for ensuring that the Council fulfils the aim and objectives set by the Department and approved by the Minister.

3.4.4 The Chairman has a particular leadership responsibility on the following matters:

- formulating the Council's strategy;
- ensuring that the Council, in reaching decisions, takes proper account of guidance provided by the Minister or the Department;
- promoting the efficient and effective use of staff and other resources;
- encouraging high standards of propriety;
- representing the views of the Council to the general public; and
- ensuring that the Council meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Council Members.

3.4.5 The Chairman shall also:

- ensure that all members of the Council, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities, and receive appropriate induction training, including on the financial management and reporting requirements of public sector bodies and on any differences which may exist between private and public sector practice;
- advise the Department of the needs of the Council when Member vacancies arise, with a view to ensuring a proper balance of lay, registrant and stakeholder membership; and
- on request, assess the performance of individual Council Members when they are being considered for re-appointment to the Council.

3.4.6 Performance appraisal should be regular and open and should not be conducted only at the time of reappointment. Members should have an awareness that they are being appraised, the standards against which they will be appraised, and have an opportunity to contribute to and view their report.

3.4.7 The Commissioner for Public Appointments for Northern Ireland is of the view that on-going assessment of members is vital, not only for compliance with the Code of Practice, but also to meet best practice and provide members with feedback; to

recognise their contribution; to motivate them; and, where necessary, to provide them with advice on improving performance.

- 3.4.8 The Chairman shall also ensure that a code of practice for Council Members is in place, based on the Cabinet Office's model *Code of Practice for Board Members of Public Bodies*, (DPFO letter dated 11 March 1997 refers). The Code shall commit the Chairman and other Council Members to the Nolan seven principles of public life, and shall include a requirement for a comprehensive and publicly available register of Council Members' interests.
- 3.4.9 Communications between the Council and the Minister shall normally be through the Chairman. The Chairman shall ensure that the other Council Members are kept informed of such communications.

3.5 Council Members

- 3.5.1 Council Members are appointed through open competition by the Minister. The terms of office for Council Members are covered in Schedule 1 to the Act and associated regulations. The appointment of Council Members is made under the Department's Public Appointment Procedures, which are firmly based on the Code of Practice issued by the Commissioner for Public Appointments for Northern Ireland. Council Members shall be appointed for a period not exceeding 4 years and may be appointed for periods of different duration. Council Members on the termination of the period of tenure of office may be eligible for re-appointment for such further period, not exceeding 4 years as the Department may in any particular case determine.
- 3.5.2 Membership is a combination of lay members, registrants and others who are key stakeholders in the social care services. **Lay Members** must have direct experience as a user of social care services, carer, or of unpaid work in the voluntary or community sector. **Registrant Members** must be social care workers, eligible for inclusion in the register of the social care workforce, to be maintained by the Council. **Stakeholder Members** must be directly involved in the commissioning or delivery of social care services, the delivery of education and training in social care or as a representative of a trade union, professional or other regulatory body concerned with health and social care, or be a member of the legal profession. All members are appointed in a personal capacity because of the skills and experience they possess.
- 3.5.3 Remuneration for Council members will be introduced from 1 October 2007. The time commitment expected of members averages at least two days a month.
- 3.5.4 The Chairman and Council Members have corporate responsibility for ensuring that the Council fulfils the aim and objectives set by the Department and approved by the Minister, and for promoting the efficient and effective use of staff and other resources by the Council. To this end, and in pursuit of its wider corporate responsibilities, Council Members shall:
- establish the overall strategic direction of the Council within the policy and resources framework determined by the Department;

- ensure that the Department is kept informed of any changes which are likely to impact on the strategic direction of the Council or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds are complied with; that Council operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Council takes into account all relevant guidance issued by DFP, OFMDFM and the Department;
- ensure that the Council Members receive and review regular financial information concerning the management of the Council; are informed in a timely manner about any concerns about the activities of the Council; and provide positive assurance to the Department that appropriate action has been taken on such concerns;
- demonstrate high standards of corporate governance at all times, including using the independent audit committee (see paragraph 4.6.3) to help the Council to address the key financial and other risks facing it; and
- appoint, with the Department's approval, the Chief Executive to the Council and, in consultation with the Department, set performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies.

3.5.5 Individual Council Members shall act in accordance with their wider responsibilities as Members of the Council – namely to:

- comply at all times with the Code of Practice (see paragraph 3.4.8 above) that is adopted by the Council and with the rules relating to the use of public funds and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations; and to declare publicly any private interests that may be perceived to conflict with their public duties;
- comply with the Council's rules on the acceptance of gifts and hospitality, and of business appointments; and
- act in good faith and in the best interests of the Council.

3.6 The Chief Executive's role as Accounting Officer

3.6.1 The Chief Executive of the Council is designated as the Council's Accounting Officer by the Departmental Accounting Officer.

3.6.2 The Accounting Officer of the Council is personally responsible for safeguarding the public funds for which he has charge; for ensuring propriety and regularity in the management of those public funds; and for the day-to-day operations and management of Council.

3.6.3 As Accounting Officer, the Chief Executive shall exercise the following responsibilities, in particular:

on planning and monitoring –

- establish, in agreement with the Department, the Council's corporate and business plans in support of the Department's wider strategic aims and current PSA objectives and targets;
- inform the Department of the Council's progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives; and
- ensure that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if overspends or underspends are likely and that corrective action is taken; and that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion;

on advising the Council –

- advise Council Members on the discharge of the Council's responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time by DFP, OFMDFM or the Department;
- advise Council Members on the Council's performance compared with its aims and objectives;
- ensure that financial considerations are taken fully into account by the Council at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed appropriately; and
- take action as set out in paragraphs 15-18 of the *NDPB Accounting Officer Memorandum* if the Council, or its Chairman, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity, or does not represent prudent or economical administration or efficiency or effectiveness;

on managing risk and resources -

- ensure that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
- ensure that an effective system of programme and project management and contract management is maintained;
- ensure that all public funds made available to the Council, including any approved income or other receipts, are used for the purpose intended by the Assembly, and that such monies, together with the Council's assets, equipment and staff, are used economically, efficiently and effectively;
- ensure that adequate internal management and financial controls are maintained by the Council, including effective measures against fraud and theft;
- maintain a comprehensive system of internal delegated authorities that are notified to all staff, together with a system for regularly reviewing compliance with these delegations; and
- ensure that effective personnel management policies are maintained;

on accounting for the Council's activities -

- sign the accounts and be responsible for ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Minister, the Department or DFP;
- sign a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- sign a Statement on Internal Control regarding the Council's system of internal control, for inclusion in the annual report and accounts;
- ensure that effective procedures for handling complaints about the Council are established and made widely known within the Council;
- act in accordance with the terms of this document and with the instructions and relevant guidance in *Government Accounting Northern Ireland* and other instructions and guidance issued from time to time by the Department, DFP and OFMDFM - in particular, the DFP document *The Responsibilities of an NDPB Accounting Officer* and the Treasury document *Regularity and Propriety*, both of which the Chief Executive shall receive on appointment. Section 10 of the attached *Financial Memorandum* refers to other key guidance;
- give evidence, normally with the Accounting Officer of the Department, if summoned before the Public Accounts Committee on the use and stewardship of public funds by the Council;

- ensure that an Equality Scheme is in place, reviewed and equality impact assessed as required by the Equality Commission and OFMDFM;
- ensure that government policies on tackling social exclusion, poverty and socio-economic inequalities are taken into account;
- ensure that the requirements of the Data Protection Act 1998 are complied with; and
- ensure that the requirements of the Freedom of Information Act 2000 are complied with.

