

Regulation, Audit and Accounts Committee

25 September 2024

Standing Order Amendments – Financial Regulations

Report by Director of Law and Assurance

Summary

The Financial Regulations are part of the Authority's Constitution. They are intended to help the exercise of statutory financial responsibilities, safeguard finances and assets, and ensure the proper record keeping and reporting of financial accounts.

The current version of the Financial Regulations were approved by the County Council at its meeting on 22 March 2024.

A short addition is now required to the Financial Regulations to explain that, in so far as is required in connection with the administration of the Pension Fund the powers allocated to the Cabinet Member Finance and Property will be discharged by the Pensions Committee.

Recommendation

The Committee is asked to endorse the revised Financial Regulations for approval at the 18 October 2024 County Council.

1. Introduction

1.1 The Financial Regulations are part of the Authority's Constitution. They are intended to help the exercise of statutory financial responsibilities, safeguard finances and assets, and ensure the proper record keeping and reporting of financial accounts.

2. Amendment to Financial Regulations

2.1 The Financial Regulations set out the financial policies and the framework for managing the Council's financial affairs. They seek to ensure that the Council conducts its affairs in a way that complies with statutory provisions, generally accepted accounting principles and professional good practice.

2.2 West Sussex County Council is the Administering Authority responsible for maintaining and managing the West Sussex Pension Fund on behalf of its stakeholders: the scheme members and employers participating in the Fund.

2.3 Management of the pension fund is a non-executive function, which means that, by law, it cannot be the responsibility of the council's cabinet or executive members. Instead, only the full Committee or an officer can discharge functions in relation to the administration of the Scheme, including those set

out in the Financial Regulations. The Cabinet Member Finance and Property in their role as Chairman of the Pensions Committee cannot.

- 2.4 It is therefore appropriate to make short addition to the Financial Regulations to explain that, in relation to funds for which the Pensions Committee is responsible, arrangements should be delegated properly by the Pensions Committee.
- 2.5 The Pensions Committee can then either choose to retain full authority or it can delegate certain tasks (potentially within certain thresholds) to a relevant officer or officers, if necessary, in consultation with the Chairman of the Committee. They should as far as possible, however, align with the Financial Regulations confirmed by the County Council.
- 2.6 The proposed amendments are included in Appendix A.

3. Risk implications and mitigations

- 3.1 There are financial risks associated with the organisation not having adequate up to date regulations and procedures in place.

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Appendices

Appendix A – Financial Regulations

Background Papers

None