

Report of:	Meeting	Date	Item no.
Head of Finance (s151 Officer)	Audit Committee	19 September 2017	5

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. Recommendations

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:

http://www.wyre.gov.uk/site/scripts/meetings_info.php?meetingID=584

4. Background

4.1 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.

4.2 The last annual review was completed at the Audit Committee meeting of the 20 September 2016.

4.3 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.

5. Key Issues and proposals

5.1 A number of amendments are proposed, namely:

- Updated 'Audit Requirements' to reflect the changes made in relation to the appointment of the Council's External Auditors (Para C.8);
- Updated 'External Audit – why is this important' to reflect the changes made to auditor appointments and their statutory functions (Part 4.06.04/5)
- Updated 'How the Tendering Process Works', to ensure it accurately reflects the current arrangements in place. The changes shows that there are four different routes the council can take when procuring goods or services (Part 4.06.07/5);
- Removal of the wording referring to 'sealed bids' reflecting that the council no longer uses this method of procurement (Part 4.06.07/6);
- Updated 'Tenders received via the Chest' to reflect that any tenders in excess of £100,000 must now be verified and released by an Elected Member (Part 4.06.07/6); and
- Updated the 'Open / Restricted Procedure' to ensure it accurately reflects the current arrangements in place (Part 4.06.07/11 – Appendix 2).

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
data protection	x

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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)

arm/audit/cr/17/1909jb1