

WAVERLEY BOROUGH COUNCIL

COUNCIL

26 APRIL 2022

Title:

FINANCIAL REGULATIONS UPDATE

Portfolio Holder: Cllr Mark Merryweather, Portfolio Holder for Finance, Assets and Commercial Services

Head of Service: Peter Vickers, Head of Finance and Property

Key decision: Yes

Access: Public

1. Purpose and summary

- 1.1 The Audit Committee was asked to consider the update to the Financial Regulations and recommend them to the Council, in compliance with the Audit Committee Terms of Reference under Article 8 of the Constitution. Specifically, the Audit Committee is required to maintain an overview of the Council's Constitution in respect of financial regulations.

2. Recommendation

It is recommended that the Council adopts the updated Financial Regulations.

3. Reason for the recommendation

To ensure Waverley policies are kept up to date and relevant to the environment in which it works, minimising risks to the Council and its funds.

4. Background

- 4.1 The Financial Regulations were last updated in December 2019. In line with the commitment of continual review within the Annual Governance Statement the Financial Regulations have been reviewed and two changes are proposed.
- 4.2 The objective of the update to the Financial Regulations is to enhance the Council's governance arrangements to remain secure in relation to risk and statutory compliance and to propose changes that lead to improvements in process and efficiency.
- 4.3 The main updates relate to the following areas which are detailed in Annexe 1:

- a) Explicit that the Deputy S151 has authority to act as the S151 (2.4)
- b) Requirement for funding agreements (2.17)
- c) Requirement for business case for capital bids (3.11)
- d) Stricter controls on contractual disputes being reported to S151 (4.1)
- e) Reference to IR35 rules in Contract Procurement Rules (4.12)
- f) Control on how staff bank detail changes will only be accepted through the payroll system (5.8)
- g) Clarification of External audit checking registers (16.1)

Other small clarifications have also been included in the draft.

5. Relationship to the Corporate Strategy and Service Plan

- 5.1 The Financial Regulations directly underpin the financial governance arrangements for the Council and affect the way services deliver on corporate priorities.

6. Implications of decision

6.1 Resource (Finance, procurement, staffing, IT)

There are no direct resource implications.

6.2 Risk management

Reviewing the Council's policies will support management and mitigation of financial risk.

6.3 Legal

The Financial Regulations are part of the Council's Constitution and apply to every officer and Councillor acting behalf of the Council.

The Local Government Act 1972 (Section 151) makes the Chief Finance Officer responsible for the proper administration of the Council's financial affairs. The Financial Regulations are issued pursuant to these responsibilities.

6.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

6.5 Climate emergency declaration

n/a

7. Consultation and engagement

- 7.1 None.

8. Other options considered

- 8.1 None.

9. Governance journey

9.1 Council – April 2023

Annexes:

Annexe 1 – Draft Financial Regulations

Background Papers

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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Agreed and signed off by:

Legal Services: 3 March 2022

Head of Finance: 16 March 2022

Strategic Director: date

Portfolio Holder: date