3.7 The Chief Executive's role as Consolidation Officer

3.7.1 For the purposes of Whole of Government Accounts, the Chief Executive of the Council is normally appointed by DFP as the Council's Consolidation Officer.

3.7.2 As the Council's Consolidation Officer, the Chief Executive shall be personally responsible for preparing the consolidation information, which sets out the financial results and position of the Council; for arranging for its audit; and for sending the information and the audit report to the Principal Consolidation Officer nominated by DFP.

3.7.3 As Consolidation Officer, the Chief Executive shall comply with the requirements of the *NDPB Consolidation Officer Memorandum* as issued by DFP and shall, in particular:

- ensure that the Council has in place and maintains sets of accounting records that will provide the necessary information for the consolidation process; and
- prepare the consolidation information (including the relevant accounting and disclosure requirements and all relevant consolidation adjustments) in accordance with the consolidation instructions and directions ("Dear Consolidation Officer" (DCO) and "Dear Consolidation Manager" (DCM) letters) issued by DFP on the form, manner and timetable for the delivery of such information.

3.8 Delegation of duties

3.8.1 The Chief Executive may delegate the day-to-day administration of his Accounting Officer and Consolidation Officer responsibilities to other employees in the Council. However, he shall not assign absolutely to any other person any of the responsibilities set out in this document.

3.9 The Chief Executive's role as Principal Officer for Ombudsman cases

3.9.1 The Chief Executive of the Council is the Principal Officer for handling cases involving the Northern Ireland Commissioner for Complaints. As Principal Officer, he shall inform the Permanent Secretary of the Department of any complaints about the Council accepted by the Ombudsman for investigation, and about the Council's proposed response to any subsequent recommendations from the Ombudsman.

3.10 Consulting Stakeholders

- 3.10.1 Public Services need to respond to the challenges and demands of today's society. Services must balance the requirements of all citizens and must be responsive to the needs of the user, and should be flexible and effective. The Council has a wide range of stakeholders including users of social care services and their carers, social care staff, their representatives and employers, social work students and institutions of further and higher education, providers and commissioners of social care services and the wider public.
- 3.10.2 The Council will work in partnership with its stakeholders and customers to deliver its service. Relevant and challenging standards will be set and its performance will be monitored against these. Targets for responding to correspondence, seeing callers and answering telephone calls should be put in place.
- 3.10.3 The Council will consult regularly to develop a clear understanding of citizens' needs and expectations of its services, and to seek feedback from both stakeholders and customers. It will also have a complaints procedure which should include its policy on redress.
- 3.10.4 A guide to the NICS Customer Service Principles can be found at <http://www.psruni.gov.uk/serviceguidance.pdf>

4. PLANNING, BUDGETING AND CONTROL

4.1 The corporate plan

- 4.1.1 Consistent with the timetable for public spending reviews, the Council shall submit annually to the Department a draft of the Council's updated corporate plan covering three years ahead. The Council shall have agreed with the Department the issues to be addressed in the plan and the timetable for its preparation.
- 4.1.2 The plan will reflect the Council's statutory duties and, within those duties, the priorities set from time to time by the Minister. In particular, the plan shall demonstrate how the Council contributes to the achievement of the Department's PSA objectives and targets.
- 4.1.3 The corporate plan shall set out:
- the Council's key objectives and associated key performance targets for the three forward years, and its strategy for achieving those objectives;
 - a review of the Council's performance in the preceding financial year, together with comparable outturns for the previous 3-5 years, and an estimate of performance in the current year;
 - alternative scenarios to take account of factors which may significantly affect the execution of the plan, but which cannot be accurately forecast;

- a forecast of expenditure and income, taking account of guidance on resource assumptions and policies provided by the Department at the beginning of the planning round. These forecasts should represent the Council's best estimate of its available income, including any grant or grant-in-aid; and
 - other matters as agreed between the Department and the Council.
- 4.1.4 The main elements of the plan, including the key performance targets, shall be agreed between the Department and the Council in the light of the Department's decisions on policy and resources taken in the context of the Government's wider policy and spending priorities and decisions.
- 4.1.5 In reaching annual decisions on the Council's rolling corporate plan and in monitoring progress, the Department shall aim to give the Council greater planning certainty by observing the normal end year flexibility (EYF) principles.

4.2 The business plan

- 4.2.1 The first year of the corporate plan, amplified as necessary, shall form the business plan. The plan shall include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the Department. The draft business plan shall reach the sponsoring team no later than 30 November each year. The sponsoring team will respond by the following 31 January.
- 4.2.2 DFP may request sight of the business plan.

4.3 Publication of plans

- 4.3.1 The corporate and business plans shall be published and made available on the Internet. A summary version shall be made available to staff.

4.4 Reporting performance to the Department

- 4.4.1 The Council shall operate management information and accounting systems which enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in its agreed corporate and business plans.
- 4.4.2 The Council shall take the initiative in informing the Department of changes in external conditions, which make the achievement of objectives more or less difficult, or which may require a change to the budget or objectives set out in the corporate or business plans.
- 4.4.3 The Council's performance in helping to deliver Departmental policies, including the achievement of key objectives, shall be reported to the Department on a 6 monthly basis. Performance will be formally reviewed twice yearly by officials of the Department. The Minister shall meet the Chairman and Chief Executive formally each year to discuss the Council's performance, its current and future activities, and any policy developments relevant to those activities.

4.4.4 The Council's performance against key targets shall be reported in its annual report and accounts (see Section 5.1 below).

4.5 Budgeting procedures

4.5.1 The Council's budgeting procedures are set out in the *Financial Memorandum*.

4.6 Internal audit

4.6.1 The Council shall establish and maintain arrangements for internal audit in accordance with DAO (DFP) 3/02 the Treasury's Government Internal Audit Standards (GIAS) and DAO (DFP) 25/02 *Internal Audit Arrangements between a Sponsoring Department and its Non-Departmental Public Bodies (NDPBs)*.

4.6.2 The Council shall consult the Department to ensure that the latter is satisfied with the competence and qualifications of the Head of Internal Audit and that the requirements for approving the appointment are in accordance with GIAS 5.2.

4.6.3 The Council shall set up an independent audit committee as a committee of the Council, in accordance with the Cabinet Office's Guidance on Codes of Practice for Public Bodies (DPFO letter dated 11 March 1997 refers). The Department shall have access to the Audit Committee's minutes.

4.6.4 The Council shall arrange for periodic quality reviews of its internal audit in accordance with the GIAS. The Department shall consider whether it can rely on these reviews to provide assurance on the quality of internal audit. However, the Department reserves a right of access to carry out independent reviews of internal audit in the Council.

4.6.5 The Department's Internal Audit Service shall also have a right of access to all documents prepared by the Council's internal auditor, including where the service is contracted out. The audit strategy, periodic audit plans and annual audit report, including the Council's Head of Internal Audit's opinion on risk management, control and governance shall be forwarded as soon as possible to the sponsoring team who shall consult the Head of Internal Audit as appropriate.

