

# PART 4

## RULES OF PROCEDURE

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# COUNCIL PROCEDURE RULES

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# **1 ANNUAL MEETING OF COUNCIL**

## **1.1 Timing and business**

- (a) In a year when there is an ordinary election of Councillors, the Annual Meeting will take place on the eighth day after the retirement of Councillors or such other day within 21 days of the retirement of the outgoing Councillors as the Council may fix. In any other year, the annual meeting will take place in March, April or May as the Council may fix.
- (b) The Annual Meeting will:-
  - (i) elect a person to preside if the Chairman of the Council is not present;
  - (ii) elect the Chairman of the Council;
  - (iii) elect the Vice-Chairman of the Council;
  - (iv) approve the minutes of the last meeting;
  - (v) receive any announcements from the Chairman and/or Head of Paid Service;
  - (vi) elect the Leaders or Leader and Deputy Leader as the case may be. The Council may remove such Leader(s) and Deputy Leader at any time and appoint other Councillors to those positions. The Deputy Leader, if appointed, shall be entitled to exercise all the powers and functions of the Leader for whom they have been appointed to deputise in the event of the absence of the Leader.
  - (vii) establish at least one overview and scrutiny committee, a Standards Committee and such other committees as the Council may consider and make appointments to those Committees and also outside bodies on which the Council is represented, as prescribed below;
  - (viii) agree the scheme of delegation (as set out in Part 3 of the Constitution);
  - (ix) approve a programme of ordinary meetings of the Council for the year; and
  - (x) consider any business set out in the notice convening the meeting.

## **1.2 Appointment of Councillors on committees and outside bodies**

When establishing committees at the Annual Meeting, the Council will:-

- (a) decide the size and terms of reference for those committees;

- (b) decide the allocation of seats and substitutes to political groups in accordance with the political balance rules;
- (c) receive nominations of Councillors to serve on each committee and outside body; and
- (d) appoint to those committees and outside bodies except where appointment to those bodies has been delegated by the Council to another body or person.

## **2 ORDINARY MEETINGS OF COUNCIL**

### **2.1 Programme of meetings**

Ordinary meetings of the Council will take place in accordance with a programme decided at the Council's Annual Meeting and on such other occasions as the Chairman of the Council shall determine.

### **2.2 Business at ordinary meetings**

Ordinary meetings will:-

- (a) elect a person to preside if the Chairman and Vice-Chairman are not present;
- (b) receive any apologies for absence;
- (c) receive any declarations of interest from Members;
- (d) deal with any business required by law to be done before any other business;
- (e) approve and sign the minutes of the last Council meeting;
- (f) deal with business expressly required by law to be done;
- (g) receive communications from the Chairman;
- (h) receive petitions from the public;
- (i) receive questions from the public;
- (j) answer questions from the public;
- (k) consider notices of motion in the order in which they were received;
- (l) hold a main debate under Rule 17;

- (m) deal with any business from the last Council meeting;
- (n) receive reports from the Council's committees and receive questions and answers on any of those reports;
- (o) receive reports, ask questions and receive answers on business of joint arrangements and external organisations;
- (p) receive and consider reports from officers;
- (q) receive and note information including:-
  - (i) communications from committees; and
  - (ii) at the last ordinary meeting in the municipal year, written reports from Member Champions and Members nominated to outside bodies;
- (r) deal with any other business on the summons; and
- (s) deal with any items of an urgent nature (Rule 18).

### 2.3 Variation of business

The Chairman may at any meeting vary the order of business save for the matters listed at (a) to (d) inclusive.

## 3 SPECIAL MEETINGS OF COUNCIL

### 3.1 Calling

- (a) Those listed below may request the Chief Executive to call Council meetings in addition to ordinary meetings:-
  - (i) the Council by resolution;
  - (ii) the Chairman of the Council;
  - (iii) the Monitoring Officer; and
  - (iv) any five (5) Members of the Council if they have signed a requisition presented to the Chairman of the Council and he/she has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.
- (b) Such meetings shall take place on a date and time determined by the Council or Chairman of the Council, (or in the absence of the Chairman, the Vice-Chairman).

### 3.2 **Business**

- (a) The order of business at special meetings shall be as follows:-
  - (i) if the Chairman and Vice-Chairman are not present to preside for the meeting;
  - (ii) receive apologies on behalf of absent Members;
  - (iii) deal with any business required by law to be done before any other business;
  - (iv) deal with business expressly required by law to be done;
  - (v) receive disclosures of interests from Members; and
  - (vi) consider the business specified on the agenda, comprising the business or notice of motion relating to such business as notified to the Chairman of the Council in the requisition for the meeting.
- (b) The Chairman at any meeting may vary the order of business save for the matters listed at (i) to (iii) inclusive above.
- (c) For the avoidance of doubt the order of business at any special meeting shall exclude the business specified at Procedure Rules 2.2 (d), (f), (h), (i), (j), (k), and (n) above.

## **4 APPOINTMENT OF SUBSTITUTE MEMBERS OF COMMITTEES AND SUB-COMMITTEES**

### 4.1 **Allocation**

- (a) As well as allocating seats on committees and sub-committees, Council will allow for substitute Members to committees except in the case of the Licensing Committee and sub-committee and the Standards Committee.
- (b) The Council shall also appoint one substitute Member to the West Essex Waste Management Joint Committee in accordance with and exercised as provided for in the constitution of that body.

### 4.2 **Number**

For each committee or sub-committee, each political group will appoint as substitutes such other Members of that political group as are qualified and not disqualified from membership.

### 4.3 **Powers and duties**

Substitute Members will have all the powers and duties of any ordinary Member of the committee but will not be able to exercise any special powers or duties exercisable by the person they are substituting.

#### **4.4 Substitution**

Substitute Members may attend meetings in that capacity only:-

- (a) to take the place of the ordinary Member for whom they are the designated substitute;
- (b) where the ordinary Member will be absent for the whole of the meeting; and
- (c) after the ordinary Member has notified the Head of Legal and Democratic Services or such other officer(s) as he/she may appoint before the time arranged for the start of the meeting of the intended substitution. Alternatively, but only in exceptional circumstances, (e.g. absence of the ordinary Member due to incapacity) the relevant group leader or the group leader's appointed representative shall notify the Head of Legal and Democratic Services or such other officer(s) as he/she may appoint before the time arranged for the start of the meeting of the intended substitution.

### **5 TIME AND PLACE OF MEETINGS**

The time and place of meetings will be determined by the Chairman and notified in the summons.

### **6 NOTICE OF AND SUMMONS TO MEETINGS**

The Chief Executive will give notice to the public of the time and place of any meeting in accordance with the Access to Information Procedure Rules. At least five (5) clear working days before a meeting, the Chief Executive will send a summons signed by him/her by post to every Member of the Council or leave it at their usual place of residence. The summons will give the date, time and place of each meeting and specify the business to be transacted and will be accompanied by such reports as are available.

### **7 CHAIRMAN OF MEETING**

- 7.1 The person presiding at the meeting may exercise any power or duty of the Chairman. Where these rules apply to committee and sub-committee meetings, references to the Chairman also include the Chairmen of committees and sub-committees.

- 7.2 If the Chairman of a committee is absent from a meeting of that body then the Vice-Chairman, if present, shall preside.
- 7.3 In the absence of the Chairman and Vice Chairman of a committee from a meeting of that body or if both should be ineligible to preside, a Chairman for the meeting or part thereof may be appointed by the committee.

## **8 QUORUM**

- 8.1 The quorum of a meeting will be at least a quarter (rounded up) of the whole number of Members or three (3) whichever is the greater. If at the time prescribed for the commencement of a meeting the requisite number of Members is not present, ten (10) minutes shall be allowed for Members to arrive prior to decaling the meeting inquorate. During any meeting if the Chairman counts the number of Members present and declares there is not a quorum present, the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.
- 8.2 Subject to paragraph 8.3 below a meeting of the Standards Committee (or sub-committee) shall not be quorate unless at least three Members (including at least one Independent Member) are present.
- 8.3 Where at least one Independent Member of the Standards Committee would have been present at a meeting but for the fact that he/she was prevented or restricted from participating by virtue of the Members Code of Conduct, the requirement of paragraph 8.2 above for the quorum to include an Independent Member shall not apply.
- 8.4 For the avoidance of doubt meetings of the Essex Waste Management Joint Committee shall be conducted and determined quorate in accordance with the constitution of that body.

## **9 DURATION OF MEETING**

### **9.1 Duration and remaining business**

The duration of meetings shall be two (2) hours unless the majority of Members present vote for the meeting to continue for a specified time or purpose. Remaining business will be considered at a time and date fixed by the Chairman. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

## 9.2 Recorded vote

If a recorded vote is called for when deciding whether to continue the meeting this will be taken immediately.

## 9.3 Motions that may be moved

During the process (set out in this Rule 9) the only other motions which may be moved are that a matter be withdrawn or be delegated or referred to an appropriate body or individual for decision or report.

## 9.4 Close

When all motions and recommendations have been dealt with, the Chairman will declare the meeting closed.

# 10 QUESTIONS BY PUBLIC

## 10.1 General

Members of the public who satisfy the criteria in Rule 10.2 may ask questions of the Chairman of the Council, Leader(s) of the Council and any Chairman of a policy committee at ordinary meetings of the Council; such questions must relate to the business of the Council or affect the district.

## 10.2 Criteria

The person must be a citizen of the Commonwealth, Republic of Ireland or another EU Member State and be either:-

- (a) a registered local government elector for the Harlow area; or
- (b) for the previous 12 months:-
  - (i) occupied, as owner or tenant, property in the Harlow area;
  - (ii) had their principal place of employment in the Harlow area; or
  - (iii) resided in the Harlow area.

## 10.3 Order

Questions will be asked in the order in which they were received, except that the Chairman may group similar questions together.

#### **10.4 Notice**

A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the Chief Executive not later than two (2) clear working days before the meeting. Each question must give the name and address of the questioner and must name the Member of the Council to whom it is to be put. The Chief Executive will acknowledge receipt of questions received and the questioner will be provided with a copy of this Rule together with an explanation of the process to be adopted at the meeting including the provisions relating to supplementary questions.

#### **10.5 Number**

At any one meeting no person may submit more than two (2) questions.

#### **10.6 Rejection**

The Chief Executive may reject a question if it is:

- (a) not about a matter for which the Council has a responsibility or which affects the district;
- (b) defamatory, frivolous, vexatious or offensive; or
- (c) substantially the same as a question which has been put at a meeting of the Council in the past six months; or requires the disclosure of confidential or exempt information.

#### **10.7 Record**

The Chief Executive will record the receipt of each question in a form capable of being open to public inspection and will send a copy of the question to the Member to whom it is to be put. Rejected questions will include reasons for rejection. The Chief Executive shall ensure that any question received (unless rejected) is referred to the next meeting of Council or the appropriate committee unless the matter is exempt, as defined by the Local Government Act 1972, and the member of the public will be advised thereof.

#### **10.8 Public availability**

Copies of all questions and written answers will be circulated to all Members and will be made available to the public attending the meeting.

#### 10.9 **Editing of questions**

Any question received by the Chief Executive may be edited so as to bring it into proper form, to secure reasonable brevity and to avoid duplication and/or repetition. A copy of any question that has been edited will be provided to the member of the public who submitted it prior to the meeting at which it is to be asked.

#### 10.10 **Putting the question**

The Chairman will invite the questioner to put the question to the Member named in the notice. If a questioner who has submitted a written question is not present to ask the question when the item is called, it shall be deleted from the list of questions to be asked.

#### 10.11 **Absence of discussion**

Every question asked in accordance with this Rule shall be put and answered without discussion, but the person to whom the question is put may decline to answer.

#### 10.12 **Response**

An answer may take the form of:-

- (a) a direct oral answer;
- (b) where the relevant or desired information is contained in the publication of the Council or other published work, a reference to that publication; or
- (c) where the reply to the question cannot be conveniently given orally, a written answer circulated to all Members of the Council with the minutes of the meeting and supplied to the member of the public who asked the question within (10) working days.

#### 10.13 **Supplementary question**

A questioner who has put a question in person may also put one supplementary question without notice to the Member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. The Chairman may reject a supplementary question on any of the grounds in Rule 10.6 above.

#### **10.14 Written answers**

Any question which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the Member to whom it was to be put, will be dealt with by a written answer.

#### **10.15 Referral to committee**

Although no discussion will take place on any question, any Member may move that a matter raised by a question be referred to the appropriate committee or sub-committee. If seconded, such a motion will be voted on without discussion.

#### **10.16 Time limit**

Public question time shall not exceed thirty (30) minutes unless, in the opinion of the Chairman, exceptional circumstances justify an extension, the length of which shall be determined by the Chairman.

### **11 QUESTIONS BY MEMBERS**

#### **11.1 On reports of committees**

A Member of the Council may ask, subject to the consent of the Chairman of the Council, the Chairman of a committee up to two (2) questions without notice on any business item in the report of a committee when that item is being received or under consideration by the Council.

#### **11.2 Questions on notice at Full Council**

Subject to Rule 11.4, a Member of the Council may ask the Chairman of any Committee or Sub-Committee a question on any matter in relation to which the Council has powers or duties or which affects the District.

#### **11.3 Questions on notice at committees and sub-committees**

Subject to Rule 11.4, a member of a committee or sub-committee may ask the Chairman of it a question on any matter in relation to which the Council has powers or duties or which affect the district and which falls within the terms of reference of that committee or sub-committee.

#### 11.4 **Notice**

A Member may only ask a question under Rule 11.2 or 11.3 if either:-

- (a) they have given at least two (2) clear working days notice in writing of the question to the Chief Executive; or
- (b) the question relates to urgent matters, they have the consent of the Chairman to whom the question is to be put and the content of the question is given to the Chief Executive before the start of the relevant meeting.

#### 11.5 **Editing**

Any question received by the Chief Executive may be edited in consultation with the Member submitting it so as to bring it into proper form, to secure reasonable brevity and to avoid duplication and/or repetition. A copy of any question that has been edited will be provided to the Member who submitted it prior to the meeting at which it is to be asked.

#### 11.6 **Response**

An answer may take the form of:-

- (a) a direct oral answer;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner and to all Members within ten (10) working days.

#### 11.7 **Supplementary question**

A Member asking a question under Rule 11.2 or 11.3 may ask one supplementary question without notice of the Member to whom the first question was asked. The supplementary question must arise directly out of the original question or the reply but may be rejected by the Chairman for any of the reasons set out in Rule 10.6 above.

