

Somerset Council Financial Regulations

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Executive Member: Cllr Liz Leyshon – Deputy Leader and Lead Member Finance and HR Division and Local Member: All

1. Summary

- 1.1.** The Financial Regulations form part of the Council’s Constitution and outline the principles and rules for all financial matters. They link through to Constitution’s Scheme of Delegation and Contract Standing Orders. The Financial Regulations are a technical document that detail accountabilities for financial decision-making.
- 1.2.** The attached Financial Regulations will need regular review as the new Council passes vesting day not only to ensure they meet with the highest levels of governance and probity but also to ensure they dovetail with other governance documents and are sufficiently pragmatic to ensure that financial affairs are managed as efficiently and effectively as possible.

2. Recommendations

- 2.1.** To approve the attached Financial Regulations for adoption on the 1st April 2023 and recommend that the Monitoring Officer exercises delegated authority in consultation with the Group Leaders accordingly.
- 2.2.** That within six months of vesting day the section 151 Officer and the Monitoring Officer review and report appropriately on the operation of the Financial Regulations and associated elements of the Constitution.

3. Background

- 3.1.** The existing County Council Financial Regulations require updating to meet the needs of a Unitary Council.
- 3.2.** The new regulations have been prepared in accordance with the principles set out in the CIPFA Financial Management Code (FM Code), which provides guidance for good and sustainable financial management in local authorities and contains principles and standards to help authorities demonstrate their financial sustainability and probity.
- 3.3.** The new Financial Regulations will require regular review to ensure they continue to reflect both good practice within the sector and the new Council’s

developing working practices.

4. Consultations undertaken

- 4.1.** The regulations attached have been widely circulated including all of the S151s and Deputy S151s of each Somerset Authority, Procurement, Payroll, Property and Exchequer leads. They have also been reviewed by the Chief Executive and the Executive Director Team.
- 4.2.** They have also been considered by the LGR Project Governance Board, which includes the Monitoring Officers of each Somerset Authority, and lead members.

5. Implications

- 5.1.** There has been extensive consultation at operational level in respect of the new Financial Regulations and they have been prepared with the needs of a unitary authority in mind. If these Financial Regulations are not adopted prior to vesting day, the County Council's existing Financial Regulations will continue to apply until the new Regulations are adopted, which would lead to an additional training need for district staff transferring into the new Council.

6. Background papers

- 6.1.** CIPFA Financial Management Code

Note For sight of individual background papers please contact the report author