4.6.6 The Council shall report immediately to the Department all frauds (proven or suspected), including attempted fraud. The Department shall then report the frauds immediately to DFP and the Comptroller and Auditor General (C&AG). In addition the Council shall forward to the Department the annual fraud return, commissioned by DFP, on fraud and theft suffered by the Council; notify any changes to internal audit's terms of reference, the Audit Committee's terms of reference or the Council's Fraud Policy and Fraud Response Plan.

4.7 Additional Departmental access to the Council

- 4.7.1 In addition to the right of access referred to in paragraph 4.6.4 above, the Department shall have a right of access to all the Council's records and personnel for purposes such as sponsorship audits, operational investigations or any other purpose that the Department may specify.

5. EXTERNAL ACCOUNTABILITY

5.1 The annual report and accounts

- 5.1.1 After the end of each financial year the Council shall publish as a single document an annual report of its activities together with its audited annual accounts. The report shall also cover the activities of any corporate bodies under the control of the Council. A draft of the report shall be submitted to the Department at least two weeks before the proposed publication date.
- 5.1.2 The report and accounts shall comply with the Financial Reporting Manual (FRoM). The accounts shall be prepared in accordance with any relevant statutes and the specific Accounts Direction issued by the Department.
- 5.1.3 The report and accounts shall outline the Council's main activities and performance during the previous financial year and set out in summary form the Council's forward plans. Information on performance against key financial targets shall be included in the notes to the accounts, and shall therefore be within the scope of the audit.
- 5.1.4 The report and accounts shall be laid before the Assembly and made available, in accordance with the guidance on the procedures for presenting and laying the combined annual report and accounts as prescribed in FD(DFP) 14/06 and any subsequent guidance issued by DFP or the Department.
- 5.1.5 Due to the potential accounting and budgetary implications, any changes to accounting policies or significant estimation techniques underpinning the preparation of annual accounts, requires the prior written approval of the Department.

5.2 External audit

- 5.2.1 The C&AG audits the Council's annual accounts and passes the accounts to the sponsor team in the Department who shall lay them before the Assembly. For the purpose of audit the C&AG has a statutory right of access to relevant documents as provided for in Articles 3 and 4 of the Audit and Accountability (Northern Ireland) Order 2003.
- 5.2.2 The C&AG has agreed to liaise with the Council on who - the Northern Ireland Audit Office or a commercial auditor - shall undertake the actual audit on his behalf. The final decision rests with the C&AG.
- 5.2.3 The C&AG has agreed to share with the Department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit. This shall apply, in particular, to issues which impact on the Department's

responsibilities in relation to financial systems within the Council. The C&AG will also consider, where asked, providing the Department and other relevant bodies with Regulatory Compliance Reports and other similar reports which the Department may request at the commencement of the audit and which are compatible with the independent auditor's role.

5.3 VFM examinations

- 5.3.1 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the Council has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under Articles 3 and 4 of the Audit and Accountability (Northern Ireland) Order 2003. Where making payment of a grant, or drawing up a contract, the Council should ensure that it includes a clause which makes the grant or contract conditional upon the recipient or contractor providing access to the C&AG in relation to documents relevant to the transaction. Where subcontractors are likely to be involved, it should also be made clear that the requirement extends to them.

6. STAFF MANAGEMENT

6.1 General

- 6.1.1. Within the arrangements approved by the Minister and DFP, the Council shall have responsibility for the recruitment, retention and motivation of its staff. To this end the Council shall ensure that:
- its rules for the recruitment and management of staff create an inclusive culture in which diversity is fully valued; where appointment and advancement is based on merit; and where there is no discrimination on grounds of gender, marital status, domestic circumstances, sexual orientation, race, colour, ethnic or national origin, religion, disability, community background or age;
 - the level and structure of its staffing, including grading and numbers of staff, are appropriate to its functions and the requirements of efficiency, effectiveness and economy;
 - the performance of its staff at all levels is satisfactorily appraised and the Council's performance measurement systems are reviewed from time to time;
 - its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the Council's objectives;
 - proper consultation with staff takes place on key issues affecting them;
 - adequate grievance and disciplinary procedures are in place;
 - whistle blowing procedures consistent with the Public Interest Disclosure (Northern Ireland) Order 2003 are in place;

- a code of conduct for staff is in place based on the Cabinet Office document *Model Code for Staff of Executive Non-Departmental Public Bodies* (found at <http://www.cabinetoffice.gov.uk/agencies-publicbodies/>).

7. REVIEWING THE ROLE OF THE COUNCIL

- 7.1 The Council shall be reviewed periodically, in accordance with the business needs of the Department and the Council.
- 7.2 The next review of the Council will take place in the financial year 2012/2013.

SECTION 2

FINANCIAL MEMORANDUM

NORTHERN IRELAND SOCIAL CARE COUNCIL

MANAGEMENT STATEMENT AND FINANCIAL MEMORANDUM

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1 INTRODUCTION

1.1 This Document

- 1.1.1 This *Financial Memorandum* forms part of the *Management Statement* for the Northern Ireland Social Care Council (“the Council”). It sets out in greater detail certain aspects of the financial framework within which the Council is required to operate. The *Financial Memorandum* must therefore be read in conjunction with the *Management Statement*.
- 1.1.2 The terms and conditions set out in the *Management Statement* and this *Financial Memorandum* may be supplemented by guidelines or directions issued by the Department of Health, Social Services and Public Safety (“the Department”) in respect of the exercise of any individual functions, powers and duties of the Council.
- 1.1.3 The Council must satisfy the conditions and requirements set out in this *Financial Memorandum* and in the *Management Statement*, together with such other conditions as the Department may from time to time impose in order to be entitled to grant-in-aid.

2 THE COUNCIL’S INCOME

2.1 Grant-in-Aid

- 2.1.1 The Council is funded:
- (a) by grant-in-aid under the powers contained in Schedule 1, paragraph 11 to the Health and Personal Social Services Act (Northern Ireland) 2001 (“the Act”);
 - (b) by registration fees;
 - (c) by funding from other government departments.
- 2.1.2 The Department will notify the Council, normally not later than February in the previous year, of the amount of grant-in-aid which the Department has allocated to it for the forthcoming financial year.
- 2.1.3 The Council shall comply with any general procedures, including guidance in DAO(DFP) 04/03 and Chapter 9 of *Government Accounting Northern Ireland* (GANI), laid down for the allocation of and accounting for grant-in-aid.
- 2.1.4 (a) The grant-in-aid system by which the Council is funded is discretionary expenditure. Under this system, amounts can be drawn to finance payments made during the year which are properly chargeable against the grant-in-aid provided the control is not exceeded.
- (b) Grant-in-aid will be paid in monthly instalments on the basis of a written application showing evidence of need. This application shall certify that the conditions applying to the use of grant-in-aid have been observed to date and

that further grant-in-aid is now required for purposes appropriate to the Council's functions.

