

**WRITTEN STATEMENT OF A NON-KEY DECISION
CABINET**

ITEM:	REVIEW OF THE BUDGET AND POLICY FRAMEWORK PROCEDURE RULES, FINANCIAL PROCEDURE RULES AND CONTRACT PROCEDURE RULES
Members Present:	Councillors: RJ Phillips (Leader), LO Barnett, AJM Blackshaw, H Bramer, JP French (Deputy Leader), JG Jarvis, DB Wilcox.
Date of Decision:	28 February 2008
Exempt:	No
Confidential	No
Urgency/Special Urgency: (As defined in Constitution)	No
Purpose:	<p>To seek the views of Cabinet/Audit & Corporate Governance Committee/Strategic Monitoring Committee on proposed revisions to the Budget and Policy Framework Procedure Rules, Financial Procedure Rules and Contract Procedure Rules attached as Appendices 3, 4 and 5 respectively to this report. This numbering convention reflects that in the Council's Constitution for these documents.</p> <p>To seek views of Cabinet and Strategic Monitoring Committee to changes to the time by which Councillors must submit written Questions for Council.</p>
Decision:	<p>THAT (a) Cabinet/Audit & Corporate Governance Committee/Strategic Monitoring Committee consider the Budget and Policy Framework Procedure Rules, Financial Procedure Rules and Contract Procedure Rules attached to this report and determine whether they have any further comment they wish to make on them to Council on 7th March 2008 when they will be formally considered for adoption;</p> <p>(b) the Head of Legal & Democratic Services ensures a thorough revision of the Scheme of Delegation for approval by Council in May 2008;</p> <p>(c) the Head of Legal & Democratic Services carries out a thorough review of the remainder of the Constitution for approval by Council in July 2008; and</p> <p>(d) the amendment to paragraph 4.25.1 of the</p>

Constitution is endorsed.	
Reasons for the Decision:	<p>The Director of Resources' Section 151 Officer report on financial governance issues in ICT Services of September 2007 contained recommendations for review of the financial elements of the Council's Constitution. The recommendations from the Section 151 Officer's report were endorsed by the Crookall Review as an appropriate response given the circumstances to strengthening the Council's financial governance framework.</p> <p>The Audit Commission has commented on the serious flaws in the operation of the Council's financial policies and procedures identified by the Section 151 Officer's report and the Crookall Review in their Annual Governance Letter for 2007, their Use of Resources report for 2008 and their Annual Audit & Inspection Letter for 2008.</p> <p>The Council is now judged to be operating at below minimum requirements as far as the Internal Control element of the Use of Resources assessment for 2008 is concerned. The main reason for this is the financial governance issues identified last year. The Council is one of only four upper tier authorities with a below standard assessment for this element of the Use of Resources assessment.</p> <p>Adoption by Council of the revised Budget and Policy Framework Procedure Rules, Financial Procedure Rules and Contract Procedure Rules attached to this report by the end of March 2008 is key to an improved assessment for Internal Control in the next Use of Resources assessment.</p>
Options Considered:	<p>These have been considered as part of the benchmarking exercise that informed the review of the Council's existing financial governance arrangements.</p>
Declaration of Interest:	

<p>COUNCILLOR RJ PHILLIPS:.....</p> <p>LEADER OF THE COUNCIL</p>	<p>Date: 28 February 2008</p>
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