



AGENDA ITEM: 6(I)

**AUDIT & GOVERNANCE COMMITTEE:
26 June 2014**

CABINET: 16 September 2014

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor D Whittington

**Contact for further information: Ms J Ashcroft (Extn. 2606)
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SUBJECT: FINANCIAL REGULATIONS

Borough wide interest

1.0 PURPOSE OF THE REPORT

1.1 To consider the revision and updating of the Council's Financial Regulations within the Constitution.

2.0 RECOMMENDATION TO AUDIT & GOVERNANCE COMMITTEE

2.1 That the updated set of Financial Regulations attached at Appendix 1 be endorsed and the document reissued to all staff.

3.0 RECOMMENDATION TO CABINET

3.1 That the updated set of Financial Regulations attached at Appendix 1 be endorsed and the document reissued to all staff.

4.0 BACKGROUND

4.1 It is a statutory and regulatory requirement for Councils to have Financial Regulations and Procedures in place that set out the financial arrangements for managing the organisation.

4.2 The Council's Financial Regulations were last updated in 2011, and the changes made at that time included shortening and streamlining the document, bringing it up to date, and ensuring compliance with best practice.

4.3 The new format has been received well by officers and management and the indication is that it has worked well in practice.

5.0 CURRENT REVIEW

- 5.1 In line with the Council's commitment to regularly review its key documents and procedures, a review of Financial Regulations has been undertaken and Appendix 1 provides proposed revisions.
- 5.2 The Budget and Policy Framework, which forms part of the Constitution, was also reviewed as part of this process but no changes were deemed necessary to this document at this time.
- 5.3 The proposed amendments to Financial Regulations largely relate to changes across the Authority since 2011. For example, a new corporate Purchase Order exemption list has been devised and reference is made to this in the 'Ordering and paying for work, goods and services' section. Similarly, a new Payment Requisition form has been devised, with greater controls on authorisation routines, and the same section now makes reference to this also.
- 5.4 There have been changes to Payroll procedures since the partnership with Wigan Council and BTLS and the section on 'Payments to Employees and Members' has been altered to reflect this approach.
- 5.5 A new HRA business plan was introduced in March 2012, which was a fundamental change in the financing of the housing service, and this is reflected in the regulations with a new section included for it within 'Financial Planning'.
- 5.6 Further enhancements and alterations have been made across the document, for example more emphasis on ensuring compliance with data protection and any other updated legislation.
- 5.7 Following this review, the document is now deemed to be accurate and up to date. It is intended that once Members have endorsed the new version of the Regulations, that the Constitution will be updated accordingly and all Members and staff notified of the changes to the Regulations.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 All the activity referred to in this report is covered by existing budget provisions.

8.0 RISK ASSESSMENT

- 8.1 The maintenance of an up to date set of Financial Regulations is necessary to demonstrate compliance with the Council's statutory and regulatory duties, to ensure that the Council is well managed financially and that all relevant staff are aware of their specific financial responsibilities.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix 1 – Revised Financial Regulations

Appendix 2 – Minute of Audit & Governance Committee 26 June 2014 (Cabinet only)