- (c) If required the Council shall in addition, before the beginning of the financial year, supply a profile of expenditure and draw down of grant-in-aid in a format agreed with the Department.
- (d) Applications to draw down grant-in-aid should be signed by the Chief Executive or by a person notified by him to the Department as authorised to sign on his behalf. The signed application should certify that the grant-in-aid is required now for purposes appropriate to the statutory functions of the Council, as approved by the Department.
- (e) The Council shall collect all receipts promptly.
- (f) The Council shall not draw down grant-in-aid in excess of immediate requirements. The cash balances during the year shall be held at the minimum consistent with the efficient operation of the functions of the Council. However, where draw-down of grant-in-aid is delayed to avoid excess cash balances at year-end, the Department will make available in the next financial year (subject to approval by the Assembly of the relevant Estimates provision) any such grant-in-aid required to meet any liabilities at year end, such as creditors.
- (g) Any grant-in-aid not paid to the Council by the Department by the end of the financial year will not be available for use by the Council in the year following. The Council shall not, except with the approval of the Department, carry over grant-in-aid from one financial year to the next. However, the Department will aim, with the approval of the Department of Finance and Personnel (DFP), to allow the Council to carry over from one financial year to the next, any grant-in-aid not spent due to slippage. Any balances carried over will be taken into account in the payment of the following year's grant-in-aid.
- (h) The Council must notify the Department immediately in writing if it becomes apparent at any time, that an overspend of estimated expenditure for the year is probable. Similarly the Council shall notify the Department if an under spend of grant-in-aid is probable.

2.2 Resource and Cash Limit Control

2.2.1 The Departmental Expenditure Limit (DEL)

The Council's current and capital expenditure form part of the Department's Resource DEL and Capital DEL respectively.

- 2.2.2 The Council is required by statutory provisions not to exceed its cash and resource limits. Resource limits are initially set annually by the Department, but can vary in-year.

The Council will:

- (a) prepare and agree annual balanced budgets, which meet all probity, value for money, and effectiveness requirements;
- (b) agree Annual Service and Business Plans for approval by the Department;
- (c) provide monthly reports in the form required by the Department;
- (d) ensure money drawn from the Department against financing requirement arising from the resource limit is required for approved expenditure only, and is drawn down only at the time of need; and
- (e) be responsible for ensuring that an adequate system of monitoring financial performance is in place to enable the Council to fulfil its statutory responsibility not to exceed its Annual Revenue and Capital Resources Limits.

2.3 Fees and Charges

- 2.3.1 The Council will endeavour to maximise receipts from sources other than the NI Consolidated Fund, subject to the Treasury's Fees and Charges Guide. If in any financial year receipts realised or expected to be realised are less than estimated, the Council shall make a corresponding reduction in its gross expenditure. If revenue or capital receipts realised or expected to be realised are greater than estimated, the Council should use those receipts against its expenditure and reduce the amount of grant-in-aid required accordingly.
- 2.3.2 Fees and charges for services provided by the Council shall be determined in accordance with HM Treasury's guidance as published in the *Fees and Charges Guide* and Chapter 13 of GANI, and the Freedom of Information Act 2000. They should be set to recover full costs unless the department agrees otherwise. Cross-subsidisation of services is not permitted.

2.4 Proceeds from Sales of Assets

- 2.4.1 The Council shall dispose of those assets that are surplus to its requirements. Assets should be sold for best price, taking into account any costs of sale. Assets shall be sold by auction or competitive tender (unless otherwise agreed by the Department), and in accordance with GANI Chapter 24.
- 2.4.2 Subject to any special directions given by the Department, the Council is authorised to dispose of by sale or otherwise any articles up to a value of £10,000 of any description, provided that:
 - (a) the Council is satisfied that the articles are worn out, redundant or surplus to requirements; and
 - (b) other than at a public auction, no article shall pass into the possession of any member of the Council or member of staff without approval of the Department.

- 2.4.3 The Council may normally retain receipts derived from the sale of assets provided that:
- (a) they are used to finance other capital expenditure;
 - (b) the Department receives prior notification of sales of small items that have a combined value estimated to be in excess of £5,000; and
 - (c) proceeds from such disposals above the limits in 2.4.2 and 2.4.3 shall be surrendered to the Department for onward surrender to the NI Consolidated Fund as extra receipts.

2.5 Receipts from the Sale of Goods and Services

- 2.5.1 Receipts from the sale of goods or services (including certain licences where there is a significant degree of service to the individual applicant), rent of land, and dividends are classified as negative public expenditure in National Accounts and are therefore normally offset against the DEL (i.e. they provide additional spending power) If a body wishes to retain a receipt or utilise an increase in the level of receipts, it must gain the prior approval of the Department.
- 2.5.2 If there is any doubt about the correct classification of a receipt, the Council shall consult the Department, which may consult the DFP, as necessary.

2.6 Fines and taxes as receipts

- 2.6.1 Most fines and most taxes (including levies and some licences) are treated as such in National Accounts and are not termed as negative public expenditure receipts. These fines and taxes do not provide additional DEL spending power and should be surrendered to the Department.

2.7 Interest earned

- 2.7.1 Any interest earned by the Council on its assets shall be given the same budgeting treatment as the cost of capital charge on the assets.
- 2.7.2 Under resource budgeting rules, the cost of capital charge and any interest receipts on most DEL-financed assets score as resource DEL.
- 2.7.3 If the receipts are used to finance additional expenditure by the Council, the Department will need to ensure it has the necessary DEL cover. Any interest earned on cash balances arising from grant-in-aid or other NI Consolidated Fund funds shall be treated as a receipt from a NI Consolidated Fund source. Depending on the budgeting treatment of this receipt, and its impact on the Council's cash requirement, it may lead to commensurate reduction of grant-in-aid or be required to be surrendered to the NI Consolidated Fund via the Department.

2.8 Unforecast changes in in-year income

- 2.8.1 If the negative DEL income realised or expected to be realised in-year is less than estimated, the Council shall, unless otherwise agreed with the Department, ensure a corresponding reduction in its gross expenditure so that the authorised provision is not exceeded. (NOTE: For example, if the Council is allocated £100 resource DEL provision by the Department and expects to receive £10 of negative DEL income, it may plan to spend a total of £110. If income (on an accruals basis) turns out to be only £5, the Council will need to reduce its expenditure to £105 to avoid breaching its budget. If the Council still spends £110 the Department will need to find £5 of savings from elsewhere within its total DEL to offset this overspend.)
- 2.8.2 If the negative DEL income realised or expected to be realised in the year is more than estimated, the Council may apply to the Department to retain the excess income for specified additional expenditure within the current financial year without an offsetting reduction to grant-in-aid. The Department shall consider such applications, taking account of competing demands for resources and will consult with DFP in relation to any significant amounts. If an application is refused, any grant-in-aid shall be commensurately reduced or the excess receipts shall be required to be surrendered to the NI Consolidated Fund via the Department.

2.9 Build-up and draw-down of deposits

- 2.9.1 The Council shall comply with the rules that any DEL expenditure financed by the draw-down of deposits counts within DEL and that the build-up of deposits may represent a saving to DEL (if the related receipts are negative DEL in the relevant budgets).

2.10 Gifts and bequests received

- 2.10.1 The Council is free to retain any gifts, bequests or similar donations. These will be treated as receipts. The Council must keep a written record of gifts, bequests and donations, given and received and of their estimated value and whether they are disposed of or retained.
- 2.10.2 Before retaining gifts, bequests or similar donations, the Council shall consider if there are any associated costs in doing so or any conflicts of interests arising. The Council shall not accept a gift if the conditions attached to it would be inconsistent with its function.

2.11 Cash surpluses

- 2.11.1 Any cash surpluses must be placed on deposit until they can be used. Any interest earned on these deposits shall be treated as a receipt from an Exchequer source and will be required to be surrendered to the NI Consolidated Fund via the Department.

