

PAPER NO: WRWA 23-04

WESTERN RIVERSIDE WASTE AUTHORITY

MEETING	9 th February 2023
REPORT AUTHOR/DATE	Clerk (Contact Mark Broxup - Tel. 020 8871 2788) 26 th January 2023
SUBJECT	Report on the Appointment of a Treasurer
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STATUS	Open
BACKGROUND PAPERS	None

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INTRODUCTION

Background

1. Mr Buss was appointed Treasurer to the Authority in 2006. Mr Buss was then Director of Finance and Deputy Chief Executive at Wandsworth Council. Until Mr Buss's retirement from that role at Wandsworth Council, in March 2017, the role of Treasurer had always been filled by a senior Wandsworth Council finance officer – either the Director of Finance or, between 1987 and 1993, the Deputy Director.
2. In June 2016, in anticipation of both the then Clerk Mr Walker's and Mr Buss's departure from Wandsworth Council, the Authority agreed to extend their roles until 30th September 2018 (Paper No. WRWA 809). In February 2018 (Paper No. WRWA 850) the roles were extended again until 31st March 2019 and, finally, in November 2018 (Paper No. WRWA 866) they were extended until 31st March 2021, subject to three months' notice on either side, and with a further review to be carried out in Autumn 2020. In September 2020 (Paper No. WRWA 20-23), the Authority agreed to appoint a new Clerk with effect from 1st April 2021 and to further extend Mr Buss's employment until 30th September 2022 to allow the departure of its Chief Officers to be staggered and to provide more stability consequently.
3. Subsequently, in January 2022 (Paper No. 22-02), the Authority agreed to extend Mr Buss's employment until 30th November 2023, to conclude the 2022/23 accounts and audit and produce the budget forecast for 2024/25.

Role of the Treasurer

4. Section 73(1) of the Local Government Act 1985 , which set up the Authority requires that the Authority to:

“make arrangements for the proper administration of its financial affairs and shall secure that one of its officers has responsibility for the administration of those affairs.”

5. Under guidance produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) the Section 73 role implies:

“a responsibility for managing the totality of the Authority’s financial affairs in all its dealings”.

6. The responsibility cannot be divided (“it lies with one of their officers”), nor can any affairs of the Authority be outside its scope. It should be noted that, under Section 113 of the Local Government Finance Act 1988, the Treasurer must be a member of one of the accountancy bodies listed in that section.
7. The Treasurer is supported by a Deputy Treasurer who historically has always come from Wandsworth. The Deputy Treasurer role and associated financial services are covered by a Service Level Agreement (attached as Appendix A). The role of Deputy Treasurer and the associated financial services are intrinsically linked and any process to move the services covered by the SLA to another borough or organisation would be complex. The constituent councils have been asked periodically if they wish to undertake this role, this was last done in 2019, and there were no offers from the other three constituent councils. Similarly, the Authority has an agreement with Wandsworth Council for the provision of Treasury Management services relating to cash held by the Council on behalf of the Authority (see Appendix B). The Role of Treasurer however, although requiring access to and communication with the Deputy Treasurer, does not require routine access to the Wandsworth systems and could be undertaken either by an officer employed in another borough or an independent person.

Recruitment Process

8. Firstly, the Authority must decide whether it wishes to appoint “internally” a senior officer from one of its constituent councils to the role of Treasurer, or to advertise the position more openly:

9. Section 34(8) of the Local government Act 1985 says that:

“Each joint authority shall appoint a person to be the clerk to the authority and in making the appointment the authority shall have regard to the desirability of that person being the chief officer of a constituent council of the authority.”

10. However, there is no such direction given with respect to the role of Treasurer and, whilst there is an argument that the role of Treasurer is best held by a senior finance

officer at a constituent council, this has not been the case since 2018 when Mr Buss, after retiring from Wandsworth Council, stood down as Section 151 officer at Kensington and Chelsea having accepted that role post Grenfell. The Authority should note that Section 5.1. of the Authority's Equality, Diversity, and Inclusion Policy says that it will strive to ensure that:

“All posts including secondment and promotion opportunities are advertised widely in order to provide an equal opportunity for all people interested to apply unless a restructuring, reorganisation, redeployment or redundancy situation exists when advertising may not apply.”