## 12 MOTIONS ON NOTICE

### 12.1 Notice

- (a) Except for motions which can be moved without notice under Rule 13, written notice of every motion must be signed by at least two (2) Members; being the Member intending to move the motion and by one other Member as seconder. Where notice of motion is given by e-mail it must be sent by the intended Mover and confirm the name of the seconder. The seconder must confirm by a separate e-mail that they are seconding the motion in question and confirm the terms of the motion and the name of the intended mover.
- (b) The notice (in whatever form) and any separate seconding e-mail shall reach the Chief Executive no later than seven (7) clear working days prior to the day on the Council meeting at which the motion is intended to be moved; or in the case of a motion arising from a committee meeting held after that deadline, by mid-day on the working day after that meeting.
- (c) E-mails must be sent from an e-mail account previously notified to the Council by the Member in question otherwise they will not be valid for the purposes of this provision.
- (d) All notices and e-mails will be acknowledged by or on behalf of the Chief Executive.
- (e) Any motion may be edited in consultation with the mover either to bring it into proper form or to secure brevity.

### 12.2 Motion set out in agenda

Motions for which notice has been given will be listed on the agenda of the next relevant meeting in the order in which notice was received, unless the Member giving notice states, in writing, that they propose to move it to a later meeting or withdraw it.

### 12.3 Scope

- (a) Motions must be relevant to some matter or be in relation to something over which the Council has power or responsibility or which affect the Council or the district.
- (b) If the subject matter of any motion of which notice has been given comes within the province of any committee, it shall stand referred to such committee, or to such other committee as the Chairman of Council shall determine, for

consideration and report back to Council, subject to (c) below.

- (c) The Chairman may allow the motion to be dealt with at the meeting at which it is moved if the Chairman, in their sole discretion, considers it urgent, convenient or conducive to the dispatch of business.
- (d) If a motion is not moved at the meeting of Council at which the motion is set out in the summons either by the Member who gave notice or by the seconder, it shall, unless postponed by consent of the Council, be treated as withdrawn and shall not be moved without fresh notice being given.
- (e) In the case of motions moved under this Rule and approved by Council officers shall report, to the relevant committee, on progress towards implementing the decision of Council in the committee cycle next following the meeting of Council when the decision was made. The Chief Executive shall determine to which committee the report shall be presented.

### **13 MOTIONS WITHOUT NOTICE**

The following motions may be moved without notice:-

- (a) to appoint a Chairman of the meeting at which the motion is moved;
- (b) in relation to the accuracy of the minutes;
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a committee or Member arising from an item on the summons for the meeting;
- (f) to withdraw a motion;
- (g) to amend a motion;
- (h) to proceed to the next business;
- (i) that the question be now put;
- (j) to adjourn a debate;
- (k) to adjourn the meeting;
- (l) to suspend a particular Council procedure rule;

- (m) to exclude the public and press in accordance with the Access to Information Procedure Rules;
- (n) to not hear further a Member named under Rule 27.4 or to exclude them from the meeting under Rule 27.5;
- (o) to give the consent of the Council where its consent is required by the Constitution;
- (p) that business of an objectionable character or seriously prejudicial to the interests of the Council be not entertained or further permitted;
- (q) motions and amendments arising out of the debate; and
- (r) for such other purpose as the Chairman may in his/her sole discretion approve.

## **14 MOTIONS ON EXPENDITURE**

14.1 Any motion which if carried would:-

- (a) materially increase expenditure on, or reduce the revenue from, any service which is under the management of any committee; or
- (b) involve capital expenditure shall, when proposed and seconded, stand adjourned to the next ordinary meeting of the Council.

14.2 Any committee affected by the motion may report thereon and the Policy and Resources Committee shall report on the financial aspects of the proposal, and such other aspects as it think necessary.

14.3 This Rule shall not apply to proposals:-

- (a) contained in a recommendation or report of the Policy and Resources Committee;
- (b) contained in a recommendation, or report of another committee which has been approved by the Policy and Resources Committee; or
- (c) with a value below £5,000.

## **15 PETITIONS**

15.1 Members of the public wishing to present a petition shall send it to the Chief Executive.

- 15.2 All petitions shall be presented to the appropriate committee for consideration unless the subject matter is reserved to the Council and will be presented to the Chairperson at the meeting of the appropriate committee or Council next following the date of receipt.
- 15.3 The presentation of a petition shall be limited to no more than three (3) minutes and shall be confined to the person speaking to the petition, reading out or summarising the text of the petition, indicating the number and description of the signatories and making such further remarks relevant to the petition as the person presenting it shall think fit provided that such remarks shall relate to the subject matter of the petition and provided that they do not constitute an attack on any person. The person speaking to the petition shall be heard in silence but thereafter shall not have the right to speak further.
- 15.4 After the petition has been presented the Chairperson or nominated Member shall have the right to respond. A Member of the other political groups may also respond at the reasonable discretion of the Chairperson. In all cases the response shall be limited to not more than 3 minutes. Thereafter Standing Order 13 (Rules of Debate) shall apply.
- 15.5 If a petition is presented to a committee or to Council but does not relate to any items of business on the agenda, the committee or Council may defer consideration of the petition to a later meeting in order to receive an appropriate report.
- 15.6 Notwithstanding the terms of paragraph 2 above, any petition that is signed by more than 300 people shall, in any event, be initially presented at a Council meeting and the provisions of paragraphs 3 and 4 shall apply except that if the subject matter of the petition is within the terms of a committee it shall then be referred to that committee and Rule 16 (Rules of Debate) shall not apply to the presentation at the Council meeting.

## **16 RULES OF DEBATE**

### **16.1 No speeches until motion seconded**

There shall be no debate after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

### **16.2 Right to require motion in writing**

Unless notice of the motion has already been given, the Chairman may require it to be handed to him/her in writing before it is discussed.

### 16.3 **Secunder's speech**

When seconding a motion or amendment, a Member may reserve their speech until later in the debate.

### 16.4 **Content and length of speeches**

Speeches must be directed to the issue under discussion or to a personal explanation or point of order. No speech may exceed five (5) minutes without the consent of the Chairman.

### 16.5 **When a Member may speak again**

A Member who has spoken on a motion may not speak again whilst it is the subject of debate, except:-

- (a) to speak once on an amendment moved by another Member;
- (b) to move a further amendment if the motion has been amended since he/she last spoke;
- (c) if his/her first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);
- (d) speaking to second a motion (or amendment) having previously reserved the right to speak later;
- (e) in exercise of a right of reply;
- (f) on a point of order (which must be specified);
- (g) by way of personal explanation (Rule 16.11);
- (h) to give notice of further amendment;
- (i) at the absolute discretion of the Chairman; or
- (j) to move any of the motions mentioned in Rules 13 and 16.11, (motions without notice and closure motions)

### 16.6 **Amendments to motions**

- (a) Only one amendment may be moved and discussed at any one time.
- (b) No further amendment may be moved until the amendment under discussion has been disposed of provided that the

Chairman may permit two or more motions or amendments to be discussed (but not voted on) together if circumstances suggest that this course would facilitate the proper conduct of business.

- (c) An amendment to a motion must be relevant to the motion, must not negate the motion, and will either be to:-
  - (i) refer the matter to an appropriate body or individual for consideration or reconsideration;
  - (ii) omit words;
  - (iii) omit words and insert or add others; or
  - (iv) insert or add words.
- (d) The Chairman may accept an amendment in any form if it is strictly relevant to the motion and not in substance a negative thereof.
- (e) If an amendment is not carried, other amendments to the original motion may be moved.
- (f) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments may be moved.
- (g) After an amendment has been carried, the Chairman will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

#### **16.7 Alteration of motion**

- (a) A Member may alter a motion of which he/she has given notice with the consent of the meeting; the meeting's consent will be signified without discussion.
- (b) A Member may alter a motion which he/she has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.
- (c) Only alterations which could be made as an amendment may be made.

#### **16.8 Withdrawal of motion**

A Member may withdraw a motion which he/she has moved with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion. No Member may speak

on the motion after the mover has asked permission to withdraw it unless permission is refused.

#### 16.9 **Right of reply**

- (a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.
- (b) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it.
- (c) The mover of the amendment has no right of reply to the debate on his/her amendment.

#### 16.10 **Motions which may be moved during debate**

When a motion is under debate, no other motion may be moved except the following procedural motions:-

- (a) to withdraw or postpone a motion;
- (b) to amend a motion;
- (c) to proceed to the next business;
- (d) that the question be now put;
- (e) to adjourn the debate;
- (f) to adjourn the meeting;
- (g) to exclude the public and press in accordance with the Access to Information Procedure Rules; or
- (h) to not hear further a Member named under Rule 27.4 or to exclude them from the meeting under Rule 27.5.

#### 16.11 **Closure motions**

- (a) A Member may move, without debate, the following motions at the end of a speech of another Member:-
  - (i) to proceed to the next business;
  - (ii) that the question be now put;
  - (iii) to adjourn a debate; or
  - (iv) to adjourn a meeting.

- (b) If a motion to proceed to next business is seconded and the Chairman thinks the item has been sufficiently discussed, he/she will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- (c) If a motion that the question be now put is seconded and the Chairman thinks the item has been sufficiently discussed, he/she will put the procedural motion to the vote. If it is passed he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote.
- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Chairman thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, he/she will put the procedural motion to the vote without giving the mover of the original motion the right of reply. If carried, the Council (or committee) shall then determine the likely timescale for resumption of the debate/meeting.

#### **16.12 Point of order**

A Member may raise a point of order at any time. The Chairman will hear them immediately. A point of order may only relate to an alleged breach of the Council Rules of Procedure or law. The Member must indicate the Rule or law and the way in which he/she considers it has been broken. The ruling of the Chairman on the matter will be final.

#### **16.13 Personal explanation**

A Member may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the Member that may appear to have been misunderstood in the present debate. The ruling of the Chairman on the admissibility of a personal explanation will be final.

### **17 MAIN DEBATE**

17.1 A debate concentrating on matters of interest to the community may be held at any ordinary meeting other than the first ordinary meeting of Council after the Annual Meeting.

17.2 The following procedure shall apply:-

- (a) the Leader(s) will advise the Chief Executive in writing if they wish to have a main debate and of the theme of the debate by 10:30 am seven (7) working days before the date of the intended meeting to which it relates;

- (b) the Chairman will call on the appropriate Leader(s) to introduce the topic;
- (c) the relevant Member will introduce the debate or call on an invited speaker to do so;
- (d) other group leaders will then be called to contribute to the debate. Thereafter other Members of the Council will have the opportunity to speak, but they may only speak once;
- (e) as the debate is not based on a motion the normal rules of debate at Council meetings will not apply to the main debate but the following Rules will apply:-
  - (i) Rule 16.4 (content and length of speeches);
  - (ii) Rule 16.12 (Point of order);
  - (iii) Rule 16.13 (Personal explanation);
- (f) at the end of the debate or after forty (40) minutes, whichever is later, the Chairman shall call for a conclusion of the debate. The Member speaking at that point in time shall be permitted to finish his/her speech;
- (g) each group leader shall then be given the opportunity to respond to the debate with the Leader(s) of the Council ending the debate; and
- (h) issues raised during the debate that require further consideration will be referred to the relevant committee(s).

17.3 At the first ordinary meeting following the Annual Meeting, there shall be a main debate on the work undertaken by the Council in the previous year, together with any highlights, pressures and potential issues for the coming year to which the above procedure shall apply.

## **18 URGENT BUSINESS**

18.1 Urgent business can be considered at a meeting of Full Council or of a committee where the Chairman is of the opinion that the item should be considered at the meeting as a matter of urgency by reason of special circumstances which must be specified in the minutes.

18.2 Without in any way fettering the opinion of the Chairman:-

- (a) Members wishing to raise items of business they consider to be urgent should, wherever practicable, notify the Chairman of the item prior to the time arranged for the start of the

meeting; and

- (b) the item must usually be one that could not be deferred until the next meeting of Full Council or the appropriate committee and encompasses an issue that has arisen following publication of the agenda for the meeting in question.

## **19 PUBLIC SPEAKING**

Without prejudice to Rules 10 (Questions by the public) and 15 (Petitions) and the provision made by the Council for the public and others to address the Planning and Licensing Committees, members of the public shall not address meetings of the Council and its committees except in exceptional circumstances and with the prior agreement of the Chairman which must be requested in writing.

## **20 DECISIONS REFERRED FROM COMMITTEES**

The procedure for dealing with decisions referred from committees at the Council meeting is set out below:-

- (a) the relevant Chairman (or other Member on the Chairman's behalf) will formally move that the committee decision on the item referred be reaffirmed;
- (b) the relevant Vice-Chairman (or other Member on the Vice-Chairman's behalf) will second the motion;
- (c) the normal rules of debate at Council meetings will then apply;
- (d) the Chairman (or other Member on the Chairman's behalf) will reply at the end of the debate; and
- (e) Council will vote on the proposed motion(s).

## **21 PREVIOUS DECISIONS AND MOTIONS**

21.1 A motion or amendment to rescind a decision made at a meeting of Council within the past six (6) months cannot be moved.

21.2 A motion or amendment in similar terms to one that has been rejected at a meeting of Council in the past six (6) months cannot be moved.

## **22 VOTING**

### **22.1 Majority**

Unless the Constitution provides otherwise, any matter will be decided by a simple majority of those Members voting and present in the room at the time the question was put.

## **22.2 Chairman's casting vote**

If there are equal numbers of votes for and against, the Chairman will have a second or casting vote. There will be no restriction on how the Chairman chooses to exercise a casting vote.

## **22.3 Show of hands**

Unless a recorded vote is demanded under Rule 22.4, the Chairman will take the vote by show of hands or, if there is no dissent, by the affirmation of the meeting.

## **22.4 Recorded vote**

Before a vote is taken, any Member present supported by six (6) other Members who signify their support by standing in their places, may require that a general recorded vote be taken by roll call. The names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes. The Chairman will announce the result of the vote immediately the result is known.

## **22.5 Right to require individual vote to be recorded**

Where any Member requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting.

## **22.6 Voting on appointments**

If there are more than two (2) persons nominated for any position to be filled and there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

# **23 MINUTES**

23.1 The Chairman will sign the minutes of the proceedings at the next suitable meeting and will move that the minutes of the previous meeting be signed as a correct record. The only aspect of the minutes that can be discussed is their accuracy.

23.2 Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under paragraph 3 of Schedule 12 to the Local Government Act 1972 (an Extraordinary Meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) of Schedule 12 relating to signing of minutes.

23.3 When the minutes have been approved, the Chairman shall sign them. If there are matters arising from the minutes that are not covered by other items on the agenda these items may be raised by Members either by way of questions or motions. Unless prior notice of the same shall have been given, except in the case of those motions made in accordance with Rule 13, any discussion or debate shall be at the discretion of the Chairman.

23.4 Minutes will contain all motions and amendments (whether carried or lost) in the exact form and order the Chairman put them.

## **24 DISCLOSURE**

A Member shall not disclose to any person any papers, business or other information of the Council, or committee indicated to be confidential unless:-

- (a) the Council or the committee has taken steps to make that business public; or
- (b) the law requires.