2.12 Other Receipts

- 2.12.1 The Council should ensure that effective control is maintained of receipts from other sources (e.g. registration fees).

3 THE COUNCIL'S EXPENDITURE – GENERAL PRINCIPLES

3.1 Expenditure Not Proposed in the Budget

- 3.1.1 The Council shall not, without prior written Departmental approval, enter into any undertaking to incur any expenditure which falls outside the Council's delegations or which is not provided for in the Council's annual budget as approved by the Department.

3.2 Economic appraisal

- 3.2.1 The Council is required to apply the principles of economic appraisal, with appropriate and proportionate effort, to all decisions and proposals concerning spending or saving public money, including European Union (EU) funds, and any other decisions or proposals that involve changes in the use of public resources. For example, appraisal must be applied irrespective of whether the relevant public expenditure or resources:

- (a) involve capital or current spending, or both;
- (b) are large or small;
- (c) are above or below delegated expenditure limits (see Annex 1).

- 3.2.2 The Chief Executive should ensure that the guidelines are being complied with. Information and regular evaluation should be maintained on the project from inception to completion in a form which can be submitted to the Department, if required, and which conforms to requirements for audit and value-for-money scrutiny.

- 3.2.3 Appraisal itself uses up resources. The effort that should go into appraisal and the detail to be considered is a matter for case-by-case judgement, but the general principle is that the resources to be devoted to appraisal should be in proportion to the scale or importance of the objectives and resource consequences in question. Judgement of the appropriate effort should take into consideration the totality of the resources involved in a proposal.

General guidance on economic appraisal that applies to NDPBs can be found in:

- DAO(DFP) 32/03 *Economic Appraisal and Evaluation in Central Government*;
- The DFP Guide, *The Northern Ireland Practical Guide to the Green Book*; and
- The HM Treasury Guide, *The Green Book: Appraisal and Evaluation in Central Government*.

3.3 Value for Money

- 3.3.1 The Council shall not enter into any contracts for procurement of works, equipment, goods or services without ensuring that full regard has been paid to value for money considerations, including quality (in terms of fitness for purpose) and delivery against price, and where appropriate, that it has complied with the EC Supplies Directive and the GATT Agreement on Competitive Tendering. Where appropriate, a full option appraisal shall be carried out before procurement decisions are taken.

3.4 Competition

- 3.4.1 Contracts shall be placed on a competitive basis and tenders accepted from suppliers who provide best value for money overall.
- 3.4.2 Proposals to let single-tender contracts shall be subject to advice being taken from Central Procurement Directorate or a Centre of Expertise in Procurement, and the Council shall send to the Department after each financial year a report for that year explaining any contracts above £5,000 in which competitive tendering was not employed.

3.5 Procurement

- 3.5.1 The Council's procurement policies shall reflect the public procurement policy adopted by the Northern Ireland Executive in May 2002 and *Procurement Policy Guidelines* as issued by the Procurement Board, and any subsequent public procurement policy adopted by Ministers. The Council shall also ensure that it complies with any relevant EU or other international procurement rules.
- 3.5.2 Periodically and wherever practicable the Council's procurement shall be benchmarked against best practice elsewhere and procurement activity should be carried out by means of a documented Service Level Agreement with the Central Procurement Directorate (DFP) or a relevant Centre of Expertise.

3.6 Prudence

- 3.6.1 The Council shall, in conjunction with Regional Supply Service, take all reasonable steps to appraise the financial standing of any firm or other body with whom it intends to enter into a contract.

3.7 Timeliness in Paying Bills

- 3.7.1 The Council shall collect receipts and pay all matured and properly authorised invoices in accordance with the terms of contracts or within 30 days as provided for in Section 16.3 of *Government Accounting Northern Ireland*. The Council should comply with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), and with the Late Payment of Commercial Debts (Interest) Act 1998, as amended and supplemented by the Late Payment of Commercial Debts Regulations 2002. DAO(DFP) 12/98 and DAO(DFP) 19/02 refer. (NOTE: The 1998 Act allows creditors to claim statutory interest and compensation

on late payment of commercial debts). Invoices must not be paid in advance, unless prior Departmental authority has been received.

3.7.2 The payment for goods and/or services before receipt shall be made only in exceptional circumstances. Where advance payment is made, the agreed internal control processes for all other payments shall apply. The following list includes some appropriate instances. However, any payment for items/circumstances which do not appear below must have the prior written approval of the Director of Corporate Services (or a delegated officer) before payment can be made. This approval must be retained for audit inspection. These payments must come within the normal terms of business, and the Council must establish, maintain and provide evidence that appropriate safeguards are in place to ensure that the service is received to a satisfactory standard.

- (a) Annual subscriptions for books or periodicals.
- (b) Annual maintenance charges under contract.
- (c) Annual or quarterly utility charges (phone, water etc.).
- (d) Annual leasing charges under contract.
- (e) Charges for training and professional courses.
- (f) Annual insurance premiums.
- (g) Cash with order under £250.00.

For payments in advance in respect of goods or services, the delivery of which traverses accounting periods, appropriate accounting entries (prepayments, debtors) must be included in the financial records and accounts.

3.8 Novel, Contentious or Repercussive Proposals

3.8.1 The Council shall obtain the prior approval of the Department as follows:

- (a) before incurring expenditure on any project (including grant schemes) which is considered novel, unusual or contentious, potentially repercussive, or which has significant cost implications;
- (b) before making any changes to policy or practice which have wide financial implications, or which may affect the future level of the resources required; and
- (c) before making any significant changes in the operation of funding of initiatives or particular schemes previously approved by the Department.

3.8.2 The Council shall not, without prior Departmental approval, enter into any undertaking to incur any expenditure outside the remit of the Council.

4 EXPENDITURE ON STAFF

4.1 Staff Costs

- 4.1.1 The Council will operate under a single running cost regime. The Council will be required to make efficiency savings on its administrative expenditure as directed by the Department.
- 4.1.2 The number of staff appointed by the Council will be subject to a staffing ceiling approved by the Department. The ceiling may be varied from time to time to reflect changes in the scale of the Council's operations or functions. In such cases the new ceiling together with the associated pay and related costs will be reflected in the running costs total.
- 4.1.3 The Council shall submit to the Department on an annual basis a statement of its approved establishment and staff in post by rank.
- 4.1.4 Subject to its delegated limits of authority, the Council will ensure that the creation of any new/additional posts does not incur future commitments for which it may exceed its liability to pay.
- 4.1.5 Within the approved ceiling, the Council may create and regrade posts at the level of Registration Administrator, Registration Manager, Receptionist, Secretary and Administrator but specific Department approval is required for the following:
- (a) any proposal to create a new post, or to regrade a post, at a level which is not already represented in the staff structure;
 - (b) any proposal to regrade a post which is the only one at that particular grade within the staff structure; and
 - (c) any proposal to regrade all posts at a particular grade.
- 4.1.6 All proposals involving the creation of new or additional post at the level of Professional Adviser, Director of Registration, Director of Training, Head of Corporate Services, Communications Officer or Chief Executive, or a substantive change of duties among existing posts at this level, require prior Departmental approval.
- 4.1.7 The Chief Executive should ensure that staffing is reviewed at least every three years to confirm that levels and costs are appropriate.
- 4.1.8 Payments shall be made to Council members in respect of travelling expenses, fees or other allowances in accordance with relevant determinations.

