

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **FLINTSHIRE COUNTY COUNCIL**

DATE: **THURSDAY, 23 JULY 2015**

REPORT BY: **CORPORATE FINANCE MANAGER**

SUBJECT: **FINANCIAL PROCEDURE RULES**

1.00 **PURPOSE OF REPORT**

1.01 To Provide County Council with the proposed updated Financial Procedure Rules (FPR's) as detailed in appendix A following consideration by the Audit Committee and Constitution Committee.

2.00 **BACKGROUND**

2.01 Section 151 of the Local Government Act 1972 and the Accounts and Audit (Wales) Regulations require the Council to make arrangements for the proper administration of its financial affairs.

2.02 On 25th September 2013 the Council approved and adopted the current FPR's.

2.03 The FPR's state that: "The Chief Finance Officer is the Officer responsible for the interpretation of these Financial Procedure Rules, and is responsible for ensuring that they remain appropriate to the Council's activities. An annual review will take place and each individual rule will be reviewed at least every two years. The outcome of each review will be reported to Council, along with any recommendations for changes. Should there be any urgent changes required, these will be recommended to Council between annual reviews."

2.04 This report details the recommended changes which have been prepared in consultation with the Chief Officer Team, Corporate Finance Management Team, Finance Officers, Internal Audit and the Chief Officer for Governance.

2.05 The draft financial procedure rules were reported to the Audit Committee on 3rd June 2015 and to Constitution Committee on 1st July 2015. Both Committees resolved that the draft FPR's should be referred to Council for approval. Audit Committee requested one slight amendment to the draft FPR's in relation to confirming the cumulative effect of the virement limits which has been included in the final version.

3.00 CONSIDERATIONS

3.01 The FPR's have been fully revised and modernised to reflect the CIPFA guidance on financial regulations.

3.02 The FPR's have been split into six main sections:

1. Status of Financial Regulations
2. Financial Management – General roles and responsibilities
3. Financial Planning
4. Risk Management and Control of Resources
5. Financial Systems and Procedures
6. External Arrangements

3.03 Once Approved the FPR's will be published on the Infonet and a programme of awareness raising will be implemented to ensure that staff are aware of the responsibilities they have in the adherence of the FPR's.

3.04 A summary version of the FPR's has also been prepared which is intended to be an easy guide for budget holding managers and staff and a copy is included in Appendix B. In addition, to assist understanding with some of the more technical aspects, a glossary of financial terms is included as Appendix C.

4.00 RECOMMENDATIONS

4.01 That Members approve the updated Financial Procedure Rules.

5.00 FINANCIAL IMPLICATIONS

5.01 The implementation of these rules ensures robust, consistent financial processes across the Authority.

6.00 ANTI POVERTY IMPACT

6.01 None directly as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None directly as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None directly as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 None directly as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 All Portfolios, Chief Officer Team, Audit Committee and Constitution Committee.

12.00 APPENDICES

Appendix A - Copy of the updated Financial Procedure Rules

Appendix B - Summary of Financial Procedure Rules

Appendix C – Glossary of Financial Terms

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

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