## **25 RECORD OF ATTENDANCE**

All Members present during the whole or part of a meeting must sign their names on an attendance sheet before the conclusion of every meeting to assist with the record of attendance.

## **26 EXCLUSION OF PUBLIC**

Members of the public and press may only be excluded either in accordance with the Access to Information Procedure Rules in Part 4 of the Constitution or Rule 28 (Disturbance by public).

## **27 MEMBERS' CONDUCT**

### **27.1 Member speaking**

When a Member speaks at Full Council they must address the meeting through the Chairman. If more than one Member indicates that they wish to speak the Chairman will ask one to speak. Other

Members must refrain from addressing the meeting whilst a member is speaking unless they wish to make a point of order or a point of personal explanation.

### **27.2 Chairman standing**

When the Chairman stands, or otherwise calls the meeting to order during a debate, any Member speaking at the time must stop. No other Member may speak.

### **27.3 Co-opted Members**

All the provisions of the Rules of Procedure which govern the conduct of Members at committee meetings will apply to the co-opted Members as they do to the other Members of the committee.

### **27.4 Member not to be heard further**

If a Member persistently disregards the ruling of the Chairman by behaving improperly or offensively or deliberately obstructs business, the Chairman may move that the Member be not heard further. If seconded, the motion will be voted on without discussion.

### **27.5 Member to leave meeting**

If the Member continues to behave improperly after such a motion is carried, the Chairman may move that the Member leaves the meeting. If seconded, the motion will be voted on without discussion. In the alternative the Chairman may adjourn the meeting for a specified period.

## **28 DISTURBANCE BY PUBLIC**

If a member of the public interrupts proceedings, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room or call for the public to be cleared from the room.

## **29 RULING OF CHAIRMAN**

29.1 Any decision of the Chairman on the rules of debate shall be challenged only by a motion that the Chairman vacates the Chair.

29.2 Upon such a motion being moved and seconded the Chief Executive (or in the absence of the Chief Executive another officer) of the Council shall without further discussion put the matter to the vote.

29.3 If the motion is carried the Chairman shall vacate the Chair before discussion of the substantive matter under debate.

### **30 GENERAL DISTURBANCE**

If there is general disturbance making orderly business impossible the Chairman may, with the consent of the meeting, adjourn the meeting for such period as he/she considers expedient. A time for resumption, if the meeting is to continue that day, shall be stipulated at the time of adjournment. Otherwise the likely timescale for resumption shall be indicated by the Chairman.

### **31 BUSINESS OF OBJECTIONABLE NATURE**

If the Chairman considers that any motion, amendment, business or matter which is proposed or which is moved, to be transacted or discussed, is of an objectionable character, or seriously prejudicial to the interests of the Council, the Chairman may at any time intervene giving reasons and shall then, without delay, put to the vote that the motion, amendment, business or matter in question be not entertained or further permitted. If such motion is carried such matter shall be considered as disposed of for that meeting.

### **32 SUSPENSION AND AMENDMENT OF COUNCIL PROCEDURE RULES**

#### **32.1 Suspension**

All of the Council Procedure Rules except Rules 22.5 and 23.2 (statutory mandatory standing orders) may be suspended by motion on notice or without notice if at least one half of the whole number of members of the Council are present. Suspension can only be for the duration of the meeting.

#### **32.2 Amendment**

Any motion to add to, vary or revoke the Council Procedure Rules will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the Council.

### **33 APPLICATION TO COMMITTEES AND SUB-COMMITTEES**

All of the Council Procedure Rules apply to meetings of Full Council. All of the Council Procedure Rules shall apply to committees and sub-committees save for Rules 1, 2, 4, 17 and 27.1.

# **ACCESS TO INFORMATION PROCEDURE RULES**

## **1 SCOPE**

These rules apply to all meetings of the Council, overview and scrutiny committees, policy and other committees (together, called meetings).

## **2 ADDITIONAL RIGHTS TO INFORMATION**

These rules do not affect any more specific rights to information contained elsewhere in the Constitution or Law, including the Freedom of Information Act 2000.

## **3 RIGHTS OF THE PUBLIC TO ATTEND MEETINGS**

Members of the public may attend all meetings subject only to the exceptions in these rules.

## **4 NOTICES OF MEETING**

The Council will give at least five (5) clear working days notice of any meeting by posting details of the meeting at the Civic Centre.

## **5 ACCESS TO AGENDA AND REPORTS BEFORE MEETING**

The Council will make copies of the agenda and reports open to the public available for inspection at the Civic Centre five (5) clear working days before the meeting. If an item is added to the agenda later, the revised agenda (where reports are prepared after the agenda has been sent out, the Chief Executive will make each such report available to the public as soon as the report is completed and sent to Members) will be open to inspection from the time the item was added to the agenda. These will also be made available on the Council's website.

## **6 SUPPLY OF COPIES**

The Council will publish on the Council's website and supply to any person on payment of a charge; and to any newspaper on payment of postage or other necessary charge, copies of:-

- (a) any agenda and reports which are open to public inspection;
- (b) any further statements or particulars necessary to indicate the nature

of the items in the agenda; and

- (c) if the Chief Executive thinks fit, copies of any other documents supplied to Members in connection with an item.

## **7 ACCESS TO MINUTES ETC AFTER MEETING**

The Council will make available (in hard copy and electronically) copies of the following for six years after a meeting:-

- (a) the minutes of the meeting excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- (b) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;
- (c) the agenda for the meeting; and
- (d) reports relating to items when the meeting was open to the public.

## **8 BACKGROUND PAPERS**

8.1 The officer writing or having control of a report will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:-

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information (as defined) or the advice of a political advisor.

8.2 The Council will make available for public inspection for four years after the date of the meeting one copy of each of the documents on the list of background papers.

## **9 SUMMARY OF PUBLIC'S RIGHT**

A written summary of the public's rights to attend meetings and to inspect and copy documents must be kept at and available to the public at the Civic Centre.

## **10 EXCLUSION OF ACCESS BY PUBLIC TO MEETINGS**

### **10.1 Confidential information**

This is information given to the Council by a government department on terms which forbid its public disclosure or information which cannot be publicly disclosed by court order. The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

### **10.2 Exempt information – discretion to exclude public**

- (a) The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed.
- (b) Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in article 6 and recorded in the minutes.

### **10.3 Meaning of exempt information**

- (1) Information relating to any individual

Information is not exempt information unless it relates to an individual i.e. it must relate to and be recognisable as referring to a particular individual.

- (2) Information likely to reveal the identity of an individual

Information is not exempt information unless it relates to an individual i.e. it must relate to and be recognisable as referring to a particular individual.

- (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Information is not exempt information if it must be registered under various statutes, such as the Companies Act or

Charities Act. To be exempt the information must relate to a particular third person who is identifiable.

- (4) Information relating to consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority

Information is only exempt information if and so long as its disclosure to the public would prejudice the authority in those or any other consultations or negotiations in connection with a labour relations matter. "Labour Relations matters" are as specified in paragraphs (a) to (g) of section 29(1) of the Trade Unions Act 1974, i.e. matters which may be the subject of a trade dispute.

- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

- (6) Information that reveals that the authority proposes:-

(a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or

(b) to make an order or direction under any enactment.

Information is exempt information only if and so long as disclosure to the public might afford an opportunity to a person affected by the notice, order or direction to defeat the purpose or one of the purposes for which the notice, order or direction is to be given or made.

- (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

- (8) Information is not exempt if it relates to proposed development for which the Local Planning Authority can grant itself planning permission under Regulation 3 of the Town and Country Planning General Regulations 1992.

- (9) Information which:-

(a) falls within paragraphs 1 to 7 of paragraph 10.3 above; and

(b) is not prevented from being exempt by virtue

of paragraph 8 or 9 above, is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **11 EXCLUSION OF ACCESS BY PUBLIC TO REPORTS**

If the Chief Executive thinks fit, the Council may exclude access by the public to reports which in his/her opinion relate to items during which, in accordance with Rule 10, the meeting is likely not to be open to the public. Such reports will be marked "Confidential" together with the category of information likely to be disclosed.

## **12 ADDITIONAL RIGHTS OF MEMBERS TO INFORMATION**

12.1 Any Member of the Council may ask the appropriate Strategic Director for written factual information about a department or service. The request will be met subject to any legal requirements and to the following paragraph. A copy of the Strategic Director's response may be given to the relevant Chairman/Vice-Chairman of an appropriate committee unless the Member's letter is marked personal and/or confidential or the information provided is of a routine or minor nature or the request concerns matters relating to the Member's ward.

12.2 In the event that a Strategic Director considers that information requested above could only be provided at unreasonable cost or at the expense of other matters being delayed they shall seek direction from the Chief Executive as to whether it should be provided. In addition, the Strategic Director should consult with the Monitoring Officer in order to confirm the legal entitlement (or otherwise) to the information. Members should note that access to information/documents is subject to legal rights and restrictions e.g. The Data Protection Act and Freedom of Information Act for which separate guidance is available.

12.3 Members should not put officers under pressure to release information and/or documents to which the Member is not entitled to have access. Reference should be made to the provisions relating to Members access to documents contained in the Access to Information provisions set out in the Local Government Act 1972, particularly the restrictions in s.100F(2).

- 12.4 The common law right of Members is based on the principle that any Member has a prima facie right to inspect Council documents so far as his/her access to the documents is reasonably necessary to enable the Member properly to perform his/her duties as a Member of the Council. This principle is commonly referred to as the "need to know" principle.
- 12.5 The exercise of this common law right depends, therefore, upon the Member's ability to demonstrate that he/she has the necessary basis for a "need to know" entitlement to access. In this respect a Member has no right to "a roving commission" to peruse and/or examine documents of the Council. Mere curiosity is not sufficient. The crucial question is the determination of the "need to know". This will initially be determined by the relevant Strategic Director (with advice from the Monitoring Officer). If a decision is taken to refuse a Members request for access to information, the Member may appeal to the Policy and Resources Committee.
- 12.6 In some circumstances (e.g. a Member of a committee wishing to inspect documents relating to the functions of that committee) a Member's "need to know" will normally be presumed. In other circumstances (e.g. a Member wishing to inspect documents which contain personal information about third parties) a Member will normally be expected to justify the request in specific terms.

# **POLICY FRAMEWORK AND BUDGET PROCEDURE RULES**

## **1 THE FRAMEWORK FOR DECISION-MAKING**

The Council will be responsible for the adoption of its policy framework and its budget as set out in Article 4. Once a budget or a policy framework is in place, it will be the responsibility of the policy committees to implement it.

## **2 PROCESS FOR DEVELOPING THE FRAMEWORK**

The process by which the policy framework and budget shall be developed is:-

- (a) each year the Policy and Resources Committee will publish a programme for establishing the policy framework and budget which it will recommend to Council for the following year. Within this programme, it will identify the strategic policy or resource issues (if any) on which it wishes to request studies by overview and scrutiny committees. The programme will be steered by corporate policy and procedures, including the Medium Term Financial Strategy, Corporate Plan and other strategic documentation;
- (b) within the overall programme, policy committees may identify any studies they wish to request from overview and scrutiny committees related to policy issues on which they wish to make recommendations as part of the policy framework and budget; and
- (c) policy studies undertaken by overview and scrutiny committees should engage as widely as possible with citizens and stakeholders in the community and use a variety of methods to gauge public views. The results should be presented to the relevant policy committee, who will then draw on them in developing their proposals to Policy and Resources Committee.

## **3 VIREMENT**

Virement between approved budgets will be permissible within the limits prescribed in the Financial Regulations or otherwise determined by Council.

## **4 IN-YEAR CHANGES TO POLICY FRAMEWORK**

- 4.1 The responsibility for agreeing the policy framework and budget lies with the Council, and decisions by policy committees or officers with delegated authority must be in accordance with it.
- 4.2 No changes to any policy and strategy which forms part of the policy

framework may be made by a policy committee or officer with delegated authority except changes:-

- (a) which will result in the closure or discontinuance of a service or part of a service to meet a budgetary constraint;
- (b) necessary to ensure compliance with the law, ministerial direction or government guidance; and(c) in relation to the policy framework, in respect of a policy which would normally be agreed annually by Council following consultation, but where the existing policy document is silent on the matter under consideration.

4.3 In the case of any action taken in respect of each of these exceptions a report should be submitted to the next meeting of the Council.

# OVERVIEW AND SCRUTINY PROCEDURE RULES

## 1 OVERVIEW AND SCRUTINY COMMITTEE

1.1 The Council will have one overview and scrutiny committee, the Scrutiny Committee, which will perform all overview and scrutiny functions on behalf of the Council in exercise of the terms of reference set out in article 6. It will consist of such number of members of the Council as the Council shall determine.

1.2 In discharging its terms of reference the Scrutiny Committee will be authorised to carry out the following functions:-

- (a) the performance of all overview and scrutiny functions on behalf of the Council;
- (b) the appointment of such sub-committee as it considers appropriate to fulfil those overview and scrutiny functions;
- (c) receive reports from Leader(s) at its first meeting after each Annual Council meeting on “the state of the District” priorities for the coming year and its performance in the previous year;
- (d) approve an annual overview and scrutiny work programme, including the programme of any sub-committees it appoints so as to ensure that the committee’s and sub-committees’ time is effectively and efficiently utilised;
- (e) where matters fall within the remit of more than one scrutiny sub-committee, to determine which of those sub-committees will assume responsibility for any particular issue;
- (f) put in place a system to ensure that referrals from the Scrutiny Committee to policy committees either by way of report or for reconsideration are managed efficiently and do not exceed the limits set out in the Constitution;
- (g) in the event that reports to policy committees exceed limits in the Constitution; or if the volume of such

reports creates difficulty for the management of policy committees business or jeopardises the efficient running of Council business; at the request of the policy committee, make decisions about the priority of referrals made.

## **2 MEMBERSHIP OF OVERVIEW AND SCRUTINY COMMITTEES**

All Members may be members of an overview and scrutiny committee. However, no Member may be involved in scrutinising a decision in which he/she has been directly involved.

## **3 CO-OPTees**

Each overview and scrutiny committee or sub-committee shall be entitled to recommend to Council the appointment of a number of people as non-voting co-optees.

## **4 MEETINGS OF OVERVIEW AND SCRUTINY COMMITTEES**

There shall be at least six (6) ordinary meetings of each overview and scrutiny committee in each year. In addition, extraordinary meetings may be called from time to time as and when appropriate. An overview and scrutiny committee meeting may be called by the Chairman of the relevant overview and scrutiny committee, by any five (5) Members of the committee or by the proper officer if he/she considers it necessary or appropriate.

## **5 QUORUM**

The quorum for an overview and scrutiny committee shall be as set out for committees in the Council Procedure Rules in Part 4 of the Constitution.

