

**REVIEW OF FINANCIAL PROCEDURAL RULES**  
**WDA/15/10**

**Recommendation**

That the revisions to the Authority's Financial Procedural Rules be approved and adopted with immediate effect.

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**Report of the Treasurer**

**1. Purpose of the Report**

- 1.1 To seek Members' approval to the proposed revisions to the Authority's Financial Procedural Rules.

**2. Background**

- 2.1 The Authority meeting of 25 September 2009 agreed the Assistant Director (Finance) would review the Authority's Financial Procedure Rules by 31 March 2010. The Review has been completed and revised Financial Procedural Rules are attached at appendix 1.

**3. Review of Financial Procedural Rules**

- 3.1 The current Financial Procedural Rules were approved by Members on 25<sup>th</sup> September 2009 when a number of minor amendments were made including a reference to the role of the Treasurer as Certifying Officer under the provisions of the Local Government (Contracts) Act 1997 and references to 'Solicitor to the Authority,' which was amended to read, 'Monitoring Officer.'
- 3.2 A more detailed review was identified as an action for the Assistant Director (Finance) as part of the Code of Corporate Governance assessment and was scheduled for completion by March 2010. This is the first Authority meeting following the completion of the review and provides Members with the opportunity to approve and adopt the revised procedures
- 3.3 The proposed Revisions to the Financial Procedural Rules are included in the full revised draft which is attached at Appendix 1 for Members' consideration.

3.4 Key changes are summarised below and are shown in more detail in the table at Appendix 2.

- **Section A – Financial Management**
  - Part 4 includes additional information on the statutory role of the Treasurer
  - Part 6 – requires variances against budgets to be reported on, also provides confirmation about controls on spending and funding exercised by the Treasurer and the Authority. Virement rules are clarified.
  
- **Section B – Financial Performance**
  - Section 3 – confirms that capital expenditure is included in the procedure rules
  - Section 5 – adds a clear reference to Prudential Indicator requirements
  
- **Section C – Risk Management and control of resources**
  - At paragraph 6.3 a new reference to ensure that Treasury Managers are informed of large payment dates to enable cash management
  
- **Section D – Financial Systems and Procedures**
  - At paragraph 2.7 and 2.8 clarification of procedures for authorising the ordering and paying for of goods and services

#### 4. Risk Implications

4.1 The following risk analysis had been undertaken in relation to this report:

Identified Risk	Likelihood Rating	Consequence Rating	Risk Value	Mitigation
Financial Procedural rules do not reflect legislative changes.	3	5	15	Annual review of documents.
Financial Procedural rules do not sufficiently ensure internal control	2	5	10	Annual Corporate Governance assessment reviews controls and assesses any weaknesses

**5. HR Implications**

5.1 There are no HR implications associated with this report.

**6. Environmental Implications**

6.1 There are no environmental implications associated with this report.

**7. Financial Implications**

7.1 There are no financial implications associated with this report.

**8. Conclusion**

8.1 Members are asked to consider the proposed amendments to the Authority's set of Financial Procedural rules and approve the revised document.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.