

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

17 NOVEMBER 2021

REPORT OF THE INTERIM CHIEF OFFICER - FINANCE, PERFORMANCE AND CHANGE

AMENDMENT TO THE FINANCIAL PROCEDURE RULES (FPRs) WITHIN THE COUNCIL'S CONSTITUTION

1. Purpose of report

- 1.1 The purpose of this report is to seek Council's approval to amend the Constitution to incorporate the revised Financial Procedure Rules.

2. Connections to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensuring that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

- 2.2 The Constitution governs the operation of the Council and thereby provides a direct link to the Corporate Plan and all of the Council's well-being objectives.

3. Background

- 3.1 The management of the Council's financial affairs are conducted in accordance with the Financial Procedure Rules set out in Part 4 of the Constitution. The FPRs have not been revised since 2017, during which time new financial processes and procedures, and new legislation and guidance, have come into effect, changing the way in which the Council operates.

4. Current situation/proposal

4.1 The Financial Procedure Rules have been reviewed by officers, including those from finance, procurement, legal and internal audit and a number of changes made to bring them up to date to reflect changes such as:

- clarification and updated wording in a number of areas to reflect current practice;
- updates in respect of the Capital Strategy and capital programme approvals;
- updated reporting and approval requirements in respect of leases;
- additional information in respect of Value Added Tax (VAT) and the Construction Industry Scheme (CIS);
- requirements in respect of the Social Security Contributions (Intermediaries) Regulations 2000, as amended (IR35);
- updates in respect of data protection requirements under the General Data Protection Regulation (GDPR);
- reference and signposting to the Council's Senior Fraud Investigator;
- processes to be followed for asset disposals.

4.2 A report was presented to Cabinet on 16th November 2021 to approve the revised Financial Procedure Rules. A copy of the revised rules is attached to this report at **Appendix 1** for information.

4.3 The revised Financial Procedure Rules now need to be incorporated into the Constitution.

5. Effect upon policy framework and procedure rules

5.1 The Constitution governs the operation of the Authority and thereby has an effect upon the operation of the Policy Framework. The Financial Procedure Rules are a fundamental part of the Council's Constitution.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. The Financial Procedure Rules apply to all equally, therefore it is not necessary to carry out an Equality Impact assessment in the production of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 There are no financial implications arising from changes to the Financial Procedure Rules within the Constitution as they being proposed to reflect current practice.

9. Recommendation

- 9.1 Council is recommended to approve amendment to the Constitution to incorporate the revised Financial Procedure Rules as set out in **Appendix 1**.

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INTERIM CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

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Background Documents: None