## **6 WHO CHAIRS OVERVIEW AND SCRUTINY COMMITTEE MEETINGS?**

The Chairman of an overview and scrutiny committee (and any sub-committees) will be drawn from among the Members sitting on the committee (and sub-committee) and subject to this requirement the committee/sub-committee may appoint such a person as it considers appropriate as Chairman. It is however the convention of the Council that the Chairman of the committee will be a Member of the Opposition and that the Vice-Chairman will be a Member of the Administration.

## **7 WORK PROGRAMME**

Overview and scrutiny committees/sub-committees will be responsible for setting their own work programme and in doing so they shall take into account wishes of Members on that committee who are not members of the largest political group on the Council.

## **8 AGENDA ITEMS**

- 8.1 Any Member of an overview and scrutiny committee (or sub-committee) shall be entitled to give notice to the Chief Executive that he/she wishes an item relevant to the functions of the committee or sub-committee to be included on the agenda for the next available meeting of the committee or sub-committee. On receipt of such a request the Chief Executive will ensure that it is included on the next available agenda.
- 8.2 The overview and scrutiny committees shall also respond, as soon as their work programme permits, to requests from the Council and a policy committee to review particular areas of Council activity. Where they do so, the overview and scrutiny committee shall report their findings and any recommendations back to the relevant policy committee and/or Council. The Council and/or the relevant policy committee shall consider the report of the overview and scrutiny committee within one month of receiving it.

## **9 POLICY REVIEW AND DEVELOPMENT**

- 9.1 Any role of overview and scrutiny committees in relation to the development of the Council's budget and policy framework will be set out in the Budget and Policy Framework Procedure Rules.
- 9.2 In relation to the development of the Council's approach to other matters not forming part of its policy and budget framework, overview and scrutiny committees (or sub-committees) may make proposals to policy committees for developments in so far as they relate to matters within the terms of reference of that body.
- 9.3 Overview and scrutiny committees may hold enquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist them in this process. They may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask witnesses to attend to address them on any matter under consideration and may pay to any advisers, assessors and witnesses a reasonable fee and expenses for doing so.

## **10 REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEES**

- 10.1 Once it has formed recommendations on proposals for development, the Overview and Scrutiny Committee will prepare a formal report and submit it to the Chief Executive for consideration by the relevant Policy Committee (if the proposals are consistent with the existing budgetary and policy framework), or to the Council as appropriate (e.g. if the recommendation would require a departure from or a change to the agreed budget and policy framework).
- 10.2 If an overview and scrutiny committee cannot agree on one single final report to the Council or the relevant policy committee as appropriate, then up to one minority report may be prepared and submitted for consideration by the Council or policy committee with the majority report.
- 10.3 The Council or policy committee shall consider the report of an overview and scrutiny committee within one month of it being submitted to the proper officer.

## **11 MAKING SURE THAT OVERVIEW AND SCRUTINY REPORTS ARE CONSIDERED BY POLICY COMMITTEES**

- 11.1 The agenda for policy committee meetings shall include an item entitled "Issues arising from Overview and Scrutiny". The reports of overview and scrutiny committees referred to a policy committee shall be included at this point in the agenda (unless they have been previously been considered in the context of the policy committee's deliberations on a substantive item on the agenda) within the previous two meetings of an overview and scrutiny committee completing its report/recommendations.
- 11.2 Only one report each meeting may be submitted by each overview and scrutiny committee to the relevant policy committee.

## **12 RIGHTS OF OVERVIEW AND SCRUTINY COMMITTEE MEMBERS TO DOCUMENTS**

- 12.1 In addition to their rights as Councillors, Members of Overview and Scrutiny Committees have the additional right to documents, and to notice of meetings as set out in the Access to Information Procedure Rules in Part 4 of the Constitution.
- 12.2 Nothing in this paragraph prevents more detailed liaison between the relevant policy committee and overview and scrutiny committee as appropriate depending on the particular matter under consideration.

## **13 MEMBERS AND OFFICERS GIVING ACCOUNT**

13.1 Any overview and scrutiny committee (or sub-committee) may scrutinise and review decisions made or actions taken in connection with the discharge of any Council function. As well as reviewing documentation, in fulfilling the scrutiny role, it may require any member of a policy committee, the Chief Executive and/or any senior officer to attend before it to explain in relation to matters within their remit:-

- (a) any particular decision or series of decisions;
- (b) the extent to which the actions taken implement Council policy; and/or
- (c) their performance;

and it is the duty of those persons to attend if so required.

13.2 Where any Member or officer is required to attend an overview and scrutiny committee under this provision, the Chairman of that committee will inform the Chief Executive. The Chief Executive shall inform the Member or officer in writing giving at least five (5) clear working days notice of the meeting at which he/she is required to attend. The notice will state the nature of the item on which he/she is required to attend to give account and whether any papers are required to be produced for the committee. Where the account to be given to the committee will require the production of a report, the Member or officer concerned will be given sufficient notice to allow for preparation of that documentation.

13.3 Where, in exceptional circumstances, the Member or officer is unable to attend on the required date, then the overview and scrutiny committee shall in consultation with the Member or officer arrange an alternative date for attendance to take place within a maximum of 28 days from the date of the original request.

## **14 ATTENDANCE BY OTHERS**

14.1 An overview and scrutiny committee may invite people other than those people referred to in paragraph 13 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders and Members and officers in other parts of the public sector and shall invite such people to attend.

14.2 Attendance is entirely optional.

## 15 CALL-IN

- 15.1 Call-in should only be used in exceptional circumstances. These are where Members of the appropriate overview and scrutiny committee have evidence which suggests that the policy committee did not take the decision in accordance with the principles set out in article 12 (Decision-making).
- 15.2 When a decision is made by a policy committee or under joint arrangements (or by an area committee, if any are established), the decision shall be published, including where possible by electronic means, and shall be available at the main offices of the Council normally within five (5) working days of being made.
- 15.3 That notice will bear the date on which it is published and will specify that the decision will come into force and may then be implemented, on the expiry of five (5) clear working days after the publication of the decision unless it is subject to call-in for consideration by the Overview and Scrutiny Committee.
- 15.4 During the period stated above any two (2) Members of the committee may give written notice to the proper officer, identifying the decision to be called-in, supported by reasons. Such notice to be received before 5:00 pm on the fifth day, (4:30 pm if it is a Friday). The proper officer shall then notify the decision-taker or Chairman of the committee of the call-in request and shall call a meeting of the committee on such date as he/she may determine in consultation with the Chairman of the committee (in the case of absence, the Vice-Chairman), and in any case within ten (10) working days of the receipt of the call-in request.
- 15.5 No further action may be taken on the decision or action until the call-in process has been completed.
- 15.6 The decision-maker or chairman of the relevant committee may amend the draft minute of the decision or action called-in in consultation with relevant officers if in their opinion it is inaccurate.
- 15.7 If following an objection to the decision, the overview and scrutiny Committee does not meet in the period set out above, or does meet but does not refer the matter back to the decision-making person or body, the decision shall take effect on the date of the overview and scrutiny meeting, or the expiry of the period specified for calling the meeting, whichever is the earlier
- 15.8 If, having considered the decision, the overview and scrutiny committee is still concerned about it, it may refer it back to the decision-making person or body for reconsideration, setting out in writing the nature of its concerns or refer the matter to Full Council.

If referred to the decision-maker they shall then reconsider within a further ten (10) clear working days, amending the decision or not, before adopting a final decision.

- 15.9 If the next available meeting of the of the relevant committee is cancelled and will not be re-arranged until after the next meeting of Council then the matter shall be referred to Council in substitution for the relevant committee and Council shall exercise the powers of the committee.
- 15.10 If the matter was referred to Full Council and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the Council does object, it shall refer the decision to the decision-making person or body, together with the Council's views on the decision. That decision-making body or person shall choose whether to amend the decision or not and reach a final decision for implementation. Where the decision was taken by a policy committee, a meeting will be convened to reconsider it within ten (10) clear working days of the Council request.
- 15.11 If the Council does not meet, or if it does but does not refer the decision back to the decision-making body or person, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is earlier.

## **16 CALL- IN: EXCEPTIONS**

In order to ensure that call-in is not abused, nor causes unreasonable delay, certain limitations are placed on its use. Consequently the following decisions shall not be subject to call-in:-

- (a) a decision that stands as a recommendation to Council;
- (b) a decision to implement a decision approved in principle by Council within the preceding six months;
- (c) a decision taken in circumstances where the committee in question has resolved that the matter is urgent (for reasons recorded in the decision) where any delay that may result from call-in may be prejudicial to the interests of the Council or any third party;
- (d) a decision taken in exercise of the Council's function as local planning authority or licensing authority when acting in a regulatory

manner for which external appeal processes are available;

- (e) a decision on a procedural matter or a matter reported for information only;
- (f) a decision of a committee when acting in an appeal capacity or as part of the Joint Negotiating Committee; and
- (g) decisions of the West Essex Waste Management Joint Committee that are recommendations, do not affect Harlow D. C. or where the decision is certified as being urgent in the manner stated above.

## **17 CALL-IN AND URGENCY**

17.1 The call-in procedure set out above shall not apply where the decision being taken by a policy committee was urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests. The record of the decision and notice by which it is made public shall state whether in the opinion of the decision-making person or body, the decision is an urgent one, and therefore not subject to call-in. The Chairman of the committee must agree both (i) that the decision proposed is reasonable in all the circumstances and (ii) to it being treated as a matter of urgency. In the absence of the Chairman, the Vice-Chairman's consent shall be required. In the absence of both, the Chief Executive or his/her nominee's consent shall be required. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.

17.2 The operation of the provisions relating to Call-in and urgency shall be monitored annually, and a report submitted to Council with proposals for review if necessary.

## **18 THE PARTY WHIP**

When considering any matter in respect of which a Member of an overview and scrutiny committee is subject to a party whip the Member must declare the existence of the whip, and the nature of it before the commencement of the committee's deliberations on the matter. The declaration and the detail of the whipping arrangements shall be recorded in the minutes of the meeting.

## **19 PROCEDURE AT OVERVIEW AND SCRUTINY COMMITTEE MEETINGS**

19.1 Overview and scrutiny committees and sub-committees

shall consider the following business:-

- (a) minutes of the last meeting;
- (b) declarations of interest (including whipping declarations);
- (c) consideration of any matter referred to the committee for a decision in relation to call-in of a decision;
- (d) responses of a policy committee to reports of an overview and scrutiny committee; and
- (e) the business otherwise set out on the agenda for the meeting.

19.2 Where an overview and scrutiny committee conducts investigations (e.g. with a view to policy development), the committee may also ask people to attend to give evidence at committee meetings which are to be conducted in accordance with the following principles:

- (a) that the investigation be conducted fairly and all Members of the committee be given the opportunity to ask questions of attendees, and to contribute and speak;
- (b) that those assisting the committee by giving evidence be treated with respect and courtesy; and
- (c) that the investigation be conducted so as to maximise the efficiency of the investigation or analysis.

19.3 Following any investigation or review, the committee/sub-committee shall prepare a report, for submission to the relevant policy committee and/or Council as appropriate and shall make its report and findings public.

# Financial Regulations

## Status

Financial regulations provide the framework for managing the Authority's financial affairs. They apply to every Member and officer of the Council and anyone acting on its behalf. All members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.

The Section 151 Officer is responsible for maintaining a continuous review of the financial regulations and submitting any additions or changes necessary to the full council for approval. He is also responsible for reporting, where appropriate, breaches of the financial regulations to the Council.

Members of Corporate Management Team are responsible for ensuring that all staff in their service areas are aware of the existence and content of the financial regulations and other internal regulatory documents and that they comply with them. They must also ensure that there is adequate access to financial regulations within their service areas.

The Section 151 Officer is responsible for issuing advice and guidance to underpin the financial regulations that members, officers and others acting on behalf of the authority are required to follow.

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# 1. Financial Management

## THE STATUTORY OFFICERS

- **Head of Paid Service (Chief Executive)**  
The Head of Paid Service is responsible for the corporate and overall strategic management of the authority as a whole. He must report to and provide information for the Full Council, the Audit and Improvement Committee and other committees. He is responsible for establishing a framework for management direction, style and standards.
- **Monitoring Officer (Head of Legal and Democratic Services)**  
The monitoring officer is responsible for reporting any actual or potential breaches of the law or maladministration to the Full Council.
- **Section 151 Officer**  
The Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority. This statutory responsibility cannot be overridden. The statutory duties arise from:
  - Section 151 of the Local Government Act 1972
  - The Local Government Finance Act 1988
  - The Local Government and Housing Act 1989
  - The Accounts and Audit Regulations 1996.

The Section 151 Officer is responsible for:

- the proper administration of the authority's financial affairs
- setting and monitoring compliance with financial management standards
- advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
- providing financial information
- preparing the revenue budget and capital programme
- treasury management.

**Section 114** of the Local Government Finance Act 1988 requires the Section 151 Officer to report to the Full Council and external auditor if the authority or one of its officers:

has made, or is about to make a decision, which involves incurring unlawful expenditure

has taken, or is about to take an unlawful action, which has resulted or would result in a loss or deficiency to the authority

is about to make an unlawful entry in the authority's accounts

### **Chief Officers**

In the context of the Financial Regulations, the term 'Chief Officers' refers to members of Corporate Management Team. Chief Officers are responsible for:

ensuring that members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Section 151 Officer.

signing contracts on behalf of the authority.

It is the responsibility of Chief Officers to consult with the Section 151 Officer and seek approval on any matter liable to affect the authority's finances materially, before any commitments are incurred.

## **FINANCIAL MANAGEMENT STANDARDS**

### **Why is this important?**

**1.01** All staff and members have a duty to abide by the highest standards of probity in dealing with financial issues. This is facilitated by ensuring everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

### **Key controls**

**1.02** The key controls and control objectives for financial management standards are:

(a) their promotion throughout the authority

- (b) a monitoring system to review compliance with financial standards, and regular comparisons of performance indicators and benchmark standards that are reported to the main committees and Full Council.

### **Responsibilities of the Section 151 Officer**

- 1.03** To ensure the proper administration of the financial affairs of the authority.
- 1.04** To set the financial management standards and to monitor compliance with them.
- 1.05** To ensure proper professional practices are adhered to and to act as head of profession in relation to the standards, performance and development of finance staff throughout the authority.
- 1.06** To advise on the key strategic controls necessary to secure sound financial management.
- 1.07** To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators.

### **Responsibilities of Chief Officers and Heads of Service**

- 1.08** To promote the financial management standards set by the Section 151 Officer in their service areas and to monitor adherence to the standards and practices, liaising as necessary with the Section 151 Officer.
- 1.09** To promote sound financial practices in relation to the standards, performance and development of staff in their sections.

## **MANAGING EXPENDITURE**

### **Scheme of virement**

#### **Why is this important?**

- 1.10** The scheme of virement is intended to enable the main committees, Chief Officers and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Full Council, and therefore to optimise the use of resources.

