

THE STANDING FINANCIAL INSTRUCTIONS OF THE GENERAL OPTICAL COUNCIL

Updated April 2009

1. Accountability Structure

1.1. The CE/Registrar will be held accountable to the Council for the management and husbandry of the Council's financial and business functions.

2. Asset Register

2.1. The Registrar will cause to be maintained a record of the fixed assets of the Council and shall ensure safe custody of deeds and documents.

2.2. The Registrar will put in place processes and procedures to ensure that assets are kept in a secure location.

2.3. The movement of documents and records from 41 Harley Street must be in accordance with processes and procedures, which the Registrar will cause to be put in place for this purpose.

3. Annual budget, borrowing and lending

3.1 The Registrar shall prepare a statement of the projected income and expenditure in respect of each financial year for the approval of the Council.

3.1. Recommendations on borrowing by the Council shall be presented by the Registrar to the Council for approval. Funds will be borrowed only with the prior approval of Council. The recommendations of the Registrar on borrowing should be accompanied by details of the proposed lender, its credit rating, the sum to be borrowed, the security to be provided, the rate of interest to be charged and the repayment terms. Council must receive such details prior to giving consideration to the Registrar's recommendations.

3.2. The Council may not be a lender of funds for any reason, with the exception of staff season tickets and bicycle loans.

4. Income

4.1 Income received shall be banked in one of the funds approved from time to time by the Registrar taking into account the advice of the Council's internal management team and external financial advisers.

4.2 Funds may be transferred between any Current Account and any Investment Account with the authorisation of any two of the Registrar, the Deputy Registrar, the Director of Human Resources and Organisational Development (HR&OD), the Director of FTP and Legal Services, Director of Communications and Information.

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4.3 The setting up of any new Current and Investment Accounts will be carried out in accordance with processes and procedures which the Registrar will cause to be put in place for that purpose.

5. Expenditure

5.1. Payments for single items of budgeted expenditure of up to £1,000.00 require the authorisation of one of the following:

- (a) the CE/Registrar
- (b) the Deputy Registrar/Director of Standards & Education
- (c) the Director of HD&OD
- (d) the Financial Controller
- (e) the Director of Information and Communications
- (f) the Director of Legal Services/FTP

and may only be authorised upon submission of a written quotation or invoice or the appropriate claim form and receipts.

5.2 Payments for single items of non-budgeted expenditure of up to £1,000.00 require the prior authorisation of:

- (a) the Registrar (or, in his/her absence, the Deputy Registrar); or
- (b) the Director of HR&OD.

which may be given only upon submission of a written quotation.

5.2. Payments for single item budgeted expenditure of over £1,000.00 but less than or equal to £10,000.00 require the prior authorisation of **two of the following**:

- (a) the Registrar,
- (b) the Deputy Registrar/Director for Standards & Education,
- (c) the Director of HR & OD ,
- (d) Director of Information and Communications
- (g) the Financial Controller
- (h) the Director of Information and Communications
- (e) the Director of FTP and Legal

which may only be given upon submission of a written quotation.

- 5.3. Payments for single item **non-budgeted expenditure** of over £1,000.00 but less than or equal to £10,000.00 require the prior authorisation of:
- (a) the Registrar **and**
 - (b) with the agreement of all the Senior Management Team; and
 - (c) the Financial Controller
- ,which may be given only on submission of a written quotation and on being satisfied that the payment represents value for money.
- 5.4. Payments for single item budgeted expenditure of over £10,000.00 require the prior authorisation of the Registrar, and the Deputy Registrar which may be given only on submission of a written quotation.
- 5.5. Payments for single item non-budgeted expenditure of over £10,000.00 require the prior authorisation of the:
- (a) the Registrar and
 - (b) all the SMT
 - (b) the Financial Controller
- which may be given only on submission of a written quotation and on being satisfied that the payment represents value for money.
- 5.6. Where payment for budgeted or non-budgeted expenditure on goods or services will exceed £25,000.00 in any year (or if the period over which the goods or services would be supplied is greater than one year, will exceed an average of £25,000.00 per year), the accountable Director shall obtain written quotations from, where possible, at least three suppliers, the preferred supplier representing the best overall value for money.
- 5.7. Where payment for budgeted or non-budgeted expenditure on goods or services will exceed £100,000.00 in any year (or if the period over which the goods or services would be supplied is greater than one year, will exceed an average of £100,000.00 per year), the provision of the goods or services shall be subject to tender in accordance with paragraph 5.10 below.
- 5.8. Periodic payments made under the terms of a contract must be authorised by the Registrar.
- 5.9. The following shall be subject to tender at least once every 5 years:
- (a) Legal support for the investigation of allegations of impaired fitness to practise and criminal offences
 - (b) Auditing services
 - (c) Insurance and pension advice
 - (d) CET administration

5.10 The tender procedure shall be as follows:

- (a) The accountable Director shall prepare an invitation to tender setting out the specification for the goods and services;
- (b) The accountable Director shall consult legal advisors as to the legal requirements of any tendering exercise and shall comply with the legal requirements, consulting the legal advisors as necessary;
- (c) Where no legal requirements exist, or the number of suppliers to be invited to tender is not specified, the accountable Director shall arrange for the invitation to tender to be sent to at least three suppliers;
- (d) The Registrar and SMT shall assess all tenders received and shortlist three suppliers for consideration by a selection panel chaired by the Registrar and the Chair of the relevant committee with oversight of the relevant services.
- (e) The selection panel shall assess the tenders and recommend a supplier for the consideration of the Council who appears to it to represent the best overall value for money.
- (f) The Council shall consider the recommendation under paragraph (e) and appoint a supplier.

The Registrar shall be authorised to sign all contracts on behalf of the Council and shall be the Authorised Officer for the purposes of each contract.

6. Accounts, audit and publication

- 6.1. Records of all expenditure shall be maintained by the Financial Controller for a period of 5 years. In accordance with the legal requirement.
- 6.2. A statement of Income and Expenditure shall be provided to the Registrar and SMT on a monthly basis.
- 6.3. The annual accounts shall be compiled in respect of each financial year in accordance with the relevant accounting standards and shall be considered by the Registrar/SMT its first meeting following the end of the period to which the accounts relate.
- 6.4. The Financial Controller shall prepare the appropriate information required in order to facilitate the Auditors' preparation of year-end tax computations.
- 6.5. The external auditors shall review the annual accounts and report their findings to the Audit Committee at its first meeting following the end of the period to which the accounts relate.
- 6.6. The Council shall publish its accounts in summary form in its Annual Report alongside a statement from the auditors confirming their findings.
- 6.7. The Council shall publish its accounts in full on its website.