

# FINANCIAL REGULATIONS AND INTERNAL AUDIT REPORT

<b>To provide council with an update on the preparation of new Financial Regulations for financial year 2023-24.</b>		
<b>Recommendation:</b>		
1. Council is invited to note the report.		
	Yes	No
Does the decision involve new expenditure?		No
Is there an existing budget for the proposed expenditure (insert code)	N/A	
What procurement level is required?	N/A	
Are there equalities impacts / an equalities assessment required?		No
Does this require a full council decision? (Reports for full council decision should still be sent to the relevant committee where possible.)	Yes	
Is there a background paper or papers? (provide links below).		No
<b>Background</b>		
<ol style="list-style-type: none"> <li>1. Officers have identified a need to make significant changes to accountancy practice for 2023-24.</li> <li>2. Previously officers have resisted suggestions that every purchase should need a purchase order because of the difficulties that arise from variable bills paid via direct debits, and the desire not to resort to open purchase orders.</li> <li>3. Workarounds have now been identified for these issues that allow officers to resile from their previous objections, and to agree to a practice of setting up purchase orders in advance for direct debit payment items that will enable better tracking of committed sums. This will enable us to reach agreement with the Internal Auditors, and to better manage cashflow.</li> <li>4. Revised Financial regulations will be drafted to cover this issue.</li> </ol>		
<b>Issues arising from proposal</b>		
None.		
<b>Rationale for recommendation.</b>		
Not applicable.		