

REPORT OF: CHIEF FINANCE OFFICER
TO: ACCOUNTS AND AUDIT COMMITTEE
DATES: 24th MARCH 2010

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ANNUAL REVIEW OF THE COUNCIL'S FINANCIAL MANAGEMENT ARRANGEMENTS 2009/10

PURPOSE OF REPORT

1. The purpose of this report is to present the outcome of a review of the Council's financial management arrangements as they have operated during 2009/10.

RECOMMENDATIONS

2. The Accounts and Audit Committee is recommended to
 - a) note the review the Council's financial management arrangements as set out at [Appendix A](#); and
 - b) indicate whether there are any areas of improvement necessary in the financial management arrangements.

REASONS FOR RECOMMENDATION

3. To acknowledge the review of the Council's financial management arrangements and indicates any areas for further review and improvement.

ISSUE

4. Annually, the Council is subject to a Use of Resources Assessment by the External Auditors which considers various areas of the Council's activities. A key element of the former UoR Assessment is a requirement to keep under review the Council's financial management arrangements. This is to ensure they remain 'fit for purpose' and that the Financial Service function has sufficient capacity, resourcing and training needs.

5. As such a review of the Council's financial management arrangements is a matter of good practice, a review has been conducted of the arrangements in place for 2009/10. Attached at [Appendix A](#) is a draft report providing the outcome of the review of the Council's arrangements for 2009/10. The review covers a range of issues including:-
- financial governance and leadership;
 - financial strategy and planning;
 - budget setting;
 - budget monitoring;
 - treasury management;
 - financing reporting;
 - financial risk management and internal control;
 - finance for decision making;
 - value for money.
6. The overall outcome of the review is that the Council's financial management arrangements have operated effectively throughout 2009/10. However, Councillors are requested to consider the review and indicate whether there are any areas for further improvement.

IMPLICATIONS

Policy

7. There are no policy implications arising from the contents of this report.

Financial

8. There are no financial implications arising from the contents of this report.

Legal

9. There are no legal implications arising from the contents of this report.

Risk Management

10. There are no risk management implications arising from the contents of this report.

Health and Safety:

11. There are no Health and Safety implications arising directly from the contents of this report.

Sustainability:

12. There are no sustainability implications arising directly from this report.

Community Safety:

13. There are no community safety issues arising directly from the contents of this report.

Equality and Diversity:

14. There are no equality and diversity issues arising from the contents of this report.

APPENDICES

Appendix A – Annual Review of the Council's Financial Management Arrangements 2009/10.