



AUDIT & PERFORMANCE SYSTEMS COMMITTEE

Date of Meeting	13.11.2018
Report Title	Review of Financial Regulations
Report Number	HSCP.18.094
Lead Officer	Chief Finance Officer
Report Author Details	Alex Stephen Chief Finance Officer AleStephen@aberdeencity.gov.uk
Consultation Checklist Completed	Yes
Appendices	a. Financial Regulations – Oct 2018 b. Reserves Policy

1. Purpose of the Report

- 1.1. The purpose of this report is to present the Audit & Performance Systems Committee with a revised version of the IJB's Financial Regulations for approval.

2. Recommendations

- 2.1. It is recommended that the Audit & Performance Systems Committee
- a) Approve the revised Financial Regulations, as at Appendix A.

3. Summary of Key Information

- 3.1. The IJB commissions services from Aberdeen City Council and NHS Grampian. The management of services within these organisations is governed by their own financial regulation.
- 3.2. Under the Local Government (Scotland) Act 1973, the IJB is required to make arrangements for administration of its financial affairs. At its meeting



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on the 26th of March 2016, the IJB agreed a set of financial regulations which detailed the responsibilities, policies and procedures that govern the IJB.

- 3.3. The IJB requested that the financial regulations are reviewed and updated on a biennial basis.
- 3.4. The revised financial regulations are attached at appendix A, with tracked changes to easily identify the revisions made.
- 3.5. The majority of the changes have been to reflect the more mature stage of the IJB as it has now been established for over 2 years. Additionally, some of the terms used have been updated, for example where referring to the Audit & Performance Systems Committee.
- 3.6. The two major changes to the financial regulations are outlined below:
 - i. **Reserves (3.7.3):** this section has been updated to reflect that fact we now have a reserves strategy which is reviewed annually.
 - ii. **Grants (3.8.2):** this section has been updated to allow officers to use their delegated powers. The rationale for this is that some grant applications need to be applied for quickly and seeking IJB approval each time will slow down the process and could result in the IJB losing valuable help in the delivery of the strategy plan.
- 3.7. There is one area where we are not currently compliant (item 3.3.4 regarding information on the set-aside budget).

4. Implications for IJB

- 4.1. **Equalities** – there are no direct equalities implications arising as a result of this report.
- 4.2. **Fairer Scotland Duty** – there are no direct implications relating to the Fairer Scotland Duty as a result of this report.
- 4.3. **Financial** – These financial regulations detail the financial responsibilities, and policies and procedures that govern the Integration Joint Board.
- 4.4. **Workforce** – there are no direct workforce implications arising from the recommendations of this report.



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4.5. Legal – approval of these financial regulations will allow the IJB to comply with its obligation to make arrangements for its financial affairs under the Local Government (Scotland) Act 1973.

4.6. Other – there are no other implications arising from the recommendations of this report.

5. Links to ACHSCP Strategic Plan: Robust financial arrangements will help ensure the IJB is able to deliver on its strategic plan.

6. Management of Risk

6.1. Identified risks(s) & link to strategic risk register: There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and projects an overspend.

6.2. Link to risks on strategic or operational risk register: Number 2 (Strategic Risk Register)

6.3. How might the content of this report impact or mitigate these risks:
The regular review of our financial regulations aims to maintain the integrity of the IJB's financial system and as such will help to mitigate this risk.