Financial Regulation C: Risk Management and Control of Resources

Introduction

C.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Council. This will include the proactive participation of all those associated with planning and delivering services.

Risk Management

C.2 The Section 151 Officer and/or Monitoring Officer is responsible for:

- preparing the Council's risk management policy statement and strategy for approval by the Executive;
- ensuring that appropriate insurances are in place;
- promoting risk management throughout the Council; and
- reviewing the effectiveness of the risk management policy statement and strategy.

Internal Control

C.3 Internal control refers to the systems of control devised by management to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.

C.4 The Section 151 Officer is responsible for advising on effective systems of internal control which are compliant with all applicable statutes and regulations, and other relevant statements of best practice. The arrangements will aim to ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.

C.5 An Executive Director is responsible for establishing sound arrangements for planning, appraising, authorising and controlling operations in his/her own service area to achieve continuous improvement, economy, efficiency and effectiveness and for achieving his/her financial performance targets.

Audit requirements

C.6 The Accounts and Audit Regulations 2015 require every local authority to maintain an adequate and effective internal audit. The Section 151 Officer is responsible for internal audit and for this purpose he/she or his/her representative may inspect and audit all books of account, financial documents and all other records of the Council, visit any of the Council's premises and obtain such explanations and take away such records for examination as he/she may consider necessary.

C.7 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

Preventing fraud and corruption

C.8 The Council has a zero tolerance to fraud, bribery and corruption.

C.9 The Section 151 Officer is responsible for the development and maintenance of an anti-fraud and anti-corruption policy.

C.10 Where it is suspected that money or property has been stolen or otherwise misappropriated, or that a financial irregularity has occurred, the relevant Executive Director must immediately report the matter to the Section 151 Officer. The Section 151 Officer will report such matters as appropriate to Members.

Assets

C.11 An Executive Director will ensure that records and assets in his/her own service area are properly maintained and securely held. He/she will also ensure that contingency plans are in place for the security of assets and continuity of service in the event of disaster or system failure.

C.12 An Executive Director is responsible for reporting any deficiencies of equipment or stores in his/her own service areas to the to the Section 151 Officer, who may authorise the items to be written off or instigate an investigation into the circumstances.

Leasing, Finance and Hire Agreements

C.13 An Executive Director is responsible for ensuring that any proposal to enter into a leasing, finance or hire agreement in his/her own service areas is agreed in advance with the Section 151 Officer.

Property

C.14 The agreement of any terms for leasing of any property or the taking or granting of any interest in property must be undertaken by an Executive Director (or any other Officer delegated/nominated power for such purposes in accordance with the Officer Scheme of Delegations – Part 3(2) of the Constitution).

C.15 Legal interests in property will be recorded in a Property Terrier or other record.

C.16 Where exclusive possession of a building, parts of a building or any land is involved on other than a sessional basis or occasional hiring, an Executive Director or any other Officer delegated/nominated power for such purposes in accordance with the Officer Scheme of Delegations – Part 3(2) of the Constitution) will be responsible for making the necessary arrangements including the assessment of rent

C.17 The Council has adopted policies on whistleblowing, fraud, bribery and anti-corruption all of which support the Council’s zero tolerance to fraud, bribery and corruption.

Treasury Management

C.18 The Council has adopted CIPFA's Treasury Management Code of Practice 2017.

C.19 The Full Council is responsible for approving a Treasury Management Strategy compliant with the Code of Practice.

C.20 The Council has delegated responsibility for the implementation and monitoring of treasury management policies and practices to the Executive. The Executive has delegated the administration of treasury management decisions to the Section 151 Officer who will act in accordance with the Treasury Management Policy statement and CIPFA's standard of professional practice on treasury management.

C.21 The Council has delegated to the Audit and Governance Committee responsibility for ensuring scrutiny of the Treasury Management Strategy and policies.

Staffing

C.22 The Chief Executive, as the Head of Paid Service, is responsible for providing overall management to staff. He/she is also responsible for the evaluation or other agreed systems for determining the remuneration of a job.

C.23 An Executive Director is responsible for controlling total staff numbers in his/her own service areas by:

- advising the Executive on the annual budget required to cover estimated staffing levels;
- adjusting staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint to meet changing operational needs; and
- proper use of appointment procedures.