

# Report to Council

Agenda  
Item:

**23**

Meeting Date: 4 March 2014  
Portfolio: Finance, Governance and Resources  
Key Decision: Not applicable  
Within Policy and Budget Framework YES  
Public / Private Public

Title: REVIEW OF FINANCIAL PROCEDURE RULES – RETENTION OF DOCUMENTS  
Report of: DIRECTOR OF RESOURCES  
Report Number: RD87/13

## Purpose / Summary:

This report provides Members with details of proposed changes to the Authority's Financial Procedure Rules in respect of the retention of documents.

## Recommendations:

Members are requested to approve the proposed changes as set out in the report.

## Tracking

|                        |                        |
|------------------------|------------------------|
| Executive:             | <b>Not applicable</b>  |
| Audit Committee:       | <b>24 January 2014</b> |
| Overview and Scrutiny: | <b>Not applicable</b>  |
| Council:               | <b>4 March 2014</b>    |

# Report to Audit Committee

Meeting Date: 24 January 2014  
 Portfolio: Finance, Governance and Resources  
 Key Decision: Not Applicable:  
 Within Policy and  
 Budget Framework YES  
 Public / Private Public

Title: REVIEW OF FINANCIAL PROCEDURE RULES – RETENTION  
 OF DOCUMENTS  
 Report of: Director of Resources  
 Report Number: RD73/13

## **Purpose / Summary:**

This report provides Members with details of proposed changes to the Authority's Financial Procedure Rules in respect of the retention of documents.

## **Recommendations:**

Members are requested to approve the proposed changes for recommendation to Council on 4<sup>th</sup> March 2014.

## **Tracking**

|                        |                        |
|------------------------|------------------------|
| Audit Committee:       | <b>24 January 2014</b> |
| Overview and Scrutiny: | <b>Not applicable</b>  |
| Council:               | <b>4 March 2014</b>    |

## **1. BACKGROUND**

- 1.1 As defined by the Audit Committee's Rules of Governance, Members of this Committee have the responsibility to maintain an overview of the Council's Constitution in respect of Financial Procedure Rules (FPR's).
- 1.2 The FPRs are reviewed on a regular basis, in order that they reflect changes in legislation, Government and Council Policy, changes in the Council's financial practices and any changes to the organisation structure.

## **2. PROPOSED CHANGES TO THE FINANCIAL PROCEDURE RULES**

- 2.1 The proposed changes are detailed below and are in relation to the Council's policy on the retention of documents. In order to comply with audit certification guidelines and to protect any grant funding received it may be necessary to retain documents longer than the timeframes set out in the Financial Procedure Rules. Therefore it is prudent to include a caveat to this effect within the Constitution as proposed below.

Current wording:

*There is a legal requirement to retain certain records for periods between three years and permanently. A grid, which gives guidelines on how long documents should be held, is shown below.*

Proposed additional narrative:

*However, other contracts, partnerships, agreements and grant related certification requirements may stipulate longer timeframes and these should take precedence over such obligations. Relevant responsible officers should provide the necessary information on retention periods to Financial Services.*

Members should note that following the Internal Audit review of 'Records Management' which is considered elsewhere on the agenda, a project group is being established whose remit is to develop a corporate Records Management Policy and to review the Council's retention schedule in more depth. The aim is to complete this piece of work by the end of March 2014.

## **3. CONCLUSIONS AND REASONS FOR RECOMMENDATIONS**

- 3.1 Members are requested to approve the proposed changes for recommendation to Council on 4<sup>th</sup> March 2014.

## **4. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 4.1 To ensure that the Council has sound systems of internal control and that the governance arrangements in place comply with statutory requirements.

**Contact Officer: Alison Taylor**

**Ext: 7290**

**Appendices  
attached to report:**

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:**

- **None**

**CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive's – not applicable**

**Economic Development – not applicable**

**Governance – Contained within the Report.**

**Local Environment – not applicable**

**Resources – included in the main body of the report**

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## EXCERPT FROM THE MINUTES OF THE AUDIT COMMITTEE HELD ON 24 JANUARY 2014

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### **AUC.09/14      REVIEW OF FINANCIAL PROCEDURE RULES – RETENTION OF DOCUMENTS**

The Financial Services & HR Manager submitted report RD.73/13 providing Members with proposed changes to the authority's Financial Procedure Rules in respect of the retention of documents.

In order to comply with audit certification guidelines and to protect any grant funding received it may be necessary to retain documents longer than the timeframes set out in the Financial Procedure Rules. It was therefore considered prudent to include a caveat to that effect within the Constitution as proposed below.

Current wording:

*There is a legal requirement to retain certain records for periods between three years and permanently. A grid, which gives guidelines on how long documents should be held, is shown below.*

Proposed additional narrative:

*However, other contracts, partnerships, agreements and grant related certification requirements may stipulate longer timeframes and these should take precedence over such obligations. Relevant responsible officers should provide the necessary information on retention periods to Financial Services.*

Members were asked to note that following the Internal Audit Review of 'Records Management' which was considered elsewhere on the Agenda, a project group was being established whose remit was to develop a corporate Records Management Policy and to review the Council's retention schedule in more depth. The aim was to complete that piece of work by the end of March 2014.

In response to Members' questions the Financial Services and HR Manager commented that a great deal of historical information had been lost during the Carlisle Floods.

The Audit Manager added that a Project Group had been established whose remit it was to develop a corporate Records Management Policy and to review, in more depth, the Council's retention schedules.

**RESOLVED** – That the Audit Committee approved the proposed changes to the Council's Financial Procedure Rules in respect of the retention of documents, as outlined in Report RD.73/13 for recommendation to Council on 4 March 2014.