

Report to	Resources and Performance Committee
Date	8 March 2011
By	Interim Deputy Chief Finance Officer
Title of Report	Financial Regulations and Procedures
Purpose of Report	To present updated Financial Regulations and Financial Procedures for Members consideration.

Recommendation: That the Committee recommends that the Authority approves and adopts the revised Financial Regulations and Financial Procedures with immediate effect.

1. Introduction

- 1.1 This report provides new Financial Regulations and Financial Procedures as detailed in **Appendices 1 and 2** for the regulation of financial business of the Authority.

2. Background

- 2.1 The Authority approved the current Financial Regulations on 20 April 2010. This report also recommended that the Financial Regulations be reviewed and updated during the next year.
- 2.2 The Local Government Act 1972 directs that Authorities shall make arrangements for the proper administration of their financial affairs, and that some of their officers be responsible for the administration of those affairs. These Financial Regulations are subject to Accounts and Audit Regulations (revised in 2003) issued by Government under s27 of the Audit Commission Act 1998. Accounts and Audit Regulations establish statutory provisions for accounting arrangements, audit arrangements and financial control within the authority, consistent with Audit Commission guidance.
- 2.3 To conduct its business efficiently, a local authority needs to ensure that it has sound financial management policies in place and that they are adhered to. Part of this process is the establishment of financial regulations. These provide a framework for managing the authority's financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf. They are part of the Authority's Standing Orders and are supported by a number of other documents including Contract Standing Orders, schemes of delegation and codes of conduct for officers and members. Contract Standing Orders were approved on 6 July 2010 and it is not proposed to amend these.

3 Financial Regulations and Procedures

- 3.1 The new financial regulations and Financial Procedures are based on CIPFA (Chartered Institute of Public Finance and Accountancy) best practice guidance for financial regulations, adapted to be relevant to this Authority.
- 3.2 The Financial Regulations are now supported by Financial Procedures which provide details of how the Regulations will be implemented operationally. These establish sound practices and assist Senior Officers in their responsibilities for the operation of their financial processes. These documents provide clarity about the financial accountabilities of Members, Statutory Officers, Directors and Managers.
- 3.3 The Chief Finance Officer is responsible for maintaining a continuous review of the financial regulations and for submitting any revisions to the Authority for approval after consultation

with the Chief Executive. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the financial regulations to the Authority.

4. Resources

4.1 There are no resource implications arising from this report.

5. Risk Management

5.1 Adoption of the revised Financial Regulations and Financial Procedures is essential to the effective operation and decision making process of the Authority and form part of the governance framework.

6. Human Rights, Equalities, Health and Safety

6.1 There are no implications arising from this report.

7. External Consultees

7.1 None.

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Appendices	1. Financial Regulations (March 2011) 2. Financial Procedures (March 2011)
SDNPA Consultees	Chief Executive Officer, Director of Corporate Services, Chief Finance Officer, Monitoring Officer.