#### **Key controls**

- 1.11** Key controls for the scheme of virement are:-

- (a) it is administered by the Section 151 Officer within guidelines set by Policy and Resources Committee. Any variation from this scheme requires the approval of Full Council.
- (b) the overall budget is agreed by Policy and Resources Committee and approved by the Full Council. Chief Officers and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The rules below cover virement; that is, switching resources between approved estimates or heads of expenditure. For the purposes of this scheme, a budget head is considered to be a line in the approved estimates report, or, as a minimum, at an equivalent level to the standard service subdivision as defined by CIPFA's Service Expenditure Analysis
- (c) virement does not create additional overall budget liability. Chief Officers and their staff are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should aim to avoid supporting recurring expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Chief Officers must plan to fund such commitments from within their own budgets.

### **Responsibilities of the Section 151 Officer**

**1.12** To specify the procedure for the authorising of virements and to be kept informed of all virements.

### **Responsibilities of Chief Officers and Heads of Service**

**1.13** Officers may exercise virement on budgets under their control for amounts up to the limits shown in the appendix on any one budget head during the year, following notification to the Section 151 Officer. The practical application of virement by journal is covered by the Journal Protocol.

- 1.14 Amounts greater than the limits shown for officers require the approval of the appropriate spending committee, following a report by the Chief Officer, which must specify the proposed expenditure and the source of funding, and must explain the implications in the current and future financial year. Amounts greater than £500,000 require the approval of the Full Council.
- 1.15 The prior approval of Full Council is required for any virement, of whatever amount, where it is proposed to vire between different accountable spending committees.
- 1.16 Virement that is likely to impact on the level of service activity of another Chief Officer should be implemented only after agreement with the relevant Chief Officer.
- 1.17 No virement relating to a specific financial year should be made after 31 March in that year.
- 1.18 Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that the amount is used in accordance with the purposes for which it has been established.

### **Carry-overs**

#### **Why is this important?**

- 1.19 To allow some flexibility in the timing of incurring expenditure.

#### **Key controls**

- 1.20 Appropriate accounting procedures are in operation to ensure that carry-over totals are correct.

#### **Responsibilities of the Section 151 Officer**

- 1.21 To supervise the administration of the scheme of carry over within the guidelines approved by the Full Council.

#### **Responsibilities of Chief Officers and Heads of Service**

- 1.22 Strategic Directors to agree requests for carry-overs within their area of responsibility, subject to the limits shown in the appendix. Details to be reported to the Policy and Resources Committee for approval prior to inclusion of a summary in the Annual Statement of Accounts.

- 1.23** Clear justification must accompany requests for carry-overs, such as why did the surplus occur, i.e. surplus or need; does the proposed carry over support the original need; if different, what is the justification for the new expense; the consequences of not spending; and if necessary, a perspective from the appropriate Strategic Director to aid prioritisation.

## ACCOUNTING POLICIES

### Why is this important?

- 1.24** The Section 151 Officer is responsible for the preparation of the Council's statement of accounts, in accordance with proper practices as set out in the format required by the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (CIPFA/LASAAC), for each financial year ending 31 March.

### Key controls

- 1.25** The key controls for accounting policies are:-
- (a) systems of internal control are in place that ensure that financial transactions are lawful.
  - (b) suitable accounting policies are selected and applied consistently.
  - (c) proper accounting records are maintained
  - (d) financial statements are prepared which present fairly the financial position of the Council and its expenditure and income.

### Responsibilities of the Section 151 Officer

- 1.26** To select suitable accounting policies and to ensure that they are applied consistently. The accounting policies are set out in the statement of accounts, which is prepared at 31 March each year, and covers such items as:-
- (a) separate accounts for capital and revenue transactions;
  - (b) the basis on which debtors and creditors at year-end are included in the accounts;
  - (c) details on substantial provisions and reserves;
  - (d) fixed assets;
  - (e) depreciation;

- (f) capital charges;
- (g) work in progress;
- (h) stocks and stores;
- (i) deferred charges;
- (j) accounting for value added tax;
- (k) government grants;
- (l) leasing; and
- (m) pensions.

### **Responsibilities of Chief Officers and Heads of Service**

**1.27** To adhere to the accounting policies and guidelines approved by the Section 151 Officer.

### **ACCOUNTING RECORDS AND RETURNS**

#### **Why is this important?**

**1.28** Maintaining proper accounting records is one of the ways in which the Council discharges its responsibility for stewardship of public resources. The authority has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year. These are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of the Council's resources.

#### **Key controls**

**1.29** The key controls for accounting records and returns are:-

- (a) all heads of service, finance staff and budget managers operate within the required accounting standards and timetables;
- (b) all the Council's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis;
- (c) procedures are in place to enable accounting records to be reconstituted in the event of systems failure;

- (d) reconciliation procedures are carried out to ensure transactions are correctly recorded; and
- (e) prime documents are retained in accordance with legislative and other requirements.

### **Responsibilities of the Section 151 Officer**

- 1.30** To determine the accounting procedures and records for the Council. Where these are maintained outside the Finance Department, the Section 151 Officer should consult the Chief Officer concerned.
- 1.31** To arrange for the compilation of all accounts and accounting records under his direction.
- 1.32** To comply with the following principles when allocating accounting duties:-
  - (a) separating the duties of providing information about sums due to or from the authority and calculating; checking and recording these sums from the duty of collecting or disbursing them;
  - (b) employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions; and
  - (c) employees shall not set or amend their own personal accounts e.g. rent, council tax
- 1.33** To make proper arrangements for the audit of the authority's accounts in accordance with the Accounts and Audit Regulations 1996.
- 1.34** To ensure that all claims for funds including grants are made by the due date.
- 1.35** To prepare and publish the audited accounts of the authority for each financial year, in accordance with the statutory timetable.
- 1.36** To ensure the proper retention of financial documents in accordance with the requirements set out in the Council's document retention schedule.

### **Responsibilities of Chief Officers**

- 1.37** To consult and obtain the approval of the Section 151 Officer before making any changes to accounting records and procedures.
- 1.38** To comply, as far as possible, with the principles outlined in paragraph 1.33 when allocating accounting duties.

- 1.39 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.
- 1.40 To supply information required to enable the statement of accounts to be completed in accordance with guidelines issued by the Section 151 Officer.

## THE ANNUAL STATEMENT OF ACCOUNTS

### **Why is this important?**

- 1.41 The authority has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. The Full Council is responsible for approving the statutory annual statement of accounts.

### **Key controls**

- 1.42 The key controls for the annual statement of accounts are:
  - the Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of these affairs. In this authority, that officer is the Section 151 Officer.
  - the Council's statement of accounts must be prepared in accordance with proper practices as set out in the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (the SORP) (CIPFA/LASAAC).

### **Responsibilities of the Section 151 Officer**

- 1.43 To select suitable accounting policies and to apply them consistently.
- 1.44 To make judgements and estimates that are reasonable and prudent.
- 1.45 To comply with the SORP (Statement of Recommended Practice).
- 1.46 To sign and date the statement of accounts, stating that it presents fairly the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 20xx.

- 1.47** To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

### **Responsibilities of Chief Officers and Heads of Service**

- 1.48** To comply with accounting guidance provided by the Section 151 Officer and to supply him information when required.

## **2. Financial Planning**

### PERFORMANCE PLANS

#### **Why is this important?**

- 2.01** Each local authority has a statutory responsibility to publish various performance plans, including best value performance plans, crime reduction strategies, community care plans, etc. The purpose of performance plans is to explain overall priorities and objectives, current performance, and proposals for further improvement. The Council is required to publish annually the best value performance plan (BVPP), which summarises its performance and position in relation to best value. The BVPP is a key element in the Council's programme of engaging with the public. External Audit is required to report on whether the authority has complied with statutory requirements in respect of the preparation and publication of the BVPP.

#### **Key controls**

- 2.02** The key controls for performance plans are:-
- (a) to ensure that all relevant plans are produced and that they are consistent;
  - (b) to produce plans in accordance with statutory requirements;
  - (c) to meet the timetables set;
  - (d) to ensure that all performance information is accurate, complete and up to date; and
  - (e) to provide improvement targets which are meaningful, realistic and challenging.

### **Responsibilities of the Section 151 Officer**

**2.03** To advise and supply the financial information that needs to be included in performance plans in accordance with statutory requirements and agreed timetables.

### **Responsibilities of Chief Officers and Heads of Service**

**2.04** To ensure that systems are in place to measure activity and collect accurate information for use as performance indicators.

**2.05** To ensure that performance information is monitored sufficiently frequently to allow corrective action to be taken if targets are not likely to be met.

**2.06** To contribute to the development of performance plans in line with statutory requirements.

**2.07** To contribute to the development of corporate and service targets and objectives and performance information.

## **BUDGETING**

Format of the budget

### **Why is this important?**

**2.08** The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement operate, the operation of cash limits and sets the level at which funds may be reallocated within budgets.

### **Key controls**

**2.09** The key controls for the budget format are:-

- (a) the format complies with all legal requirements;
- (b) the format complies with CIPFA's *Best Value Accounting – Code of Practice*; and
- (c) the format reflects the accountabilities of service delivery.

### **Responsibilities of the Section 151 Officer**

**2.10** To advise the Policy and Resources Committee on the format of the budget that is approved by Full Council.

## **Responsibilities of Chief Officers and Heads of Service**

**2.11** To comply with accounting guidance provided by the Section 151 Officer.

Revenue budget preparation, monitoring and control

### **Why is this important?**

**2.12** Budget management ensures that once the budget has been approved by Full Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget. The Budget Management Protocol provides corporate guidance to budget holders.

**2.13** By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. The Council operates within an annual approved budget. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the budget allocated to it.

**2.14** For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required by the scheme of delegation.

### **Key controls**

**2.15** The key controls for managing and controlling the revenue budget are:-

- (a) budget managers should be responsible only for income and expenditure that they can influence;
- (b) there is a nominated budget manager for each cost centre heading;
- (c) budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities;

- (d) budget managers follow an approved certification process for all expenditure;
- (e) income and expenditure are properly recorded and accounted for; and
- (f) performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget.

### **Responsibilities of the Section 151 Officer**

**2.16** To establish an appropriate framework of budgetary management and control that ensures that:-

- (a) budget management is exercised within the overall approved budget;
- (b) each Chief Officer has available timely information on receipts and payments on each budget, which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities;
- (c) expenditure is committed only against an approved budget head;
- (d) all officers responsible for committing expenditure comply with relevant guidance, and the financial regulations;
- (e) each cost centre has a single named manager, determined by the relevant Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure; and
- (f) significant variances from approved budgets are investigated and reported by budget managers regularly.

**2.17** To administer the authority's scheme of virement.

**2.18** To submit reports to the appropriate main committee, in consultation with the relevant Chief Officer, where a Chief Officer is unable to balance expenditure and resources within existing approved budgets under his or her control.

**2.19** To prepare and submit reports on the authority's projected income and expenditure compared with the budget on a regular basis.

## **Responsibilities of Chief Officers and Heads of Service**

- 2.20** To maintain budgetary control within their service areas, in adherence to the principles in 2.16, and to ensure that all income and expenditure is properly recorded and accounted for.
- 2.21** To ensure that an accountable budget manager is identified for each item of income and expenditure under the control of the Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.
- 2.22** To ensure that spending remains within the service's overall budget, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- 2.23** To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and is operating effectively.
- 2.24** To prepare and submit to the appropriate spending committee reports on the service's projected expenditure compared with its budget, in consultation with the Section 151 Officer.
- 2.25** To ensure that any overspends or reductions in income are met by viring (see section 1.10-1.18).
- 2.26** To ensure prior approval by the appropriate spending committee for new proposals, of whatever amount, that:-
- (a) create financial commitments in future years;
  - (b) change existing policies, initiate new policies or cease existing policies;and
  - (c) materially extend or reduce the authority's services.

All committee reports which have financial implications must be prepared in consultation with the Section 151 Officer and include any comments required by this officer. Chief Officers must plan to contain the financial implications of such proposals within their budgets.

- 2.27** To agree with the relevant Chief Officer where it appears that a budget proposal, including a virement proposal, may impact materially on another service area or Chief Officer's level of service activity.

## Budgets and medium-term planning

### **Why is this important?**

- 2.28** The Council is responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities.
- 2.29** The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the Full Council. Budgets (spending plans) are needed so that the authority can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for an authority to budget for a deficit.
- 2.30** Medium-term planning (or a three- to five-year planning system) involves a planning cycle in which managers develop their own plans. As each year passes, another future year will be added to the medium-term plan. This ensures that the authority is always preparing for events in advance. The Corporate document articulating these plans is the Medium Term Financial Strategy.

### **Key controls**

- 2.31** The key controls for budgets and medium-term planning are:-
- (a) specific budget approval for all expenditure;
  - (b) budget managers are consulted in the preparation of the budgets for which they will be held responsible; and
  - (c) a monitoring process is in place to review regularly the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

### **Responsibilities of the Section 151 Officer**

- 2.32** To prepare and submit reports on budget prospects for the Council, including resource constraints set by the Government. Reports should take account of medium-term prospects, where appropriate.
- 2.33** To determine the detailed form of revenue estimates and the methods for their preparation, consistent with the budget approved by the Full Council.

- 2.34** To prepare and submit reports to the Policy and Resources Committee on the aggregate spending plans of service areas and on the resources available to fund them, identifying, where appropriate, the implications for the level of council tax to be levied.
- 2.35** To advise on the medium-term implications of spending decisions.
- 2.36** To encourage the best use of resources and value for money by working with Chief Officers to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- 2.37** To advise the Full Council on proposals in accordance with his or her responsibilities under section 151 of the Local Government Act 1972.

#### **Responsibilities of Chief Officers and Heads of Service**

- 2.38** To prepare estimates of income and expenditure, in consultation with the Section 151 Officer.
- 2.39** To prepare budgets that are consistent with any relevant cash limits, with the Council's annual budget cycle and within guidelines issued by the Section 151 Officer.
- 2.40** To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.
- 2.41** In consultation with the Section 151 Officer and in accordance with the laid-down guidance and timetable, to prepare detailed draft revenue and capital budgets for consideration by the appropriate committee.
- 2.42** When drawing up draft budget requirements, to have regard to:-
  - (a) spending patterns and pressures revealed through the budget monitoring process;
  - (b) legal requirements;
  - (c) policy requirements as defined by the Full Council in the approved policy framework; and
  - (d) initiatives already under way.

## Resource allocation

### **Why is this important?**

**2.43** A mismatch often exists between available resources and required resources. A common scenario is that available resources are not adequate to fulfil need/desire. It is therefore imperative that needs/desires are carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods and materials.