4.2 Pension; redundancy/compensation

- 4.2.1 The Council's employees shall normally be eligible for a pension provided by admittance to the HPSS Superannuation Scheme.
- 4.2.2 Employees may opt out of the occupational pension scheme provided by the Council. However, the employer's contribution to any personal pension arrangement, including a stakeholder pension, shall be limited to the National Insurance rebate level.
- 4.2.3 Any proposal by the Council to move from the existing pension arrangements or to pay any redundancy, or compensation for loss of office requires the approval of the Department and DFP.

4.3 Pay and Conditions of Service

- 4.3.1 The staff of the Council, whether on permanent or temporary contract, will be subject to levels of remuneration and terms and conditions of service (including superannuation) which have been approved by the Department. The Council has no delegated power to amend these terms and conditions.
- 4.3.2 The Council shall comply with the EU directive on contract workers [Fixed Term Employees Regulations (Prevention of Less Favourable Treatment)].
- 4.3.3 Current terms and conditions for staff of the Council are those set out in its Employee Handbook. The Council will provide the Department with a copy of the Handbook and subsequent amendments.
- 4.3.4 The Council may operate a performance-related pay scheme. However, the annual aggregate pay budget must be approved by the Department and DFP and must be contained within the Department's running costs budget.
- 4.3.5 Annual pay increases of Council staff must have prior approval of the Department and DFP in the light of government policy on public sector pay remit approval processes (the DFP Finance Director letter of 3 July 2007 refers).

5 EXPENDITURE OTHER THAN ON STAFF

5.1 Capital Expenditure

- 5.1.1 Subject to being above an agreed capitalisation threshold, all expenditure on the acquisition or creation of fixed assets shall be capitalised on an accruals basis. Expenditure to be capitalised shall include the:
 - (a) acquisition, reclamation or laying out of land;
 - (b) acquisition, construction, preparation or replacement of buildings and other structures or their associated fixtures and fittings;
 - (c) acquisition, installation or replacement of movable or fixed plant, machinery, vehicles and vessels; and

(d) salary costs where appropriate.

5.1.2 Proposals for large-scale individual capital projects or acquisitions will normally be considered within the Council's corporate and business planning process. Applications for approval within the corporate/business plan by the Department and DFP, if necessary, shall be supported by formal notification that the proposed project or purchase has been examined and duly authorised by the Council Members. Regular reports on the progress of projects shall be submitted to the Department. Approval of the corporate/business plan does not obviate the Council's responsibility to abide by the economic appraisal process.

5.1.3 Within its approved overall resources limit the Council shall, as indicated in the attached annex on delegations, have delegated authority to spend up to £10,000 on any individual capital project or acquisition. Beyond that delegated limit, the Department's and, where necessary, DFP's prior authority must be obtained before expenditure on an individual project or acquisition is incurred.

5.2 Virement

5.2.1 The Council shall not have delegated authority to apply virement between the capital and revenue budgets and vice-versa. Any requests for virement shall be made in writing to the Department, in accordance with Section 11 of Government Accounting Northern Ireland.

5.2.2 Unless financial provision is subject to specific Departmental or DFP controls (e.g. where provision is ring-fenced for specific purposes) or delegated limits, transfers between budgets within the total capital budget, or between budgets within the total revenue budget, do not need Departmental approval.

5.3 Borrowing, Guarantees or Indemnities

5.3.1 The Council shall not, without the prior written consent of the Department, and where necessary DFP, borrow money (including prearranged overdraft facilities), lend money, charge any asset or security, give any guarantees or indemnities, letters of comfort, or make any other contingent liability (as defined in Chapter 26 of GANI), whether or not in a legally binding form.

5.3.2 Any guarantees and indemnities given by the Council under Schedule 1 to the Act must be adequately covered against undrawn resources.

5.4 Grants or loans by the Council

5.4.1 All grants or loan schemes proposed by the Council, and the terms and conditions under which such grant or loan is made, must be approved by the Department before any payments are issued. If grants or loans are to be made under a continuing scheme, it is likely that statutory authority will be requested. Payments of grant or loan must be made properly and in accordance with the guidelines for the appropriate schemes.

5.4.2 The terms and conditions of such grant or loan to a third party shall include the requirement on the recipient organisation to prepare accounts and to ensure that its books and records in relation to the grant or loan are readily available to the Council, the Department and Comptroller and Auditor General (see also 5.12.2).

5.5 Write-offs Losses and other Special Payments

- 5.5.1 (a) The Council shall have delegated authority to make special and ex gratia payments and to write off losses within the limits specified in DAO(DFP) 06/05 and Circular HSS (F) 38/98 and supplemental updates.
- (b) The Council shall obtain the prior written approval of the Department for all write-offs and special payments beyond those limits and for all cases where fraud is proven or suspected (even where the sum involved is within the delegated limit); and for the assigning of the delegation in whole or part to any other body.
- (c) The Council shall keep a record of all losses of cash, equipment, stores, abandoned claims etc. This will be in a Losses and Compensation Register which details the nature, gross amount and cause of each loss, the action taken, total recoveries, and where appropriate the date of write-off. The Council shall notify the Department of write-offs, special and ex-gratia payments made or sanctioned at the end of each financial year and disclose these in **its** annual accounts.

5.6 Gifts, Hospitality, Awards

- 5.6.1 The Council should maintain a policy in line with Departmental guidance on the provision and receipt of hospitality, to which all staff must adhere. If in doubt, any queries on the provision or receipt of hospitality should be referred to the Department for advice.
- 5.6.2 Public money should not be used to provide for gifts to members of staff. This shall also apply to Council Members.

5.7 Leasing

- 5.7.1 Prior Departmental approval must be secured for all property and finance leases. The Council must have capital DEL provision for finance leases and other transactions which are, in substance, borrowing.
- 5.7.2 Before entering into any lease (including an operating lease) the Council shall demonstrate that the lease offers better value for money than purchase.

5.8 Public Private Partnerships

- 5.8.1 The Council should seek opportunities to enter into public/private partnerships where this is more cost effective than conventional procurement.

- 5.8.2 In such cases the Council should be aware of the need to consult the Department in cases where different cash flow projections may result in delegated spending authority being breached.
- 5.8.3 Any partnership controlled by the Council shall be treated as part of the Council and consolidated with it (subject to any particular treatment required by UK-GAAP). Where judgement over the level of control is difficult, the Department will consult DFP (who may need to consult with the Office of National Statistics over National Accounts treatment).

5.9 Subsidiary Companies and Joint Ventures

- 5.9.1 The Council should not establish subsidiary companies or joint ventures without the express approval of the Department and DFP. In judging such proposals the Department will have regard to its wider strategic aims, objectives and current Public Service Agreement.
- 5.9.2 For public expenditure accounts purposes any subsidiary company or joint venture controlled or owned by the Council shall be consolidated with it in accordance with UK GAAP, subject to any particular treatment required by UK GAAP. Where the judgement over the level of control is difficult, the sponsor Department will consult DFP (who may need to consult with the Office of National Statistics over National Accounts treatment). Unless specifically agreed with the Department and DFP, such subsidiary companies or joint ventures shall be subject to the controls and requirements set out in this *Management Statement* and *Financial Memorandum*, and to the further provisions set out in supporting documentation.

