

Report of:	Meeting	Date
Corporate Director Resources (Section 151 Officer)	Audit Committee	16 November 2021

Annual Review of Financial Regulations and Financial Procedure Rules

1. Purpose of report

1.1 To review the Financial Regulations and Financial Procedure Rules.

2. Outcomes

2.1 Evidence that the council has arrangements in place to maintain a sound system of internal control.

3. Recommendation

3.1 Members are asked to note the proposed changes summarised in paragraph 5.1 and to approve the updated Financial Regulations and Financial Procedure Rules set out in Appendix 1 of this report which can be viewed on the council's website at:

<https://wyre.moderngov.co.uk/documents/b4889/Proposed%20Financial%20Regulations%20and%20Financial%20Procedure%20Rules%2016th-Nov-2021%2018.00%20Audit%20Committee.pdf?T=9>

4. Background

4.1 The Financial Regulations and Financial Procedure Rules form part of the council's governance structure and help to demonstrate that arrangements are in place to maintain a sound system of internal control.

4.2 The Financial Regulations and Financial Procedure Rules were subject to a major review and updated in accordance with best practice and guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) prior to being agreed by the Standards Committee at their meeting on the 14 October 2004 and the Council meeting on 11 November. In addition an annual review is completed by the Head of Governance and Business Support and reviewed by the Corporate Director Resources. The last review was completed in November 2020.

5. Key Issues and proposals

5.1 A number of amendments are proposed, namely:

- Amended to reflect that the 'Monitoring Officer' is now the Head of Legal Services and the 'Deputy Monitoring Officer' is now the Human Resources Manager (Part 4.06/03 Para 1.4d);
- Amended to reflect that 'Service Directors' are now 'Corporate Directors' (Part 4.06/03 Para 1.4e);
- Amended to reflect that the 'Head of Internal Audit' is now the Audit and Risk Manager (Part 4.06/03 Para 1.4h);
- Updated to include the reference to compliance with the UK GDPR as well as the Data Protection Act (Part 4.06.01/2 Para A10), (Part 4.06.04/8 Para 3.57e) and (Part 4.06.06/2 Para 5.07f);
- Amended to reflect the correct title of the Risk Management Policy and Procedure (Part 4.06.04/1-2. Para 3.02 and Para 3.04);
- Amended to update the auditing practices and standards currently used to assess how the Internal Audit service is operated and its effectiveness (Part 4.06.04/3 Para 3.18d);
- Amended to reflect the changes in anti-money laundering legislation (Part 4.06.04/7 Para 3.47g);
- Amended to reflect that higher limits of up to £10,000 have been agreed for certain officers and confirmed with Internal Audit. At the time of this review, one officer had a limit of £10,000, one officer had a limit of £5,000 and one officer had a limit of £1,000 (Part 4.06.05/8 Para 4.59);
- To include the requirement to carry out privacy impact assessments (if applicable) prior to processing personal data (Part 4.06.06/3 Para 5.17);
- Removal of the reference to 'European Funding' in respect of the receipt of external grant funding (Part 4.06.06/3 Para 5.17);
- Amended to reflect the changes to procurement rules following the departure from the European Union (Part 4.06.06/12 Para 6);
- Amended to reflect the changes to procurement rules following the UK's departure from the European Union, in particular the removal of any reference to the Official Journal of the European Union which has been replaced with the 'Find a Tender Service'.

The Contract Procedures have also been amended to ensure that Climate Change is considered when setting a quality / price mechanism to be used for evaluating tender documentation (Part 4.06.7) and;

- A number of other minor amendments have been made throughout the document to correct typo's, grammar etc. These are track changed for reference.

Financial and legal implications	
Finance	None arising directly from the report.
Legal	The adoption of clear and up to date advice should ensure legal probity and good governance of the council.

Other risks / implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with an x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	Email	date
Joanne Billington	01253 887372	joanne.billington@wyre.gov.uk	04.11.21

List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

Appendix 1 – Proposed changes to Financial Regulations and Financial Procedural Rules (published on website).