### **Key controls**

**2.44** The key controls for resource allocation are:-

- (a) resources are acquired in accordance with the law and using an approved authorisation process;
- (b) resources are used only for the purpose intended, to achieve the approved policies and objectives, and are properly accounted for;
- (c) resources are securely held for use when required; and
- (d) resources are used with the minimum level of waste, inefficiency or loss for other reasons.

### **Responsibilities of the Section 151 Officer**

**2.45** To advise on methods available for the funding of resources, such as grants from central government and borrowing requirements.

**2.46** To assist in the allocation of resources to budget managers.

### **Responsibilities of Chief Officers and Heads of Service**

**2.47** To work within budget limits and to utilise resources allocated, and further allocate resources, in the most efficient, effective and economic way.

**2.48** To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

## Capital programmes

### Why is this important?

- 2.49** Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the authority, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.
- 2.50** The Government places strict controls on the financing capacity of the authority. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.

### Key controls

- 2.51** The key controls for capital programmes are:-
- (a) specific approval by the Full Council for the programme of capital expenditure;
  - (b) a scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project, for approval by the appropriate main committee;
  - (c) proposals for improvements and alterations to buildings must be approved by the appropriate Chief Officer;
  - (d) the development and implementation of asset management plans;
  - (e) accountability for each proposal is accepted by a named manager;
  - (f) monitoring of progress in conjunction with expenditure and comparison with approved budget.

### Responsibilities of the Section 151 Officer

- 2.52** To prepare capital estimates jointly with Chief Officers and to report them to the Full Council for approval
- 2.53** To prepare and submit reports to the Policy and Resources Committee on the projected income, expenditure and resources compared with the approved estimates.

- 2.54** To issue guidance concerning capital schemes and controls, for example, on project appraisal techniques. The definition of 'capital' will be determined by the Section 151 Officer, having regard to government regulations and accounting requirements.

### **Responsibilities of Chief Officers and Heads of Service**

- 2.55** To comply with guidance concerning capital schemes and controls issued by the Section 151 Officer.
- 2.56** To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Section 151 Officer.
- 2.57** To prepare regular reports to the appropriate spending committee reviewing the capital programme provisions for their services.
- 2.58** To ensure that adequate records are maintained for all capital contracts.
- 2.59** To proceed with projects only when there is adequate provision in the capital programme and with the agreement of the Section 151 Officer, where required.
- 2.60** To ensure that credit arrangements, such as any financing agreements, are not entered into without the prior approval of the Section 151 Officer and, if applicable, approval of the scheme through the capital programme.
- 2.61** To consult with the Section 151 Officer where the Chief Officer proposes to bid for supplementary credit approvals to be issued by government departments to support expenditure that has not been included in the current year's capital programme.

### **MAINTENANCE OF RESERVES**

#### **Why is this important?**

- 2.62** The local authority must decide the level of general reserves it wishes to maintain before it can decide the level of council tax. Reserves are maintained as a matter of prudence. They enable the authority to provide for unexpected events and thereby protect it from overspending, should such events occur. Reserves for specific purposes may also be maintained, such as the purchase or renewal of capital items.

### **Key controls**

- 2.63** To maintain reserves in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (CIPFA/LASAAC) and agreed accounting policies.
- 2.64** For each reserve established, the purpose, usage and basis of transactions should be clearly identified.
- 2.65** Authorisation and expenditure from reserves by the appropriate Chief Officer in consultation with the Section 151 Officer.

### **Responsibilities of the Section 151 Officer**

- 2.66** To advise Policy and Resources Committee on prudent levels of reserves for the authority, and to take account of the advice of the external auditor in this matter.

### **Responsibilities of Chief Officers and Heads of Service**

- 2.67** To ensure that resources are used only for the purposes for which they were intended.

## **3. Risk Management and Control of Resources**

### RISK MANAGEMENT

#### **Why is this important?**

- 3.01** Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well being of the organisation. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then recommending the action the organisation needs to take to control these risks effectively.

### **Key controls**

- 3.02** The key controls for risk management are:-

- (a) procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the authority;
- (b) a monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis;
- (c) managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives;
- (d) provision is made for losses that might result from the risks that remain;
- (e) procedures are in place to investigate claims within required timescales;
- (f) acceptable levels of risk are determined and insured against where appropriate; and
- (g) the authority has identified business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

### **Responsibilities of the Chief Executive**

**3.03** To evaluate and advise the Audit and Improvement Committee on:-

- (a) the most efficient methods of financing losses resulting from risks faced, whether by insurance or other means; and
- (b) ways to create and maintain an awareness of the nature and costs of potential risks to the Council.

**3.04** To include all appropriate employees of the authority in a suitable fidelity guarantee insurance. To notify the Section 151 Officer immediately of any suspected dishonesty on the part of any employee.

**3.05** To effect corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other officers, where necessary.

**3.06** In consultation with Chief Officers, conduct an annual review of insurances and further review at the expiry or termination of any existing long term agreement with insurers.

## **Responsibilities of Chief Officers and Heads of Service**

- 3.07** The Chief Executive in consultation with Chief Officers, shall satisfy themselves of the adequacy of insurance of independent contractors to the Council.
- 3.08** To notify the Insurance and Risk Manager immediately of any loss, liability or damage that may lead to a claim against the authority, together with any information or explanation required by the Section 151 Officer or the authority's insurers.
- 3.09** To ensure that there are regular reviews of risk within their service areas.
- 3.10** To notify the Insurance and Risk Manager promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- 3.11** To produce to the Insurance and Risk Manager when requested schedules of all property and assets under their control showing replacement values. In the case of real estate, rebuilding costs, the value of contents and postcodes must be shown.
- 3.12** To ensure that employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.
- 3.13** To inform the Insurance and Risk Manager of members of staff whose work relates to the provision of advice, which is outside statutory duties, to ensure the adequacy of professional indemnity insurance.
- 3.14** To ensure that employees purchasing a vehicle with the aid of an advance under the Council's Car Loan Scheme have comprehensive insurance cover, and give notice of the Council's interest to the Insurance Company. Employees will be asked to produce the policy and certificate of insurance prior to payment of an advance.
- 3.15** To ensure that authorised motor vehicle users are aware of the requirement to insure any vehicle used in the course of his/her employment on Council business against third party claims and such insurance shall cover the driver in person for business use on behalf of the Council.
- 3.16** To obtain approval from the Insurance and Risk Manager prior to making any payment arising from any incident which could lead to a claim against or by the Council.
- 3.17** To consult the Insurance and Risk Manager in respect of proposals to insure property belonging to third parties. To supply copies of all relevant documentation.

- 3.18** In the event of loss or damage to Council property, to advise the Insurance and Risk Manager of replacement costs without delay. Failure to provide this information within 90 days will negate an insurance claim. In the case of damage to a real estate property, the full postcode of any damaged building must be provided.

## INTERNAL CONTROLS

### **Why is this important?**

- 3.19** The Council requires internal controls to manage and monitor progress towards strategic objectives.
- 3.20** The Council has statutory obligations, and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.
- 3.21** The Council faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.
- 3.22** The system of internal controls is established in order to provide measurable achievement of:-
- (a) efficient and effective operations;
  - (b) reliable financial information and reporting;
  - (c) compliance with laws and regulations; and
  - (d) risk management.

### **Key controls**

- 3.23** The key controls and control objectives for internal control systems are:-
- (a) key controls should be reviewed on a regular basis;
  - (b) managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities;

- (c) financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems; and
- (d) an effective internal audit function that is properly resourced. It should operate in accordance with the principles contained in the Auditing Practices Board's auditing guideline *Guidance for Internal Auditors*, CIPFA's *Code of Practice for Internal Audit in Local Government in the United Kingdom* and with any other statutory obligations and regulations.

### **Responsibilities of the Audit Manager**

**3.24** The Audit Manager or equivalent is to assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

### **Responsibilities of Chief Officers and Heads of Service**

**3.25** To manage processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.

**3.26** To review existing controls in the light of changes affecting the Council and to establish and implement new ones in line with guidance from the Audit Manager. Chief Officers should also be responsible for removing controls that are unnecessary or not cost or risk effective – for example, because of duplication.

**3.27** To ensure staff have a clear understanding of the consequences of lack of control.

## AUDIT REQUIREMENTS

### Internal audit

#### **Why is this important?**

- 3.28** The requirement for an internal audit function for local authorities is implied by section 151 of the Local Government Act 1972, which requires that authorities “make arrangements for the proper administration of their financial affairs”. The Accounts and Audit Regulations 1996 (SI 1996/590), regulation 5, more specifically require that a “relevant body shall maintain an adequate and effective system of internal audit of their accounting records and control systems”.
- 3.29** Accordingly, internal audit is an independent and objective appraisal function established by the Council for reviewing the system of internal control. It examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources.

#### **Key controls**

- 3.30** The key controls for internal audit are:-
- (a) that it is independent in its planning and operation;
  - (b) the Head of Internal Audit reports directly to and has direct access to the Head of Paid Service, all levels of management and directly to elected Members; and
  - (c) the internal auditors comply with the Auditing Practices Board’s guideline *Guidance for Internal Auditors*, as interpreted by CIPFA’s *Code of Practice for Internal Audit in Local Government in the United Kingdom*.

#### **Responsibilities of the Head of Paid Service**

- 3.31** To ensure that internal auditors have the authority to:-
- (a) access Council premises at reasonable times;
  - (b) access all assets, records, documents, correspondence and control systems;
  - (c) receive any information and explanation considered necessary concerning any matter under consideration;
  - (d) require any employee of the authority to account for cash, stores or any other authority asset under his or her control; and

- (e) access records belonging to third parties, such as contractors, when required; and
  - (f) directly access the Head of Paid Service, and the Policy and Resources Committee.
- 3.32** To ensure that effective fraud investigation procedures are in place to investigate promptly any fraud or irregularity.
- 3.33** To ensure a continuous audit of the Council's systems and procedures.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.34** The Corporate Management Team to approve the annual and five yearly audit plans to be undertaken by Internal Audit, which take account of the characteristics and relative risks of the activities involved.
- 3.35** To ensure that internal auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- 3.36** To ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- 3.37** To consider and respond to audit reports or other requests for information within 14 days. The Head of Internal Audit may refer any failure to respond or rejected audit reports to Corporate Management Team for resolution.
- 3.38** Corporate Management Team to have overall responsibility for ensuring that all internal audit recommendations are implemented by the agreed date.
- 3.39** To notify the Audit Manager immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the authority's property or resources; and of any material failure in financial systems and controls. Pending investigation and reporting, the Chief Officer should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- 3.40** To ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the Audit Manager prior to implementation.

## External audit

### **Why is this important?**

- 3.41** The Local Government Finance Act 1982 set up the Audit Commission, which is responsible for appointing external auditors to each local authority in England and Wales. The external auditor has rights of access to all documents and information necessary for audit purposes.
- 3.42** The basic duties of the external auditor are defined in the Audit Commission Act 1998 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires the Audit Commission to prepare a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice issued in March 2000 sets out the auditor's objectives to review and report upon:-
- (a) the financial aspects of the audited body's corporate governance arrangements;
  - (b) the audited body's financial statements; and
  - (c) aspects of the audited body's arrangements to manage its performance, including the preparation and publication of specified performance information and compliance in respect of the preparation and publication of the BVPP.
- 3.43** The Council's accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts 'presents fairly' the financial position of the authority and its income and expenditure for the year in question and complies with the legal requirements.

### **Key controls**

- 3.44** External auditors are appointed by the Audit Commission normally for a minimum period of five years. The Audit Commission prepares a code of audit practice, which external auditors follow when carrying out their audits.

### **Responsibilities of the Chief Executive**

- 3.45** To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets that the external auditors consider necessary for the purposes of their work.
- 3.46** To ensure there is effective liaison between external and internal audit.
- 3.47** To work with the external auditor and advise the Council, and Chief Officers on their responsibilities in relation to external audit.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.48** To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purposes of their work.
- 3.49** To ensure that all records and systems are up to date and available for inspection.

## **PREVENTING FRAUD AND CORRUPTION**

### **Why is it this important?**

- 3.50** The Council will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Council.
- 3.51** The Council's expectation of propriety and accountability is that members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 3.52** The Council also expects that individuals and organisations (e.g. suppliers, contractors, service providers) with whom it comes into contact will act towards the authority with integrity and without thought or actions involving fraud and corruption.

### **Key controls**

- 3.53** The key controls regarding the prevention of financial irregularities are that:-
  - (a) the authority has an effective anti-fraud and anti-corruption policy and maintains a culture that will not tolerate fraud or corruption;

- (b) all members and staff act with integrity and lead by example;
- (c) senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the authority or who are corrupt;
- (d) high standards of conduct are promoted amongst Members by the Standards Committee;
- (e) the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded;
- (f) whistle blowing procedures are in place and operate effectively; and
- (g) legislation including the Public Interest Disclosure Act 1998 is adhered to.

### **Responsibilities of the Audit Manager**

- 3.54** To develop and maintain an anti-fraud and anti-corruption policy.
- 3.55** To maintain adequate and effective internal control arrangements.
- 3.56** To ensure that all suspected irregularities are reported to the Head of Paid Service, and the appropriate committee.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.57** To ensure that all suspected irregularities are reported to the Audit Manager.
- 3.58** To instigate the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.
- 3.59** To ensure that where financial impropriety is discovered, the Audit Manager is informed, and where sufficient evidence exists to believe that a criminal offence may have been committed, the police are called in to determine with the Crown Prosecution Service whether any prosecution will take place.
- 3.60** To inform and update service areas registers of interests.

## ASSETS

### Security

#### **Why is this important?**

**3.61** The authority holds assets in the form of property, vehicles, equipment, furniture and other items worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

#### **Key controls**

**3.62** The key controls for the security of resources such as land, buildings, fixed plant machinery, equipment, software and information are:-

- (a) resources are used only for the purposes of the Council and are properly accounted for;
- (b) resources are available for use when required;
- (c) resources no longer required are disposed of in accordance with the law and the regulations of the authority so as to maximise benefits;
- (d) an asset register is maintained for the authority, assets are recorded when they are acquired by the Council and this record is updated as changes occur with respect to the location and condition of the asset;
- (e) all staff are aware of their responsibilities with regard to safeguarding the Council's assets and information, including the requirements of the Data Protection Act and software copyright legislation; and
- (f) all staff are aware of their responsibilities with regard to safeguarding the security of the authority's computer systems, including maintaining restricted access to the information held on them and compliance with the authority's computer and internet security policies.

### **Responsibilities of the Section 151 Officer**

- 3.63** To ensure that an asset register is maintained in accordance with good practice for all fixed assets with a value in excess of £20,000 for Land & Buildings, £2,000 for Vehicles, and £5,000 for other assets. The function of the asset register is to provide the authority with information about fixed assets so that they are:-
- safeguarded;
  - used efficiently and effectively; and
  - adequately maintained.
- 3.64** To receive the information required for accounting, costing and financial records from each Chief Officer.
- 3.65** To ensure that assets are valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (CIPFA/LASAAC).