5.10 Use of Consultants

- 5.10.1 Fees paid to consultants should be reasonable and defensible. The Council shall also adhere to guidance on the use of consultants in Circulars HSS (F) 20/2006, & DAO(DFP) 03/05, DAO(DFP) 06/05 and any subsequent guidance

5.11 Financial Control Systems

- 5.11.1 The Council shall maintain to the satisfaction of the Department an appropriate financial control system taking account of guidance issued by the Department. It should also comply with all relevant guidance/instructions as issued periodically. The Council should ensure the existence of safeguards against fraud and theft, keep within delegated limits and have regard to *Government Accounting Northern Ireland* and to the *Financial Reporting Manual (FReM)* as amended periodically.

5.12 Safeguards against Fraud and Theft

- 5.12.1 The Council shall ensure that the risks it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with the Treasury guidance *Management of Risk: Principles and Concepts* (“*The Orange Book*”) issued under cover of DAO (DFP) 15/05 and DAO(DFP) 07/06.

5.12.2 The Council shall take proportionate and appropriate steps to assess the financial and economic standing of any organisation or other body with which it intends to enter into a contract or to which it intends to give grant or grant-in-aid (see 5.4).

5.12.3 In cases of suspected theft, fraud or misappropriation the Council will provide immediate notification in line with HSS (F) 38/98 Supplement 1, HSS(F) 38/05 and any subsequent amendments, DAO(DFP) 24/2003, DAO (DFP) 15/04 and DAO (DFP) 04/06 (issued undercover of HSS(F) 24/03, HSS(F) 44/0 4 and HSS(F) 26/06 respectively).

5.12.4 All cases of attempted suspected or proven fraud shall be reported to the Department and other relevant authorities (see Section 4.6 in the *Management Statement*) as soon as they are discovered, irrespective of the amount involved.

5.13 Commercial Insurance

5.13.1 The Council shall not take out any insurance without the prior approval of the Department and, where appropriate, DFP, other than third party insurance required by the Road Traffic (NI) Order 1981 and any other insurance which is a statutory obligation or which is permitted in sections 30.2 and 30.3 of GANI.

5.13.2 The Department shall have a written agreement with the Council about the circumstances in which, in the case of a major loss or third-party claim, an appropriate addition to budget out of the Department's funds and/or adjustment to the Council's targets shall be considered.

5.14 Payment/Credit Cards

5.14.1 The Council, in consultation with the Department, shall ensure that procedures on the issue of payment cards (including credit cards) are in place. Reference should be made to DAO (DFP) 24/02 and HSS(F) 11/2003. No payment/credit cards should be issued without the prior written approval of the Council's Director of Corporate Services.

5.15 Financial Investments

5.15.1 The Council shall not make any financial investment nor should it build up cash balances or reserves other than the minimum consistent with the efficient operation of the functions of the Council. Equity shares in ventures which further the objectives of the Council shall equally be subject to Departmental and DFP approval unless covered by a specific delegation.

5.15 Unconventional Financing

5.15.1 The Council shall not enter into any unconventional financing arrangements without the approval of the Department and DFP.

6. BUDGETING PROCEDURES

6.1 Setting the Annual Budget

6.1.1 In advance of each 3-year public expenditure planning round and following an assessment by the Department of the Council's own forward projects, the Department will send to the Council:

- (a) a formal statement of any funding provision by the Department in light of competing priorities across the Department and of any forecast income approved by the Department; and
- (b) a statement of any planned change in policies affecting the Council.

6.1.2 Any grant-in-aid provided by the Department for the year in question will be voted in the Department's Estimate and will be subject to Assembly control.

6.1.3 The Council's approved annual Business Plan will take account of its approved funding provision and any forecast receipts. It will include a budget of estimated payments and receipts, along with a profile of expected expenditure and of drawdown of Departmental funding and/or other income during the year.

6.2 General Conditions for Authority to Spend

6.2.1 Once the Council's budget has been approved by the Department [and subject to any restrictions imposed by Statute/the Minister/this *Management Statement* and *Financial Memorandum*], the Council shall have authority to incur expenditure approved in the budget without further reference to the Department, on the following conditions:

- (a) the Council shall comply with the delegations set out in Annex 1 of this document. These delegations shall not be altered without the prior agreement of the Department and DFP;
- (b) the Council shall comply with the conditions set out in paragraph 3.8 above regarding novel, contentious or repercussive proposals;
- (c) inclusion of any planned and approved expenditure in the Council's budget shall not remove the need to seek formal Departmental (and, where necessary, DFP) approval where such proposed expenditure is above the delegated limits as set out in Annex 1, or is for new schemes not previously agreed; and
- (d) the Council shall provide the Department with such information about its operations, performance, individual projects or other expenditure as the Department may reasonably require (see paragraph 6.3 below).

6.3 Providing Monitoring Information to the Department

6.3.1 The Council shall provide the Department with regular financial monitoring information in line with general Departmental guidance and any subsequent amendments.

6.3.2 The Council shall ensure that pressures or easements in relation to both cash and non-cash items are brought to the attention of the Department as soon as they arise.

7. BANKING: CASH MANAGEMENT

7.1 The Department's Accounting Officer is responsible for ensuring that the Council's banking arrangements safeguard public funds.

7.2 The Council's Chief Executive is responsible for ensuring that the banking arrangements are carried out efficiently, economically and effectively and in accordance with the requirements of government accounting and the guidance in the Treasury document Departmental Banking: A Manual for Government Departments. He should ensure that:

- (a) banking arrangements are suitably structured and represent the best value for money;
- (b) efficient and cost effective methods are used for the transmission of money;
- (c) sufficient information about banking arrangements is supplied to the Department's Accounting Officer to enable the latter to fulfil his own responsibilities;
- (d) the banking arrangements are subject to review at least every 3 years, with a comprehensive review to competitive tendering at least every 3-5 years to ensure the best terms are received;
- (e) the Council maintains effective controls over the preparation and authorisation of payments;
- (f) the banking arrangements of the Council are approved by the Department;
- (g) the Council's banking arrangements are kept separate and distinct from those of any other person or organisation. The Council may outsource its income and payment functions to another body or organisation provided that he, as Accounting Officer, ensures that appropriate separate and distinct records of payments and receipts are maintained.

8 ASSET MANAGEMENT

8.1 Register of Assets

- 8.1.1 The Council shall maintain an accurate and up to date register of stocks, stores and assets.
- 8.1.2 Information requested by the Department regarding assets held by the Council shall be provided to the Department.

8.2 Recovery of Grant – Financed Assets

- 8.2.1 Where the Council has financed expenditure on capital assets by third parties, the Council should make appropriate arrangements to ensure that assets are not disposed of without the Council's prior consent.
- 8.2.2 The Council shall therefore ensure that such repayment conditions are sufficient to secure the repayment of the whole part or part of the NI Consolidated Fund's due share of the proceeds of the sale, in order that funds may be surrendered to the Department.
- 8.2.3 The Council shall ensure that if the assets created by grants made by the Council cease to be used by the recipient of the grant for the intended purpose, a proper proportion of the value of the asset shall be repaid to the Council for surrender to the Department. The amount recoverable shall be calculated by reference to the best possible value of the asset and in proportion to the NI Consolidated Fund's original investment(s) in the asset.