11. Officers understand that, although there may be interest for the position within the constituent councils, there are several individuals who have recently, or will soon retire, from s151 officer roles in London and potentially there may be a number of suitable candidates to choose from for the role.
12. If it is decided to advertise for the role Treasurer more widely (or an internal process fails to find a suitable candidate) then it is recommended that this be done initially in a traditional manner via advertisement in suitable newspapers, periodicals and websites. Officers will produce the advertisements and place them in as many appropriate locations as possible – examples might include the Public Finance, the Guardian, the Sunday Times and 'Linked In'.

Functions and Duties of the Treasurer

13. The Treasurer, as the Authority's Chief Finance Officer, reports directly to the Chairman and advises and supports him or her in the financial affairs of the Authority. A copy of the Treasurer's Proper Officer Functions and Delegations from the Authority's Rules together with a Job Description (agreed in December 2015, Paper No. WRWA 796) are attached as Appendix C.
14. The main requirements of the role of Treasurer are that the appointed person is able to effectively carry out the three Statutory functions of the role in relation to:
 - a. Section 115(2) of the Local Government Act 1972 – the officer who shall receive all monies due to the Authority;

- b. Section 73(1) of the Local Government Act 1985 – the officer who shall have responsibility for the proper administration of the Authority’s financial affairs (this equates to Section 151 of the Local Government Act 1972 under which Chief Finance Officers at the constituent councils operate); and
- c. Section 114 of the Local Government Finance Act 1988 – the person having responsibility for the administration of the financial affairs of a relevant authority.

Personal Specification for the Treasurer

- 15. The Authority’s Treasurer needs to be a clear, authoritative and impartial professional advisor to Authority Members, giving them objective financial analysis and a clear interpretation of technical and complex matters, and with significant (at least 5 years) experience of local authority finance at a senior level (i.e. as Section 151 officer or Deputy).
- 16. CIPFA has set out five principles that define the core activities and behaviours that belong to the role of the chief finance officer in public service organisations and the organisational arrangements needed to support them. The Treasurer therefore needs to be:
 - a. a key member of the Authority’s management team, helping the Authority to develop and implement strategy and to resource and deliver the organisation’s strategic objectives sustainably and in the public interest;
 - b. actively involved in, and able to bring influence to bear on, all material business decisions to ensure that immediate and longer term implications, opportunities and risks are fully considered, and aligned with the Authority’s financial strategy;
 - c. able to lead the promotion and delivery by the Authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.
 - d. lead and direct a finance function that is resourced to be fit for purpose; and

- e. professionally qualified and suitably experienced

Remuneration

17. The current remuneration for the Treasurer's post is £ 11,935 (April 22 pay award pending) with the amount increasing in accordance with the Joint Negotiating Committee for Chief Officers annual pay awards. The Authority also pays any overhead costs related to this sum, such as National Insurance contributions and Pension costs.

18. The current level of remuneration was benchmarked in September 2020 (Paper No. WRWA 20-23) against that paid by other statutory joint waste disposal authorities and comparable rates advertised on the Cabinet Office's Public Appointments website for appointment to the boards of various public bodies, government departments and advisory committees. This was based on the Treasurer's estimate of a commitment of around 20 to 25 days a year. However, the Authority potentially has a number of major procurement projects coming up in the short to medium term and it is recommended that, in the event of the time commitment in any one year exceeding the estimate by more than 20 per cent, the Clerk be authorised to reimburse the excess time by way of an honorarium.

Appointment Process

19. If applicable, the Clerk will either:

- a. write to Constituent Council's giving a deadline for internal candidate nominations; or
- b. advertise the role as described in paragraph 12 above.

20. Candidates (internal or external) will be short listed by the Clerk, Treasurer and General Manager for interview by an Appointments Sub-Committee ensuring that, as well as having significant experience in a local government setting, the candidates have the appropriate professional experience, at a senior level, to engage with the constituent councils at Section 151 Officer Level.

21. The Authority is asked to appoint one member from each constituent council to serve on the Appointments Committee with the second member from each Constituent Council acting as their alternate. The Authority is also asked to agree that the Committee's terms of reference will be to interview and appoint a candidate for the role of Treasurer and its procedural rules shall follow those of the Authority itself, except where the Authority's Chairman rules otherwise, or the Committee agrees otherwise. The Committee will be supported by Authority officers and no constituent council Technical Officers will be present at meetings of the Committee.