### **Responsibilities of Chief Officers and Heads of Service**

- 3.66** To consult the Insurance and Risk Manager on all matters of security, including the installation of safes, alarm systems, cash handling and accounting machines. To consult at an early stage in proposals for new buildings or alterations to existing buildings, to allow adequate consideration to the design of security.
- 3.67** To advise the Insurance and Risk Manager immediately if any alarmed premises are withdrawn from response by the police or the alarm company involved.
- 3.68** To comply with insurance requirements advised by the Insurance and Risk Manager. To inform the Section 151 Officer immediately if requirements cannot be complied with.
- 3.69** To advise the Insurance and Risk Manager of any theft of property or break in to premises immediately and in writing. Such incidents to be reported to the police without delay.
- 3.70** An asset register is to be maintained, in a form approved by the Section 151 Officer for all properties, plant and machinery and moveable assets currently owned or used by the authority. Any use of assets by a service area or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.

- 3.71** To ensure that lessees and other prospective occupiers of Council land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Chief Officer in consultation with the Section 151 Officer, has been established as appropriate.
- 3.72** To ensure the proper security of all buildings and other assets under their control. To consult the Insurance and Risk Manager if security is thought to be defective.
- 3.73** To pass any title deeds to the Head of Legal Services who is responsible for custody of all title deeds.
- 3.74** To ensure that no authority asset is subject to personal use by an employee without proper authority.
- 3.75** To consult the Insurance and Risk Manager at an early stage in proposals for new buildings or alterations to existing buildings to allow consideration for design of security.
- 3.76** To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- 3.77** To ensure cash is held in a safe outside normal working hours, and that cash holdings are kept to a minimum.
- 3.78** To maintain an up to date list of key holders. To ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times; loss of any such keys must be reported to the Insurance and Risk Manager and the Audit Manager as soon as possible.
- 3.79** To ensure that combination numbers to safes are held securely. The combination must be changed at regular intervals and immediately when staff leave.
- 3.80** To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Section 151 Officer.
- 3.81** To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the authority in some way.
- 3.82** To ensure that employees are aware that packages for despatch containing documents or articles of value are sent by registered, insured or recorded post.

## Inventories

- 3.83** To maintain inventories and record an adequate description of furniture, fittings.
- 3.84** To carry out an annual check of all items on the inventory in order to verify location, review, condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the authority. To present the relevant portion of the inventory on request where an insurance claim is made.
- 3.85** To make sure that property is only used in the course of the authority's business, unless the Chief Officer concerned has given permission otherwise.
- 3.86** Any property or equipment with a replacement cost exceeding the limit in the appendix shall be notified in writing to the Section 151 Officer at the time of acquisition or replacement.
- 3.87** The Strategic Director with responsibility for property shall maintain registers of all property owned by the Council (except dwellings provided under the Housing Acts), recording the holding committee, purpose for which held, location, extent, plan reference, purchase details, nature of interest, rent payable and particulars of tenancies granted. The Strategic Director responsible for Housing shall maintain a record of all properties under the Housing Acts.

## Stocks and stores

- 3.88** To ensure that all materials other than for immediate consumption are delivered to stores, properly controlled under the provisions of these financial regulations.
- 3.89** To make arrangements for the care and custody of stores in the service areas.
- 3.90** To keep stores records in a form approved by the Section 151 Officer.
- 3.91** To ensure that no issue from stores is made except in accordance with a duly authorised requisition, which must show the location at which and by whom the items are required.
- 3.92** To arrange for the periodical test examination of stores in hand and ensure that all stores are checked at least once in every financial year.

- 3.93** Stock taking to be undertaken independently of storekeepers and stores accounting staff.
- 3.94** As soon as possible after the year-end, to furnish the Section 151 Officer with full and accurate accounts and statements duly certified as to the stocks and stores in their respective areas.
- 3.95** Surpluses and deficits in excess of 2.5% of turnover at each stock check to be reported to Policy and Resources Committee by the responsible officer, in conjunction with the Section 151 Officer.
- 3.96** All materials held by users, issued by main stores that become obsolete or not required must be listed and returned to the main stores for re-registration into stock or disposal. The responsible officer, in conjunction with the Section 151 Officer, shall write off redundant central stores to a maximum of 1% of turnover each year. Any write-offs in excess of this limit to be approved by the Policy and Resources Committee.
- 3.97** Stocks shall not be in excess of normal requirements, except in special circumstances with approval of the Policy and Resources Committee.
- 3.98** No sub-stores shall be permitted without the consent of the Section 151 Officer.
- 3.99** To maintain a list of authorised signatories for central stores.

#### Lost Property

- 3.100** To maintain a register of lost property, handed in or reported lost, in respect of premises for which the Chief Officer is responsible.
- 3.101** To allow the owner of the property, having been notified, not less than one month's notice to collect the property.
- 3.102** Where any items of money or valuables that have significant monetary value are found they are to be taken to the police station.

#### Transport and Plant

- 3.103** To maintain adequate records of transport and plant in their possession.
- 3.104** To keep utilisation records in a form agreed by the Section 151 Officer. Forms to be completed and signed by all drivers and countersigned by the appropriate supervising officer.
- 3.105** Vehicles should not be taken home unless approval has been given, and vehicles should not be used for non-Council purposes.

## Intellectual property

### **Why is this important?**

- 3.106** Intellectual property is a generic term that includes inventions and writing. If these are created by the employee during the course of employment, then, as a general rule, they belong to the employer, not the employee. Various acts of Parliament cover different types of intellectual property.
- 3.107** Certain activities undertaken within the authority may give rise to items that may be patentable, for example, software development. These items are within the description “intellectual property”.

### **Key controls**

- 3.108** In the event that the authority decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with the authority’s approved intellectual property procedures.

## **Responsibilities of Chief Officers and Heads of Service**

- 3.109** To develop and disseminate good practice.
- 43.110** To ensure that controls are in place to ensure that staff do not carry out private work in council time and that staff are aware of an employer’s rights with regard to intellectual property.

## Asset disposal

### **Why is this important?**

- 3.111** It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the regulations of the authority.

### **Key controls**

- 3.112** Assets for disposal are identified and are disposed of at the most appropriate time, and only when it is in the best interests of the authority, and best price is obtained, bearing in mind other factors, such as environmental issues. For items of significant value, disposal should be by competitive tender or public auction.

- 3.113** Procedures protect staff involved in the disposal from accusations of personal gain.

### **Responsibilities of the Section 151 Officer**

- 3.114** To issue guidelines representing best practice for disposal of assets.
- 3.115** To ensure appropriate accounting entries are made to remove the value of disposed assets from the authority's records and to include the sale proceeds if appropriate.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.116** To seek advice from purchasing advisors on the disposal of surplus or obsolete materials, stores or equipment.
- 3.117** To ensure that income received for the disposal of an asset is properly banked and coded.
- 3.118** To record all disposal or part exchange of assets that should normally be by competitive tender or public auction.
- 3.119** To follow the guidelines issued by the Section 151 Officer.

### Disposal of Land

- 3.120** Except where otherwise provided for in Standing Orders, no disposal of land or buildings shall take place except with the consent of Policy and Resources Committee, after due consideration of a report to which the Strategic Director (or external independent valuer), the Head of Legal and Democratic Services and the Section 151 Officer have contributed.
- 3.121** For the disposal of land, compliance shall be made with section 123 of the Local Government Act 1972, and any other relevant legislation. Reference shall be made to standing orders relating to disposal of land.

### Disposal of Stores and Equipment

- 3.122** To make arrangements for the disposal of obsolete and redundant equipment, within the limits shown in the appendix, and in relation to the following:
- (a) Disposal of items where the current market value is likely to be less than the stated limit to be sold on a first come, first served basis.

- (b) Where an item is likely to exceed the limit for (a) above, but is below the limit for (c), members, staff of the public may be invited to submit a bid. Offers to be received in writing, and the highest bid accepted where there is more than one offer.
- (c) Where the current market value is likely to exceed the limit for (b) above, unless the item is to be sold at a recognised public auction, at least two quotations must be obtained where possible.
- (d) Where disposal takes place by recognised public auction, a reserve price should be agreed for each item or lot.

#### Disposal of Transport and Plant

**3.123** Disposal of transport and plant is at the discretion of the relevant Strategic Director who shall endeavour to ensure, and by reference to documentation be able to demonstrate, that value for money is obtained.

### TREASURY MANAGEMENT

#### **Why is this important?**

**3.124** Many millions of pounds pass through the Council's books each year. This led to the establishment of codes of practice. These aim to provide assurances that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's capital sums.

#### **Key controls**

**3.125** That the Council's investments comply with the CIPFA *Code of Practice on Treasury Management* and with the treasury policy statement. The Council's borrowing should comply with the CIPFA Code of Practice, *the Prudential Code for Capital Finance in Local Authorities*.

#### Treasury Management and Banking

#### **Responsibilities of Section 151 Officer**

**3.126** To arrange the borrowing and investments of the authority in such a manner as to comply with the CIPFA *Code of Practice on Treasury Management* and the Council's treasury management policy statement and strategy.

- 3.127** To report to Policy and Resources Committee on treasury management activities.
- 3.128** To operate bank accounts as are considered necessary – opening or closing any bank account shall require the approval of the Section 151 Officer.
- 3.129** To be responsible for all arrangements and communications with the Council's bank.
- 3.130** To authorise the bank on the payment of cheques and limits for the use of facsimile signatures on cheques. Current limits are shown in the appendix.
- 3.131** To seek advice on the Council's legal authority to enter into agreements.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.132** To follow the instructions on banking issued by the Section 151 Officer.

### Investments and borrowing

### **Responsibilities of Section 151 Officer**

- 3.133** To ensure that all investments of money are made in the name of the Council or in the name of nominees approved by the Policy and Resources Committee.
- 3.134** To ensure that all securities that are the property of the Council or its nominees and the title deeds of all property in the authority's ownership are held in the custody of the appropriate Chief Officer.
- 3.135** To effect all borrowings in the name of the Council.
- 3.136** To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the authority.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.137** To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Full Council, following consultation with the Section 151 Officer.

### Trust funds and funds held for third parties

### **Responsibilities of Chief Officers and Heads of Service**

- 3.138** To arrange for all trust funds to be held, wherever possible, in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities, etc relating to the trust with the Section 151 Officer, unless the deed otherwise provides.
- 3.139** To arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Section 151 Officer, and to maintain written records of all transactions.
- 3.140** To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

Imprest accounts (petty cash)

### **Responsibilities of the Section 151 Officer**

- 3.141** To provide employees of the Council with cash or bank Imprest accounts to meet minor expenditure on behalf of the authority and to prescribe rules for operating these accounts. Minor items of expenditure should not exceed £100.
- 3.142** To determine the petty cash limit and to maintain a record of all transactions and petty cash advances made, and periodically to review the arrangements for the safe custody and control of these advances.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.143** To ensure that employees operating an Imprest account:-
- (a) obtain and retain vouchers to support each payment from the Imprest account. Where appropriate, an official receipted VAT invoice must be obtained;
  - (b) make adequate arrangements for the safe custody of the account;
  - (c) produce upon demand by the Section 151 Officer cash and all vouchers to the total value of the Imprest amount;
  - (d) record transactions promptly;
  - (e) reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the Imprest holder;

- (f) provide the Section 151 Officer with a certificate of the value of the account held at 31 March each year;
- (g) ensure that the float is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made;
- (h) on leaving the authority's employment or otherwise ceasing to be entitled to hold an imprest advance, an employee shall reconcile the balance and sign it over, together with relevant vouchers and invoices, to his/her line manager;
- (i) Where a petty cash float is no longer required, the balance should be reconciled, banked and the income code used for banking notified to the Section 151 Officer; and
- (j) Payments shall be limited to minor items of expenditure as approved by the Section 151 Officer and shall be supported by a voucher signed by an authorised signatory.

## STAFFING

(see also section 4: Payment to Employees)

### **Why is this important?**

**3.144** In order to provide the highest level of service, it is crucial that the Council recruits and retains high calibre, knowledgeable staff, qualified to an appropriate level.

### **Key controls**

**3.145** The key controls for staffing are:-

- (a) an appropriate staffing strategy and policy exists, in which staffing requirements and budget allocation are matched;
- (b) procedures are in place for forecasting staffing requirements and cost;
- (c) controls are implemented that ensure that staff time is used efficiently and to the benefit of the Council; and

- (d) checks are undertaken prior to employing new staff to ensure that they are appropriately qualified, experienced and trustworthy.

### **Responsibilities of the Section 151 Officer**

- 3.146** To ensure that budget provision exists for all existing and new employees.
- 3.147** To act as an advisor to Chief Officers on areas such as national insurance and pension contributions, as appropriate.
- 3.148** To specify which payments are to be made via Payroll.

### **Responsibilities of Chief Officers and Heads of Service**

- 3.149** To produce an annual staffing budget.
- 3.150** To ensure that the staffing budget is an accurate forecast of staffing levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).
- 3.151** To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.
- 3.152** To ensure that the staffing budget is not exceeded without due authority and that it is managed to enable the agreed level of service to be provided.
- 3.153** To ensure that the Head of Human Resources and the Section 151 Officer are immediately informed if the staffing budget is likely to be materially over- or underspent.
- 3.154** To notify the Head of Human Resources immediately of all appointments, resignations, suspensions, absences from duty (other than annual leave or flexitime), transfers and changes in remuneration (other than normal increments).
- 3.155** To obtain written authority from the appropriate Strategic Director and Head of Human Resources **before** filling a vacancy. The Strategic Director shall give consideration to the need to fill a vacancy, taking into account any changes in operational needs. All appointments must be included in the approved establishment list.

## 4. Financial Systems and Procedures

### GENERAL

#### Why is this important?

- 4.01** Service areas have many systems and procedures relating to the control of the authority's assets, including purchasing, costing and management systems. Service areas are increasingly reliant on computers for their financial management information. The information must therefore be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.
- 4.02** The Section 151 Officer has a professional responsibility to ensure that the Council's financial systems are sound and should therefore be notified of any new developments or changes.

#### Key controls

The key controls for systems and procedures are:-

- (a) basic data exists to enable the Council's objectives, targets, budgets and plans to be formulated;
- (b) performance is communicated to the appropriate managers on an accurate, complete and timely basis;
- (c) early warning is provided of deviations from target, plans and budgets that require management attention; and
- (d) operating systems and procedures are secure.

#### Responsibilities of the Section 151 Officer

- 4.03** To make arrangements for the proper administration of the Council's financial affairs, including to:-
- (a) issue advice, guidance and procedures for officers and others acting on the Council's behalf;
  - (b) determine the accounting systems, form of accounts and supporting financial records;

- (c) establish arrangements for audit of the Council's financial affairs;
- (d) approve any new financial systems to be introduced; and
- (e) approve any changes to be made to existing financial systems.

