

2. USE OF PUBLIC RESOURCES

Box 2.3: some transactions requiring specific DFP consent

- extra statutory payments in settlement of legal disputes out of court
- certain private expenses of employees made necessary because of their public duties
- severance payments in excess of the employer's contractual commitment
- non-standard payments in kind
- unusual financing transactions, especially those with lasting commitments

2.2 Regularity, propriety and value for money

2.2.1 Accounting Officers must make sure that their organisations' activities achieve high and reliable standards of regularity and propriety (see HM Treasury booklet entitled "Regularity and Propriety"). These important terms, which are often used together because they are so closely linked, are defined in box 2.4.

Box 2.4: regularity and propriety

- **Regularity:** resource consumption should accord with the relevant legislation, the relevant delegated authority and this document.
- **Propriety:** patterns of resource consumption should respect the Assembly's intentions, conventions and control procedures, including any laid down by the PAC.

2.2.2 The concept of regularity and propriety is powerful. The Assembly has consistently interpreted it as delivering public sector values in the round, encompassing the qualities summarised in box 1.1. Supporting this concept are the Seven Principles of Public Life (the Nolan Principles - see annex 2.4), which apply to the public sector at large. In striving to meet these standards, central government departments should give a lead to the partners with which they work.

2.2.3 Each departmental Accounting Officer should make sure that the Minister in his or her department appreciates:

- the importance of operating with regularity and propriety; and
- the need for efficiency, economy, effectiveness and prudence in the administration of public resources, to deliver value for money.

2.2.4 Should a Minister seek a course of action which the Accounting Officer cannot reconcile with any of these requirements, he or she should seek a direction in writing from the Minister before proceeding (see chapter 3).