RECOMMENDATIONS

22. The Authority is asked to:

- a. decide if it wishes to recruit for Mr Buss's replacement as Treasurer on an open basis or only consider candidates working for its constituent councils;
- b. agree to the Treasurers remuneration, including arrangements for an honorarium if significant additional time is expended on Authority duties;
- c. appoint one member from each constituent council to serve on the Appointments Committee with the second member from each Constituent Council acting as their alternate;
- d. agree that the Appointment Committee's terms of reference will be to interview and appoint a candidate for the role of Treasurer and its procedural rules shall follow those of the Authority itself, except where the Authority's Chairman rules otherwise, or the Committee agrees otherwise; and
- e. otherwise receive this report as information.

B. Dosunmu
CLERK

Western Riverside Transfer Station
Smugglers Way
Wandsworth SW18 1JS

26th January 2023

SERVICE LEVEL AGREEMENT BETWEEN WANDSWORTH COUNCIL AND WESTERN RIVERSIDE WASTE AUTHORITY – MAY 2022

FOR THE PROVISION OF FINANCIAL AND ADMINISTRATIVE SUPPORT SERVICES

FINANCIAL SERVICES

Financial services are the overall responsibility of the Treasurer within his statutory responsibilities. The services detailed below are provided by the Deputy Treasurer **with** support from Wandsworth Council's Financial Control team as required, with specialist input from other Sections, in particular Internal Audit. Recharges are based on estimated time inputs and are agreed annually with the General Manager of the Authority. They then form the basis of the agreed budget.

1. Accounting

- Maintaining proper accounting records to CIPFA standards according to the appropriate CIPFA Codes in Wandsworth and WRWA systems.
- Producing annual accounts and stewardship report to WRWA Members.
- Liaison with Internal Audit, including:
 - annual risk review
 - production of the statutory Annual Governance Statement.
- Liaison with External Auditors annually to accounts certification stage.
- Formal publication of draft and audited Accounts to (reducing) statutory deadline.
- Commissioning asset valuations as required for accounting purposes.

2. Budgeting/Budgetary Control

- Producing and reporting the annual forecast to the Authority in November/December following discussions with Technical Officers and in consultation with constituent council finance officers. Full review of tonnages/units and costs.
- Liaison and correspondence with Boroughs on household numbers/tax base/levy tonnages to produce agreed bases for budget and recharge purposes.
- January budget/levy report incorporating a further review of prices, tonnages/units.
- Formal levy notification process to constituent councils.
- Monitoring receipt of levy /follow up action on defaulters.
- Reporting as required on budget position to monthly Waste Management Board meetings.

3. Financial Advice & Support

- Continuous availability to WRWA for advice and support on all issues relevant to finance, including:

Routine

- Attendance at Waste Management Board monthly.
- Attendance at Authority meetings minimum 4 x p.a..
- Attendance at Technical Officer meetings minimum 8 x p.a..

- Financial input and comment on procurement and contract proposals and other financial transactions of the Authority.
- Financial appraisal of contract variations.
- Financial input into policy reviews.
- Second stage authorisation with General Manager of payments.

Government Statutory Requirements- Annual Submissions

- Revenue Accounts Budget Estimates (RA).
- Capital Estimates Return (CER) .
- Revenue Out-turn (RO).
- Capital Out-turn (CO).
- Whole of Government Accounts (WGA).
- Completion of regular and ad hoc returns, surveys or questionnaires.

Government Statutory Requirements- Quarterly Submissions

- Borrowing and Lending.
- Quarterly Revenue Out-turn projections (QRO)
- Capital receipts and payments.

4. Treasury Management

- Annual review and report.
- Cash flow management.
- Ongoing borrowing/investment through Public Works Loans Board/ Wandsworth Borough Council / external third parties to proper standards.

5. Internal Audit

- Full Internal Audit service, reducing External Audit input and cost.
- Contribution to production of Annual Governance Statement.
- Advice on new systems, etc as required.

