

Report to	<b>Audit Committee</b>
Date	<b>15 September 2025</b>
Lead Officer	<b>ACFO Helen MacArthur</b>
Contact Officer	<b>Elgan Roberts, Head of Finance</b>
Subject	<b>Updated Financial Regulations</b>



## PURPOSE OF REPORT

- 1 To inform the Audit Committee of the scheduled review and update of North Wales Fire and Rescue Authority (the Authority)'s Financial Regulations, originally approved in March 2022, and to outline the key changes introduced in the 2025 revision.

## EXECUTIVE SUMMARY

- 2 The Financial Regulations were revised in 2022 and are due for review after three years. The revision for 2025 reflects a comprehensive update aimed at streamlining the document, modernising its provisions, and aligning with current legislative and technological standards. The revised version (v3.0) is submitted for approval.

## RECOMMENDATION

- 3 It is recommended that Members:
  - i) **Endorse the updated Financial Regulations and recommend their approval to the Authority.**

## BACKGROUND

- 4 The Financial Regulations provide the framework for financial governance, accountability, and stewardship across the Authority. The 2022 version (v2.0) was issued with a scheduled review date of 31 March 2025. The updated version (v3.0) has been prepared by the Head of Finance and reviewed by the Assistant Chief Fire Officer responsible for Finance and Resources.

## INFORMATION

- 5 Version 3.0 has streamlined the document and ensures its continued relevance in a rapidly evolving financial and regulatory landscape. The structure has been refined to improve clarity and usability, with redundant sections removed and guidance consolidated.

- 6      Modernisation of provisions with new sections have been added to reflect contemporary financial practices, including:
- **Digital Banking and Payment Security:** Compliance with Strong Customer Authentication (SCA) and Payment Services Regulations 2017.
  - **IFRS 16 Compliance:** Enhanced guidance on asset leasing and right-of-use accounting.
  - **Fraud Prevention and Corporate Transparency:** Alignment with the Economic Crime and Corporate Transparency Act 2023, including beneficial ownership registers and enhanced due diligence.
- 7      In line with good governance practice, the Financial Regulations will be subject to a further review three years from the date of approval, or earlier if required by legislative or operational changes.

## IMPLICATIONS

Well-being Objectives	Supports good governance and financial stewardship, contributing to long-term sustainability.
Budget	No direct financial implications, but improved controls may reduce exposure to fraud and inefficiency.
Legal	Ensures compliance with statutory duties under the Local Government Acts, Accounts and Audit Regulations, and recent legislation on economic crime.
Staffing	Requires awareness and compliance across all departments; training will be provided where necessary.
Equalities/Human Rights/ Welsh Language	No adverse impact identified.
Risks	The review mitigates risks associated with outdated procedures, non-compliance, and financial irregularities.