9 RETENTION OF DOCUMENTATION

- 9.1 The Chief Executive shall be responsible for maintaining archives for all documents required to be retained under the direction of the Department.
- 9.2 The Council will agree with the Department a record management strategy, identifying the resources needed to ensure that records of all types (administrative and operational) are:
 - (a) properly controlled;
 - (b) readily accessible and available for use; and
 - (c) eventually archived or otherwise disposed of.
- 9.3 Documents held by the Council without prescribed retention times shall only be destroyed at the express instigation of the Chief Executive (or a delegated officer). Records shall be maintained of documents so destroyed.

10. COMPLIANCE WITH INSTRUCTIONS AND GUIDANCE

10.1 The Council shall comply with the instructions or guidance set out in:

- (a) Government Accounting Northern Ireland (GANI), in particular the Accounting Officer Memorandum for NDPBs (Annex 8.2 of GANI);
- (b) The Financial Reporting Manual (FReM), issued by the DFP;
- (c) Government Internal Audit Standards, issued by DFP under cover of DAO (DFP) 3/02;
- (d) Relevant DFP “Dear Accounting Officer” letters;
- (e) The Treasury guidance document Regularity and Propriety;
- (f) Recommendations made by the UK or Northern Ireland Public Accounts Committees or other Parliamentary authority which have been accepted by the Government and which are relevant to the Council;
- (g) Its *Management Statement* and *Financial Memorandum*;
- (h) guiding principles of the Treasury Fees and Charges Guide, issued by DFP in May 2005;
- (j) The Treasury’s Departmental Banking: A Manual for Government Departments;
- (k) Treasury document Managing the Risk of Fraud, issued by DFP under cover of DAO(DFP)15/05;
- (l) Non-Departmental Public Bodies - A Guide for Departments, (‘the NDPB Guide’), published by the Cabinet Office;
- (m) the Consolidation Officer Memorandum, issued by DFP;
- (n) relevant “Dear Consolidation Officer” and “Dear Consolidation Manager” letters;
- (o) other relevant guidance and instructions issued by DFP in respect of Whole of Government Accounts; and
- (p) other relevant instructions and guidance issued by the Department, DFP and OFMDFM.

10.2 In accordance with the Schedule 1 paragraph 12 to the Act, the Council shall keep accounts of all monies received and of all monies paid out by it. As proceedings to recover monies must generally be made within six years of money becoming due,

financial and other records shall be retained by the Council in line with Departmental guidance.

- 10.3 The Council shall provide the Department with such information about the organisation, operational and financial control of its affairs as it may request periodically.

11. REVIEW OF FINANCIAL MEMORANDUM

- 11.1 The Department shall in writing resolve any questions arising from the interpretation of any statement in this *Financial Memorandum* after consultation with the Council.
- 11.2 This *Financial Memorandum* will normally be formally reviewed every five years.
- 11.3 In consultation with the Council, the Department may, with the consent of DFP, from time to time amend, revoke or add to any of the terms of this *Financial Memorandum*. DFP and/or OFMDFM after consultation with the Council will be consulted on any significant variation proposed to the *Management Statement* and *Financial Memorandum*. The Department, in consultation with DFP and/or OFMDFM will determine the definition of “significant”.

DELEGATED EXPENDITURE LIMITS

General

These delegated expenditure limits have been agreed by the Department and the Department of Finance and Personnel (DFP).

1. PURCHASING ALL GOODS AND SERVICES

Table 1 Delegated Authority for the Purchase of Goods and Services
(All costs exclude VAT)

THRESHOLDS	NUMBER/TYPE OF TENDER REQUIRED	AUTHORISATION
Up to £2,000	1 or 2 Oral Quotations depending on the need to have a price comparison (fax or e-mail confirmation should be obtained)	The Chief Executive
£2,000 - £10,000	3 Selected Tenders	The Chief Executive
> £10,000 - £30,000	4 Selected Tenders	The Chief Executive
> £30,000 - EU Thresholds	Publicly advertised open or restricted tender competition	The Chief Executive

Economic Appraisal

The principles of economic appraisal should be applied in all cases where expenditure is proposed, whether the proposal involves capital or current expenditure, or both. The effort put into economic appraisal should be commensurate with the size or importance of the needs or resources under consideration. However, the Council should undertake a comprehensive business case of all projects involving expenditure of £10,000 and over.

Where the minimum number of quotation/tenders is not obtained

For any purchase where the minimum number of quotations/tenders is not obtained, the purchase may proceed if the Accountable Officer is satisfied that every attempt has been made to obtain competitive offers and that value for money will be achieved. In these cases, the Accountable Officer should complete a report and records of all correspondence should be retained on file including any justification given and/or approvals obtained.

2. DELEGATED LIMITS FOR EXPENDITURE PROJECTS (excluding IT projects)

Departmental approval required

Capital - individual project	£10,000
Projects with revenue expenditure	£5,000

DFP approval required

Capital projects – individual projects	£1,000,000
Projects with revenue expenditure	£500,000

Capital projects over the delegated limit for Departmental approval (see DAO(DFP) 06/05) may be subject to quality assurance by the DFP if requested.

Any novel and/or potentially contentious projects, regardless of the amount of expenditure, require the approvals of the Department and DFP.

3. DISPOSAL OF SURPLUS EQUIPMENT

See para 2.4

4. LEASE AND RENTAL AGREEMENTS

See para 5.7

5. APPROVAL OF INFORMATION TECHNOLOGY PROJECTS

The appraisal of Information Technology (IT) projects should include the staffing and other resource implications.

The purchase of IT equipment and systems should be in line with guidance contained in DAO (DFP) 33/03 and the subject of competitive tendering unless there are convincing reasons to the contrary. The form of competition should be appropriate to the value and complexity of the project, and in line with the Procurement Control Limits in Table 1. Delegated authority for each IT project is set out in Table 2.

Table 2 Delegation Arrangements for Information Technology Projects, Systems and Equipment (All costs exclude VAT)

THRESHOLDS	AUTHORISATION
Up to £10,000	The Chief Executive
£10,000 - £500,000	The Chief Executive with prior approval from the Department
Projects over £500,000	The Chief Executive with prior approval from the Department and DFP

6. **ENGAGEMENT OF CONSULTANTS**

General

The Council has delegated authority to appoint consultants for a single contract up to a *total* cost of £20,000, subject to HSS(F) 20/06 and any subsequent guidance as may be issued by DFP or the Department.

The Council will provide the Department with an annual statement on the status of all consultancies completed and/or started in each financial year.

Care should be taken to avoid actual, potential, or perceived conflicts of interest when employing consultants.

Economic appraisal

A full business case should be prepared for all consultancy assignments expected to exceed £10,000. A proportionate business case should be prepared for all assignments below this threshold. (All assignments expected to exceed £50,000 will also be subject to Ministerial approval, and those expected to exceed £75,000 will be subject to both Ministerial and DFP approval).

LIST OF DELEGATED AUTHORITIES

The Council has delegated authority to deal with, and where necessary write-off to losses, and to make special payments as follows:-

Type of loss or special payment	Delegation for individual cases
Cash Losses	£5,000
Fruitless payments (including payments in respect of abandoned capital schemes)	£5,000
Bad debts and claims abandoned	£5,000
Losses of Equipment and Property in stores and in use	£5,000
Compensation payments under legal obligation	Complete
Extra – Contractual payments to contractors	NIL
Other ex-gratia payments (excluding personal injury cases)	£5,000
Extra–statutory and extra-regulatory payments	NIL

For all cases outside these limits, the approval of the Department and, where appropriate, DFP, is necessary before any write-off or special payment can be actioned.