6. Payroll/Pensions Administration

- Salary administration and payments, including expense claims and responses to employee queries.
- Liaison with LPFA.
- Commissioning actuarial reports for accounting purposes.
- Pensions advice to employees.

ADMINISTRATIVE SERVICES

- Human Resources advice on recruitment and employee matters generally.
- Occupational Health advice and support
- Provision of Committee Rooms

SIGNED:

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18.5.22

DIRECTOR OF RESOURCES

AGREEMENT BETWEEN WESTERN RIVERSIDE WASTE AUTHORITY (WRWA) AND
WANDSWORTH COUNCIL - SEPTEMBER 2019

FOR THE PROVISION OF TREASURY MANAGEMENT SERVICES RELATING TO CASH HELD BY
THE COUNCIL ON BEHALF OF WRWA

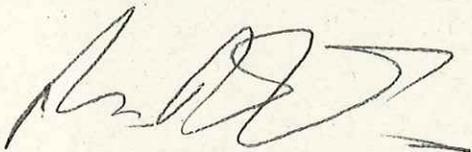
CASH INVESTED BY THE COUNCIL ON BEHALF OF WRWA

Funds will be invested in such a manner so that they will be available for WRWA to withdraw with no notice although every effort will be made to provide 24 hours notice of intention. The Council can decide how to invest this money on the basis that it needs to be liquid and can be redeemed at any time. If WRWA requests the Council to invest in longer term instruments in line with its Treasury Policy this will be subject to separate agreements.

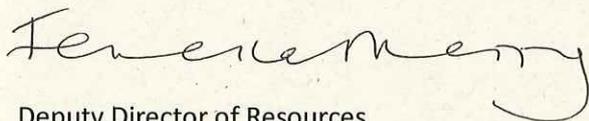
Investment will follow the WRWA Treasury Management policy and WRWA will notify the Council where this differs from its own Treasury Management policy at least annually.

Interest earned on balances shall be calculated across the average percentage of all liquid investments, which shall normally be cash or cash equivalents, into which the Council invests.

Investment will be, by definition, in those funds that have an insignificant risk of loss of value. However, if in an in extremis event, the decision of WRWA to withdraw cash should result in any reduction in value, WRWA will incur the share of reduction attributable to its investment.



Treasurer
WRWA



Deputy Director of Resources
Wandsworth Council

TREASURER TO THE AUTHORITY

A. PROPER OFFICER FUNCTIONS

The Treasurer, and whenever he is unfit or unable to act, the Accountant and Deputy Treasurer to the Authority, is the Proper Officer of the Council to perform the functions in relation to –

- (a) Section 115(2) of the Local Government Act 1972 – The officer who shall receive all monies due to the Authority.
- (b) Section 73 of the Local Government Act 1985 – The officer who shall have responsibility for the proper administration of the Authority's financial affairs.
- (c) Section 114 of the Local Government Finance Act 1988 – The person having responsibility for the administration of the financial affairs of a relevant authority.

B. DELEGATIONS

The Treasurer is authorised to exercise the powers and functions of the Authority, as follows:-

- (a) To administer the Authority's banking and payment arrangements.
- (b) To institute any legal or other action as may be appropriate to recover any debt due to the Authority.
- (c) To authorise the writing off of irrecoverable debts not exceeding £1000 in any individual case.
- (d) To swear affidavits in bankruptcies and liquidation proceedings.
- (e) To make arrangements with debtors for payments to be made by instalments.
- (f) To borrow funds as necessary for any purpose for which the Authority is empowered and specifically to:-
 - (i) raise, repay, renew and otherwise vary the terms of loans, and
 - (ii) enter into any collateral agreements necessary to facilitate effective debt management.

- (g) To negotiate and enter into leasing agreements in order to finance the acquisition of vehicles, plant and equipment and to enter into any collateral agreements necessary to facilitate an effective leasing policy.
- (h) To invest any surplus balances of the Authority's funds and to sell investments for the purpose of reinvestment or to meet the needs of the Authority.
- (i) To make suitable insurance arrangements on behalf of the Authority including the variation of the scope of insurance policies in force from time to time to give appropriate cover.
- (j) To settle claims arising under the Authority's insurance policies.
- (k) To implement any decision of a recognised negotiating body awarding an increase in pay or salary to staff in the employ of the Authority who are subject to the scheme and conditions of service prescribed by that body.
- (l) To make payment of arrears of pay to former employees in respect of qualifying retrospective pay increases agreed after the termination of their contract of employment but with effect from a date before their employment ended, provided a written claim for payment is submitted to the Treasurer within six months of the notification of the date of settlement of the award.

