



Combined Authority Board	Agenda Item
31 May 2023 – Ordinary Meeting	4

Title:	Revisions to the Cambridgeshire and Peterborough Combined Authority Constitution – Financial Regulations (Chapter 8)
Report of:	Nick Bell – Executive Director Resources and Performance
Lead Member:	Lead Member for Governance
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	A vote in favour, by at least two-thirds of all Members (or their Substitute Members) present and voting.

Recommendations:	
A	Approve and adopt the revisions to the Constitution as detailed in this report.

Strategic Objective(s):	
The proposals within this report fit under the following strategic objective(s):	
	Achieving ambitious skills and employment opportunities
	Achieving good growth
	Increased connectivity
	Enabling resilient communities
<i>Delete as appropriate and include short explanation. Link to relevant sections in business plans.</i>	

1. Purpose	
1.1	This report provides the Board with commentary on the revisions made to Chapter 8 – Financial Regulations of the Constitution of the Combined Authority following review and update based on the recommendations of the March Audit and Governance Committee.

2. Proposal	
2.1	The Combined Authority is obliged to review its Constitution on an annual basis. Officers have been undertaking a process of review, and changes were adopted by the Combined Authority Board on 29 March 2023.
2.2	This review of the Constitution is an iterative process and the Combined Authority Board will be receiving amendments for consideration to approval until the end of this municipal year and the financial regulations form part of this next iteration.

3. Background

3.1	The Audit and Governance Committee is responsible for keeping under review the governance arrangements, such as the constitution, of the Combined Authority and is empowered to make recommendations to the Combined Authority Board. At their March meeting the Audit and Governance Committee reviewed a draft update to the Financial Regulations and recommended adoption of the new Financial Regulations to the CA Board subject to a number of amendments which have been included in the presented version.
3.2	Officers have reviewed the regulations of other Combined Authorities and worked with various stakeholders in preparing these proposed revisions, including the Executive Team of the Combined Authority and the Lead Member for Governance, Councillor Edna Murphy.
3.3	The draft regulations have also been shared with the Constituent Authority S151 officers for review and comment.
3.4	Appendix 1 of this report is the current version of the Financial Regulations with track-changes to indicate the amendments made to the current regulations. Appendix 2 is the 'clean' version of the suggested amendments to the Financial Regulations.
3.5	<p>The majority of the changes are minor, and reflect updating of wording and clarifications. The key changes are:</p> <ul style="list-style-type: none">• Section 8.7 expansion of virement section• Section 8.8 expansion of variation section• Section 8.9 expansion of reserves section• Section 8.25 expansion of payment of accounts to include grants• Section 8.26 inclusion of purchasing cards section• Para 8.1.1 introduction updated to reflect CA local government act 1985.• Para 8.3.1 / 8.3.8 changes made to the wording to reflect that the CA do not delegate responsibility of delivery to constituent councils. Services are funded via grant arrangements.• Para 8.3.2 inclusion of Mayoral office requirements.• Para 18.9.2 inclusion of equipment and ICT arrangements around assets.• Para 8.23.2 inclusion of debt write off limits.• Para 8.24.3 update to reflect PO arrangements and payments of invoices.
3.6	The Audit and Governance Committee made several specific recommendations, all of which have been adopted in the draft presented here. The points are recorded under item 7 in the minutes of that meeting linked here, and in the background documents section.

4. Appendices

4.1	Appendix 1 – Financial Regulations (Chapter 8) including mark-up
4.2	Appendix 2 – Financial Regulations (Chapter 8) clean copy

5. Implications

Financial Implications

5.1	CIPFA's framework for Good Governance in the Public Sector recommends that public sector organisation's financial regulations are reviewed and updated on a regular basis. The financial regulations have been updated in line with best practice and relevant Financial Reporting Standards and Statements of Recommended Practice.
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Legal Implications

6.1	The Combined Authority is obliged to adopt and maintain a constitution and standing orders. The revised regulations will be adopted into the Council's Constitution if approved.
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Public Health Implications	
7.1	None
Environmental & Climate Change Implications	
8.1	None
Other Significant Implications	
9.1	None
Background Papers	
10.1	Link to the minutes of the 24th March 2023 Audit and Governance Committee, item 7 refers.