

## AUDIT SCRUTINY COMMITTEE

**CHAIRMAN:** Councillor Sally Morgan

**DATE:** 12 September 2019

**REPORT OF:** Audit & Information Governance Manager

**SUBJECT:** FINANCIAL INSTRUCTIONS and  
CONTRACT PROCEDURE RULES – WAIVERS

**PART I**

### RECOMMENDATION

That the report is noted.

#### 1. PURPOSE

- 1.1 To inform Members of the number of times the Financial Instructions and Contract Procedure Rules have been waived and the reasons for this.

#### 2. BACKGROUND

- 2.1 The Financial Instructions and Contract Procedure Rules provide the framework for managing the Council's financial affairs. They apply to every member and officer of the Council and anyone acting on its behalf.
- 2.2 Sometimes there are instances where the rules cannot be followed and requests are made to waive them. One of the following criteria must be met:

|          |  |
|----------|--|
| <b>1</b> | <b>LIFE OR DEATH</b><br>There is significant chance that the life or health of officers, members, or the public will be put at real risk.                          |
| <b>2</b> | <b>INCREASED COST / LOSS OF INCOME</b><br>The Council will incur significant avoidable costs or lose significant income.   |
| <b>3</b> | <b>LIMITED MARKETS</b><br>The Council would be wasting its time tendering as supply of the product or service is demonstrably restricted to one or few businesses. |
| <b>4</b> | <b>URGENT ACTION REQUIRED</b><br>The Council would be criticised for failing to act promptly.  |

## TEIGNBRIDGE DISTRICT COUNCIL

### 3. WAIVERS

3.1 The following waivers have been processed since the June 2019 monitoring report:

| Proposing Officer                                       | Proposal / Reason  | Approval   |
|---|--|--|
| Tom Butcher<br><br>Senior Estates Surveyor              | <b>Shops 6 – 10 and Shop 5 Market Walk, Newton Abbot</b><br>Direct appointment for works to Shops 6 – 10 and Shop 5, following marketing since September 2018.<br><br>Value: <b>£37,500</b><br><br><b>Reason:</b> Increased Cost / Loss of Income, Urgent Action Required.   | Tony Watson<br><br>Interim Head of Commercial Services                   |
| Sue Heath<br><br>Audit & Information Governance Manager | <b>Commissioning of audit days from the Devon Audit Partnership (DAP)</b><br>Continuation of services provided by DAP for the 2019 – 2020 supplementary audit days.<br><br>Value: <b>£17,000</b><br><br><b>Reason:</b> Increased Cost / Loss of Income   | Martin Flitcroft<br><br>Interim Head of Corporate Services, S151 Officer |
| Ruth Adams<br><br>Programme Manager                     | <b>Supply of strategic and specialist advice to the South West Regional Coastal Monitoring Programme (SWRCMP)</b><br>To extend engagement of Exe Act Services for a further year to ensure support the funding bid for the next phase of the programme. Coastal monitoring spend is externally funded by the Environment Agency.<br><br>Value: <b>£48,000</b><br><br><b>Reason:</b> Increased Cost / Loss of Income, Limited Markets | Tony Watson<br><br>Interim Head of Commercial Services                   |

### 4. WAIVER PROCESS

- 4.1 The current waiver process requires an Internal Audit opinion to be obtained prior to the waiver being signed by the authorised signatory. As most waivers involved the procurement of services, it is proposed to add the requirement for the procurement officer to be consulted.
- 4.2 As the Audit Scrutiny Committee's role is to have oversight of the Financial Instructions and Contract Procedure rules, members are recommended to approve this minor change.

## TEIGNBRIDGE DISTRICT COUNCIL

### 5. RECOMMENDATION

That the report be noted and the minor amendment to the Waiver process be approved.

**Sue Heath**

**Audit & Information Governance Manager**

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|--|---|
| <b>Wards affected</b>                              | -   |
| <b>Contact for any more information</b>            | <i>Sue Heath, Audit Manager 01626 215258</i>                |
| <b>Background Papers (For Part I reports only)</b> | <i>Financial Instructions Waivers File – Internal Audit</i> |
| <b>Key Decision</b>                                | -   |
| <b>In Forward Plan</b>                             | -   |
| <b>In O &amp; S Work Programme</b>                 | -   |