

Report of:	Meeting	Date
Corporate Director Resources (Section 151 Officer)	Audit Committee	15 November 2022

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/b5648/Proposed%20Financial%20Regulations%20and%20Financial%20Procedure%20Rules%2015th-Nov-2022%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 the Procurement Officer and reviewed by the Corporate Director Resources. The last review was completed in November 2021.

5. Key Issues and proposals

5.1 A number of amendments are proposed, namely:

- Amended to reflect the correct title of the Corporate Director Communities (Part 4.06.03/1);
- Amended to reflect the correct title of the Risk Management Policy (Part 4.06.04/1-2. Para 3.02 and Para 3.04);
- Amended to reflect an update to the anti-money laundering legislation (Part 4.06.04/7 Para 3.47g);
- Amended to reflect the correct title of the Computer Use Policy and User Agreement (Part 4.06.04/8 Para 3.57f);
- Amended to reflect the increase in limits from £200 to £250 in relation to inventories and write-offs (Part 4.06.04/10);
- Amended to reflect that the agreed higher limits of up to £10,000 are for 'self-authorising' of goods and services (Part 4.06.05/8);
- Amended to include a further exemption to the contract procedure rules where another public authority has, in the last twelve months, procured the same or predominately similar goods, works or services (Part 4.06.07/3);
- Updated to include the requirements to be followed when procuring a new ICT system (Part 4.06.07/4);
- Update the procurement thresholds (Non-European or Lottery Funded Contracts) which came into effect from January 2022 and amend to reflect that contract values are 'inclusive of VAT' not 'net of VAT' (Part 4.06.07/4);
- To introduce a new financial limit to which all new supplier / contractor engagements, including the signing of contracts, must be approved by a second officer if signed below Head of Service or Legal Services Manager level (Part 4.06.07/9);
- Updated to include the new requirement to complete a 'Contractor / Lease Due Diligence and File Checklist' prior to contract award (Part 4.06.07/9);
- Inclusion of a new Appendix 3 - Contractor / Lease Due Diligence Checklist;
- Updated to include the new requirement to complete a 'Contractor / Lease Due Diligence Checklist' upon the receipt of a

request for an extension to a contract (Para 4.06.07/18); 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	11.10.22

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 web site).