

CONSTITUTION AND DEMOCRATIC SERVICES COMMITTEE

Date of Meeting	Wednesday, 31 January 2018
Report Subject	Financial Procedure Rules
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of the report is to provide Constitution Committee with the proposed updated Financial Procedure Rules (FPR's) for comment and endorsement prior to approval at County Council On 1 March 2018.

The FPR's were considered and endorsed by Audit Committee on 22 November 2017.

The updated FPR's are attached as Appendix A, a summary of the FPR's are attached as Appendix B and a glossary of terms is attached as Appendix C.

RECOMMENDATIONS

1	That Constitution Committee endorse the updated Financial Procedure Rules and recommend they are submitted to Council for approval.
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REPORT DETAILS

1.00	EXPLAINING THE FINANCIAL PROCEDURE RULES (FPR'S)
1.01	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.
1.02	The FPR's state that: 'The Chief Finance Officer is the Officer responsible

	for the interpretation of these Procedure Rules, 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.
1.03	The FPR's have been fully reviewed in 2017 and minor changes made to reflect updated procedures and service delivery methods.
1.04	The proposed changes have been prepared in consultation with the relevant service managers and the Chief Officer Team.
1.05	<p>The main changes to the following sections are:</p> <p>3.2 Budgets and Medium Term Planning – changes to reflect the status of Medium Term Financial Strategy</p> <p>3.3 Budgetary Control – refers to the responsibilities of Chief Officers and Collaborative Planning</p> <p>3.3.2 Virement amount changed from £75,000 to £100,000</p> <p>4.5 Treasury Management – to ensure compliance with current legislation</p> <p>4.6 Imprest Accounts – changed to tighten controls</p> <p>5.3 Ordering of Goods and Services – reflects P2P</p> <p>5.4 Payments to employees and members – reviewed to ensure controls are relevant</p> <p>5.5 Taxation – reviewed to ensure current VAT legislation and practice followed</p> <p>5.6 Trading Accounts and Business Units – refers to services provided via an Alternative Delivery Model where specific Financial Regulations will be incorporated into individual models.</p>

2.00	RESOURCE IMPLICATIONS
2.01	The implementation of these rules ensures robust, consistent financial processes across the Authority.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Chief Officer Team

4.00	RISK MANAGEMENT
4.01	The Financial Procedure Rules form part of the management of risk of financial mismanagement.

5.00	APPENDICES
5.01	Appendix A – Copy of the updated Financial Procedure Rules Appendix B – Summary of Financial Procedure Rules Appendix C – Glossary of Terms

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Flintshire County Council - Constitution Contact Officer: Gary Ferguson Telephone: 01352 702271 Email: gary.ferguson@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	See Appendix C