

# Review of Financial Regulations

## Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 255011 or Joanne Coadey, Head of Finance on 01743 260215.

### 1 Purpose of Report

This report asks members to consider and agree the draft Financial Regulations and the updated virement and debt write off levels, following officer review.

### 2 Recommendations

The Fire Authority is asked to

- a) Consider the revised Financial Regulations and approve their adoption, and
- b) Consider the proposed changes to virement levels and debt write off levels and approve their adoption.

### 3 Background

As part of its constitution the Fire Authority has in place the following documents:

- Scheme of Delegation to Officers;
- Standing Orders for the Regulation of Proceedings and Business;
- Standing Orders relating to Contracts; and
- Financial Regulations Standing Orders.

Although not a legal requirement, it is deemed good practice for local authorities to review these documents on a regular basis. In October 2015, officers presented a set of Financial Regulations to the Authority, based on a model set from the Chartered Institute of Public Finance and Accountancy (CIPFA). These replaced the previous, more condensed regulations which were in place and provided one comprehensive document which detailed the responsibilities and processes required for the sound financial management of the Authority.

## 4 Review

Officers have again reviewed the Financial Regulations and a link to the updated document is contained within the report. In order to provide practical guidance on how the Regulations should be interpreted and applied, detailed procedure notes are held in each department. Officers should ensure that these procedure notes are updated to remain in line with the Regulations.

Officers recommend that the revised Financial Regulations be adopted, with any subsequent amendments brought to the Fire Authority as need arises.

As the proposed amendments to the Financial Regulations are minor, the document has not been attached to this report, in order to save paper and postage. The current version can be viewed on the Service's website via the following link:

<https://www.shropshirefire.gov.uk/meeting/14-december-2016>

Proposed amendments are shown in the document with deletions struck through and additions in bold italics.

## 5 Review of Virement and Debt Write Off Limits

Officers have also taken the opportunity to review the current rules in place around approving virements and writing off doubtful debts.

The current limits have not been reviewed for a number years and it is now considered that they do not reflect or assist current working practices. The changes proposed will enable decisions to be made more quickly, with more local and devolved responsibility.

The tables below show the current limits in place and the proposed changes.

Virement – revenue and capital	Budget Holder and Head of Finance	Chief Fire Officer and Treasurer	Chair and Vice Chair	Fire Authority
Up to £10k	√			
£10k to £30k		√		
£30k to £50k		√	√	
Over £50k, plus change in policy				√

**Key** Blue – current                      √ - proposed change

Debt Write Off	Head of Finance	Head of Finance and officer requesting invoice (i.e. Special Service)	Chief Fire Officer and Treasurer	Fire Authority
Up to £200	√			
£200 to £1000		√		
£1000 to £2500		√	√	
Over £2500				√

**Key** Blue – current                      √ - proposed change

The Authority is asked to consider these changes and adopt the new limits with immediate effect.

## 6 Financial Implications

There are no financial implications arising from this report.

## 7 Legal Comment

Although not a legal requirement, it is deemed good practice for local authorities to review Financial Regulations on a regular basis.

## 8 Initial Impact Assessment

An Initial Impact Assessment has been completed.

## 9 Equality Impact Assessment

There are no equality or diversity implications arising from this report. An Equality Impact Assessment is not, therefore, required.

## 10 Appendix

Shropshire and Wrekin Fire and Rescue Authority  
Financial Regulations

The Appendix can be accessed on the Service's website via the following link:

<https://www.shropshirefire.gov.uk/meeting/14-december-2016>

## 11 Background Papers

There are no background papers associated with this report.