Qualifying increases are:-

- (i) Pay increases resulting from a job evaluation assessment.
- (ii) Special recognition payments and acting-up allowances for additional duties carried out.
- (iii) National and London salary and wage awards as agreed by the appropriate National Joint Council.
- (iv) London Weighting awards as agreed by the appropriate National Joint Council.
- (v) Local agreements concerning pay and allowances.
- (m) The setting up of such systems and the adoption of such procedures as the Treasurer considers appropriate, to ensure the proper function of the financial affairs of the Authority.
- (n) In conjunction with the Clerk, to approve expenditure on various items of plant, work, services and supplies that exceed £30,000. This power to be exercised in accordance with the terms of Standing Order No. 38.

- (o) to institute any legal proceedings in any Court or Tribunal on behalf of the Authority under any enactment or regulation as may be appropriate in connection with the enforcement of any of the functions of the Authority, including any proceedings under the Fraud Act 2006 where the Treasurer considers it is expedient for the promotion or protection of the interests of the inhabitants of the Authority's area.

 - (p) In conjunction with the Clerk, to approve expenditure on various items of plant, works, services and supplies that exceeds £5,000 but is less than £30,000 (or such other upper limit as shall be agreed by the Authority) and is necessary to ensure the continued operation of the transfer stations etc.
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Job Description

Job Title: Treasurer to the Western Riverside Waste Authority
Reports to: Chairman of the Western Riverside Waste Authority

Role Purpose:

To advise and support the Chairman in the financial arrangements and governance of the Western Riverside Waste Authority (WRWA).

To act as the statutory chief finance officer of the Authority as required by Section 73 of the Local Government Act 1985 and Section 114 of the Local Government Finance Act 1988.

Key relationships:

1. Chairman of the WRWA
2. Members of the WRWA
3. General Manager of the WRWA
4. Clerk to the WRWA
5. Constituent council Section 151 officers and other relevant officers
6. WRWA contractors, legal advisers and other relevant organisations and individuals

Accountabilities:

1. To ensure the Authority is properly advised in terms of financial management , administration and advice; that it adheres to proper accounting practice as set out in legislation and related guidance as issued by CIPFA; and that its accounts are published and audited in line with statutory deadlines.
2. To ensure that the Authority sets a balanced budget and that the resulting levy and other recharges to the constituent Councils are reported to the Authority for agreement by the due date set by statute.
3. In liaison with the Clerk, to undertake performance management of the General Manager, agreeing with him following consultation with the Chairman his annual objectives and undertaking his annual performance assessment with the Clerk

4. To exercise vigilance on the part of the Chairman and Members to ensure that options for reducing the call on constituent councils' funding are properly explored and presented to Members, fully reflecting consequences for the Authority.
5. Liaise as necessary with the four constituent councils at Section 151 officer level (and other relevant officers), meet with them as required, provide relevant and timely briefings on the Authority's financial affairs at least twice a year and generally ensure that constituent councils are properly involved in the Authority's key financial decisions.
6. On behalf of the Authority, commission external advice where necessary, for example on contractual and legal matters with particular regard to taxation treatment or complex financial issues.
7. When required, support the General Manager in his management of the day-to-day operation or in special projects involving or affecting the Authority, including where necessary involvement in staff management issues and negotiations with the waste management contractor on commercial issues.
8. Maintain general awareness of matters relating to waste disposal services, especially with a view to the promotion of value for money and continuous improvements
9. Exercise delegated authority with regard to treasury management, borrowing and other related issues in line with the Authority's annually agreed treasury management policies.
10. Ensure that the Authority's risk management processes and procedures are fit for purpose and reviewed at least annually by the management team and the Authority
11. Ensure that the Authority has robust internal audit arrangements and liaises with the appointed external auditor.

Qualifications:

Must be a member of one of the accounting bodies set out in Section 113 of the Local Government Finance Act 1988.