City of London Corporation Committee Report

Committee: Finance Committee	**Dated:** 2nd June 2026
Subject: Review of Financial Regulations	**Public report:** For Decision
This proposal: • **delivers Corporate Plan 2024-29 outcomes** • **provides statutory duties**	Providing Excellent Services, Flourishing Public Spaces
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of:	The Chamberlain
Report author:	Harinder Thandi, Chamberlain's Department

Summary

The City's Financial Regulations set out procedures for officers to follow when managing the City's financial affairs. The regulations are maintained by Finance Committee and were last reviewed in April 2025. This report is the subject of a recent annual review undertaken by the Chamberlain's department, together with staff from other relevant departments, which makes recommendations for a number of changes to update the regulations and deal with gaps and inconsistencies. Notable changes are identified in Appendix A of this report.

Most of the reporting and approval thresholds are dealt with in other documents, rather than the Financial Regulations, which deals more with process. These documents include the Standing Orders, the Scheme of Delegations, the Portfolio, Programme and Project (P3) Policy Framework and the Procurement Code. An increase in the level of such thresholds is considered as these documents are reviewed.

At the present time some final work is being undertaken on the review of the Procurement Code which is expected to complete in the Summer of this year. A delegation is therefore requested to reflect any changes in process that may need to be made in the Financial Regulations as a result.
The updated draft regulations for consideration are attached at Appendix B. For clarity proposed changes have been tracked. This tracking will be removed, and the document reformatted before publication.

Recommendations

Members are asked to:

1. Critically examine and **approve** the revised Financial Regulations set out in Appendix B;
2. **Approve** a delegation to the Chamberlain to amend the regulations in respect of any further changes that may need to be made as a result of the review of the Procurement Code and to tidy up numbering and formatting of the Financial Regulations document; and
3. **Note** that the next review of the regulations will be undertaken early in 2027, to pick up any further changes required, with the outcome reported to your committee in the Spring of that year.

Main Report

Background

1. The City's Financial Regulations are governed by Standing Order 48 of Court of Common Council which states that:

    i. The Financial Regulations form part of the City Corporation's overall system of financial management, accountability and control and shall be complied with by all City of London Corporation staff.
    ii. The Financial Regulations are maintained by the Finance Committee.

2. These regulations were last reviewed in April 2025 and a working party established by the Chamberlain's Department has recently undertaken a review. The working party consisted of Chamberlain's staff, covering a number of financial disciplines together with staff from the City's Commercial Team, City Bridge Foundation charity and the Corporate Strategy team.

3. Financial regulations lay down the procedures that officers should apply when managing the City's financial affairs. It is therefore, important that the financial regulations are clear and kept up to date.

4. The review had two key aims:

    i. To identify gaps and inconsistencies in the current regulations, to streamline the regulations where appropriate, especially in relation to our charities, and to improve consistency, efficiency and clarity.

    ii. To check the interrelationship with City regulations and procedures such as Standing Orders; Procurement Code; and the P3 Policy Framework, to ensure there is consistency.

5. It should be noted that the Financial Regulations deal mainly with process rather than reporting and approval thresholds. These are dealt with in other documents such as Standing Orders, the Scheme of Delegations, the P3 Policy Framework and the Procurement Code. The need to raise the level of these thresholds is considered as these documents are reviewed.

6. When undertaking this review, in addition to the members of the working party, advice was sought from a number of teams including Internal Audit, City Revenues, Payroll, VAT, Accounts Payable, Insurance, Comptroller & City Solicitor and Digital Services. Their comments have been incorporated into the revised regulations.

Current Position

7. The draft regulations are set out at Appendix B. For ease of understanding proposed changes have been tracked. As the regulations were last reviewed in April 2025, there are not too many proposed changes and many of the changes are presentational. Changes of substance, which are worthy of note, are also set out in Appendix A.

Delegation to Chamberlain

8. At the time of preparation of this report, a review of the procurement regulations is being undertaken, but these have yet to be completed. It is therefore requested that the Chamberlain is given delegated authority, once this review is finalised, to reflect any consequent required changes in the updated regulations.

Annual Review

9. In order to keep changes to a reasonable number, and to ensure the document remains up to date, it was previously agreed that the review would be undertaken on an annual basis. It is therefore intended that the regulations will be reviewed again in 2027 with any proposed changes brought to your committee in the Spring of that year.

Appendices

- Appendix A – Significant Proposed Changes to the Regulations
- Appendix B – Draft Financial Regulations (with proposed changes tracked)

Harinder Thandi
Finance Business Partner
Chamberlain's Department
T: 020 7332 1309
E: harinder.thandi@cityoflondon.gov.uk