



Integration Joint Board
Audit and Risk Management Committee

21st June 2018

This Report relates to
Item 5 on the Agenda

Review of Financial Regulations

(Paper presented by Katy Lewis)

For Approval

| | |
|-----------------------------------|------------------------------------|
| Approved for Submission by | Katy Lewis, Chief Finance Officer |
| Author | Katy Lewis, Chief Finance Officer |
| List of Background Papers | Not applicable |
| Appendices | Appendix 1 – Financial Regulations |

SECTION 1: REPORT CONTENT

Title/Subject: Review of Financial Regulations
Meeting: Audit and Risk Management Committee
Date: 21st June 2018
Submitted By: Katy Lewis, Chief Finance Officer
Action: For approval

1. Introduction

- 1.1 The Financial Regulations for the Integration Joint Board (IJB) were approved at the Audit and Risk Committee on 19th September 2016. A regular review of the regulations is recommended on a periodic basis. Following discussions at the meeting in September 2016, discussion in conjunction with the Equality and Diversity Lead was undertaken. The document has been revised to incorporate this review.

2. Recommendations

- 2.1 **The Audit and Risk Management Committee is asked to:**
- 2.2 **Approve the updated financial regulations for the Integration Joint Board which is included as an Appendix to this paper.**

3. Background

- 3.1 The Integration Joint Board is a legal entity in its own right created by Parliamentary Order, following ministerial approval of the Integration Scheme. It is accountable for the stewardship of public funds and is expected to operate under public sector best practice governance arrangements, proportionate to its transactions and responsibilities. Stewardship is a major function of management and, therefore, a responsibility placed upon the appointed members and officers of the Integration Joint Board. Development of the financial regulations for the partnership is seen as a key responsibility of the Chief Finance Officer.

4. Main Body of the Report

- 4.1 The financial regulations document is included as an appendix to this paper and covers a range of areas of financial governance including:
- Financial Management and Performance
 - Financial Planning
 - Reserves
 - VAT

- Procurement/Commissioning of Services⁹
- Financial Reporting
- Internal Audit Arrangements
- External Audit Arrangements
- Audit and Risk Committee
- Risk Management and Insurance
- Economy, Efficiency and Effectiveness (Best Value)
- Capital Planning and Expenditure
- Board Members' Expenses

4.2 There is a change to the IJB's reserves policy which is reflected in para 4.7 of the regulations. The equality and diversity section has been included as a new section 15.

4.3 The revised regulations are included as **Appendix 1** to this paper.

SECTION 2: COMPLIANCE WITH GOVERNANCE STANDARDS

5. Resource Implications

5.1. There are no resource implications identified.

6. Impact on Integration Joint Board Outcomes, Priorities and Policy

6.1. The financial regulation document is a key governance document in supporting the IJB to deliver its strategic plan.

7. Legal & Risk Implications

7.1. These regulations have been developed in line with the Integration Scheme.

8. Consultation

8.1. These regulations have been reviewed in consultation with the Senior Finance Team, Equality and Diversity Lead, Head of Finance and Procurement (Section 95 Officer) for Dumfries and Galloway Council, Director of Finance for NHS Board.

9. Equality and Human Rights Impact Assessment

9.1. An Impact Assessment has been carried out.

10. Glossary

IJB Integration Joint Board