### **Responsibilities of Chief Officers and Heads of Service**

- 4.04** To ensure that accounting records are properly maintained and held securely.
- 4.05** To ensure that vouchers and documents with financial implications are not destroyed except in accordance with arrangements approved by the Section 151 Officer.
- 4.06** To ensure that a complete management trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.
- 4.07** To incorporate appropriate controls to ensure that, where relevant:-
  - (a) all input is genuine, complete, accurate, timely and not previously processed;
  - (b) all processing is carried out in an accurate, complete and timely manner; and
  - (c) output from the system is complete, accurate and timely.
- 4.08** To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud or other malpractice.
- 4.09** To ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building.
- 4.10** To ensure that systems are documented and staff trained in operations.
- 4.11** To consult with the Section 151 Officer before changing any existing financial system or introducing new systems.
- 4.12** To ensure that, where appropriate, computer systems are registered in accordance with data protection legislation and that staff are aware of their responsibilities under the legislation.
- 4.13** To ensure that relevant standards and guidelines for computer systems as published in the employee handbook are followed.

- 4.14** To ensure that computer equipment and software are protected from loss and damage through theft, vandalism, etc.
- 4.15** To comply with the copyright, designs and patents legislation and, in particular, to ensure that:-
- (a) only software legally acquired and installed by the authority is used on its computers;
  - (b) staff are aware of legislative provisions; and
  - (c) in developing systems, due regard is given to the issue of intellectual property rights.
- 4.16** To establish a scheme of delegation identifying officers authorised to act upon the chief officer's behalf in respect of payments, income collection and placing orders, including variations, and showing the limits of their authority.
- 4.17** To supply certified lists of authorised officers, with specimen signatures and delegated limits, to the Section 151 Officer, together with any subsequent variations.

#### Income

##### **Why is this important?**

- 4.18** Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly.

##### **Key controls**

- 4.19** The key controls for income are:-
- (a) all income due to the authority is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed;
  - (b) all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery;
  - (c) all money received by an employee on behalf of the Council is paid without delay to the Section 151 Officer or, as he or she directs, to the Council's bank, and properly recorded. The responsibility for cash collection should be separated from that:
    - for identifying the amount due
    - for reconciling the amount due to the amount received;
  - (d) effective action is taken to pursue non-payment within defined timescales;

- (e) formal approval for debt write-off is obtained;
- (f) appropriate write-off action is taken within defined timescales;
- (g) appropriate accounting adjustments are made following write-off action;
- (h) all appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule; and
- (i) money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

### **Responsibilities of the Section 151 Officer**

- 4.20** To agree arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.
- 4.21** To order and supply to service areas all receipt forms, books or tickets and similar items and to satisfy himself regarding the arrangements for their control.
- 4.22** To agree the write-off of bad debts up to the limits shown in the appendix and to refer larger sums to the Policy and Resources Committee.
- 4.23** To approve all debts to be written off in consultation with the relevant chief officer and to keep a record of all sums written off up to the approved limit and to adhere to the requirements of the Accounts and Audit Regulations 1996.
- 4.24** To obtain the approval of Policy and Resources Committee in consultation with the relevant chief officer for writing off debts in excess of the approved limit.
- 4.25** To ensure that appropriate accounting adjustments are made following write-off action.
- 4.26** To be responsible for arranging the collection of cash and other income from Council offices and its transfer and banking

### **Responsibilities of Chief Officers and Heads of Service**

- 4.27** To ensure staff involved in the collection of money due to the Council follow the procedures manual, available from the Section 151 Officer

- 4.28** To establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and to review it regularly, in line with corporate policies and report annually to the responsible committee. The setting of housing rents must be approved by Policy and Resources Committee.
- 4.29** The Strategic Director with responsibility for property matters is responsible for ensuring that the negotiation of rent reviews due to the Council are instituted at the appropriate time.
- 4.30** To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.
- 4.31** To issue official receipts or other vouchers for income received, except where other arrangements have been approved by the Section 151 Officer.
- 4.32** To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.
- 4.33** To hold securely receipts, tickets and other records of income for the appropriate period. Those responsible for the use of receipts and other documents of controlled stationery should not also be responsible for ordering, control and issue of the stationery.
- 4.34** To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.
- 4.35** To ensure that income is paid fully and promptly into the appropriate authority bank account in the form in which it is received. The Section 151 Officer should be informed immediately of failure to bank money on the agreed day. Wherever possible, to ensure that payment is made at the time of the delivery or in advance. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a regular basis.
- 4.36** Where payment in advance is required before a good or service is provided, payments by cheque should be backed up by a cheque guarantee card.
- 4.37** To ensure income is not used to cash personal cheques or other payments.

- 4.38** To supply the Section 151 Officer with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Section 151 Officer to record correctly the sums due to the authority and to ensure accounts are sent out promptly. Areas of concern with regard to recovery of income should be reported to the Section 151 Officer. Chief Officers have a responsibility to assist the Section 151 Officer in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the authority's behalf. There is a limit on the approved levels of cash that can be held on the Council premises overnight.
- 4.39** To keep a record of every transfer of money between employees of the authority. The receiving officer must sign for the transfer and the transferor must retain a copy.
- 4.40** To ensure that write off of debts are contained within the limits shown in the appendix. Debts should only be written off where a debtor cannot be traced, or in conjunction with the Head of Legal and Democratic Services, is not economic to pursue. The Section 151 Officer must be informed of debts written off, where officers have specific limits e.g. housing rents. In the case of rechargeable repairs, Chief Officers are empowered to negotiate settlement at a reduced amount, subject to the approval of the Section 151 Officer.
- 4.41** Once raised, no bona fide debt may be cancelled, except by full payment or by its formal writing off. A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt.
- 4.42** To notify the Section 151 Officer of outstanding income relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Section 151 Officer.
- 4.43** The Head of Legal and Democratic Services is authorised to agree settlement of disputed amounts in the best interest of the Council in the light of decisions by the courts or to resolve legal proceedings, or potential proceedings.

## Procurement

Ordering and paying for works, goods and services

### **Why is this important?**

**4.44** Public money should be spent with demonstrable probity and in accordance with the Council's Contract Standing Orders. The Council has a statutory duty to achieve best value in part through economy and efficiency. The Council's Contract Standing Orders help to ensure that services obtain value for money from their purchasing arrangements.

### **General**

**4.45** Every officer and Member of the authority has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the authority, in accordance with appropriate codes of conduct.

**4.46** Official orders must be in a form approved by the Section 151 Officer and the Head of Legal and Democratic Services and be let in conjunction with the corporate procurement section ( see Contract Standing Orders). Electronic orders must be issued for all work, goods or services to be supplied to the authority, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases, or other exceptions approved by the Section 151 Officer in consultation with the relevant Head of Service.

**4.47** Standard terms and conditions must not be varied without the prior approval of the Section 151 Officer and the Head of Legal and Democratic Services.

**4.48** Any change in method of payment shall be approved by the Section 151 Officer. The use of direct debit shall require the prior agreement of the Section 151 Officer.

**4.49** Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of authority contracts.

### **Key controls**

**4.50** The key controls for ordering and paying for work, goods and services are:-

- (a) all works, goods and services are ordered only by appropriate persons and are correctly recorded;
- (b) all orders shall be placed in accordance with the Council's Contract Standing Orders unless the Section 151 Officer in consultation with the relevant Head of Service approves exceptions;
- (c) works, goods and services received are checked to ensure they are in accordance with the order;
- (d) payments are not made unless goods have been received by the authority to the correct price, quantity and quality standards;
- (e) all payments are made to the correct person, for the correct amount and are properly recorded, regardless of the payment method;
- (f) all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule;
- (g) all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected; and
- (h) in addition, the effect of e-business/e-commerce and electronic purchasing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

#### **Responsibilities of the Section 151 Officer**

- 4.51** To ensure that all the authority's financial systems and procedures are sound and properly administered.
- 4.52** To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- 4.53** To approve, in conjunction with the Head of Legal and Democratic Services, the form of official orders and associated terms and conditions.
- 4.54** To make payments from the authority's funds on the relevant Head of Service's authorisation that the expenditure has been duly incurred in accordance with financial regulations.

- 4.55** To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.
- 4.56** To make payments to contractors on the certificate of the appropriate Head of Service, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- 4.57** To provide advice and encouragement on making payments by the most economical means.

### **Responsibilities of Chief Officers and Heads of Service**

#### Orders for Works, Goods and Services

- 4.58** To ensure that unique pre-numbered electronic orders are used for all Works, Goods and Services, other than the exceptions specified in 4.46.
- 4.59** To ensure that orders are only used for Council business. Individuals must not use official orders for their private use.
- 4.60** To ensure that only those staff authorised by him or her sign/authorise orders and to maintain an up-to-date list of such authorised staff, including specimen signatures if appropriate, identifying in each case the limits of their authority. The authoriser of the order should be satisfied that the Works, Goods and Services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Best Value principles should underpin the Council's approach to procurement.
- 4.61** To ensure that Works, Goods and Services are checked on receipt to verify that they are in accordance with the order. Where appropriate, entries should then be made in inventories or stores records.
- 4.62** Where in exceptional circumstances verbal orders are given, they shall be confirmed by an electronic order as soon as possible and not later than two working days after verbal order. Such orders shall be clearly marked that it is confirmation of a verbal order, giving the date of the verbal order.
- 4.63** No order shall be consciously divided so as to avoid the financial limits shown in the appendix.

- 4.64** Running orders may be issued where similar purchases are required from the same supplier on a regular basis. Such orders must be valid for a finite period not exceeding 12 months, and clearly state the start and finish dates during which the order is to be valid. Financial limits apply to total order values.
- 4.65** Where the cost of the purchase is not known, the order shall be clearly marked with the limit of the value.
- 4.66** To ensure that the Council obtains best value from purchases by taking appropriate steps to obtain competitive prices for works, goods and services of the appropriate quality, which are in line with Best Value principles and contained in the Council's Contract Standing Orders. At least one written or electronic quotations should always be obtained, where the value is below a certain limit, as shown in the appendix. The Council List of suppliers for works, goods and materials must be used wherever possible and in any event, the above procedures should be followed.
- 4.67** Where works and services are over a certain limit (see appendix) refer to Corporate Procurement for advice. (see also section on Contracts)
- 4.68** To ensure that the rules regarding advertising in Europe are adhered to, for purchases over a certain limit. As these limits are subject to change, refer to Corporate Procurement for the most up to date figures.
- 4.69** All tenders, quotations and other supporting documentation must be retained in its original condition for three years, this information must then be retained for at least a further three years, although it is permissible that it be retained electronically, thus making at least six years in total for retention purposes.
- 4.70** Any quotations received must be examined to establish what conditions, if any, are applicable. Any conditions considered to be unacceptable to the Council must be rejected in writing to the supplier or contractor before an order is placed. If the lowest quotation is not accepted, reasons for this action should be fully documented and duly certified by the appropriate Head of Service.
- 4.71** Contracts under seal or signed and delivered as a deed, should be retained for a period of 12 years. All other contracts should be retained at least for six years.

Appointment of Consultants

**4.72** Where the appointment of consultants is valued at or over £25,000, the appropriate Committee must recommend the award of the contract. Consultancy work is defined as the supply of professional/technical advice or expertise and/or supply of a management role in addition to professional/technical advice or expertise.

Payment of Accounts (for petty cash, see 3.141 to 3.143)

- 4.73** Payment should be made on a proper VAT invoice, checked, coded and certified for payment, confirming:-
- (a) receipt of goods or services. Reference should be made to documentary evidence and where appropriate the invoice should be marked off against the copy of the official order;
  - (b) that the invoice has not previously been paid;
  - (c) that expenditure has been properly incurred and is within budget provision;
  - (d) that prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices;
  - (e) correct accounting treatment of tax;
  - (f) that the expenditure is correctly coded;
  - (g) that discounts have been taken where available;
  - (h) that appropriate entries will be made in accounting records;
  - (i) that where appropriate, entries have been made in the inventory, and the Insurance and Risk Manager has been advised of any additional risks;
  - (j) if a tax invoice is not available at the time payment is made, the authorising officer must ensure that a VAT receipt is acquired and passed to the Payments Section for retention; and
  - (k) unless there is a query to be resolved with the supplier, the invoice is passed for payment to ensure payment is made within 30 days of the date of invoice.
- 4.74** To ensure that at least two authorised members of staff are involved in the procurement process.

- 4.75** To ensure that the service area maintains and reviews periodically a list of staff approved to authorise invoices. Names of authorising officers together with specimen signatures as appropriate and details of the limits of their authority shall be forwarded to the Section 151 Officer.
- 4.76** To obtain approval from the appropriate Head of Service/budget holder to authorise any expenditure outside their own cost centres.

#### Payment of accounts

- 4.77** Payment should not be made on a photocopied invoices unless it is clearly marked by the authorising officer, “copy invoice – original not available” An original invoice should be obtained if possible to support any payment made on a copy, and clearly marked “not for payment – fax passed for payment dd/mm/yy” and forwarded to the Payments Section.
- 4.78** To encourage suppliers of Works, Goods and Services to receive payment by the most economical means for the authority. However, any change to the normal method of payment such as payment by direct debit should have the prior approval of the Section 151 Officer.
- 4.79** Special procedures for purchasing and corporate credit cards are available from purchasing and payment sections respectively.
- 4.80** To ensure that employees are aware of the code of conduct for employees, summarised in the employee handbook.
- 4.81** To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Section 151 Officer. This is because of the potential impact on the authority’s borrowing powers, to protect the authority against entering into unapproved credit arrangements and to ensure that value for money is being obtained.
- 4.82** To notify the Section 151 Officer of outstanding expenditure relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Section 151 Officer.

- 4.83** With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Section 151 Officer the systems and procedures to be adopted in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes, and the procedures for validation of subcontractors' tax status.
- 4.84** To notify the Section 151 Officer immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- 4.85** To ensure that all appropriate payment records are retained and stored for the period specified.
- 4.86** Wherever it is considered reasonable, and cover is not provided under existing insurance policies, ex gratia payments are permitted within the limits shown in the appendix.

#### Contracts

- 4.87** To ensure compliance with the Council's Contract Standing Orders.
- 4.88** Corporate procurement shall invite tenders and quotations for all works and services that exceed the limit shown in the appendix.
- 4.89** Performance Bonds are required for contracts in excess of the limit shown in the appendix.
- 4.90** To comply with EU and Government legislation on invitations to tender, where applicable.
- 4.91** Where bills of quantities are incorporated in any contract, the authorised officer (the person or firm appointed to be responsible for the supervision of a contract) shall retain a priced copy of the bill of quantities, schedule of rates and specifications relating to any contract. The Head of Legal and Democratic Services shall officially hold original contracts and other documents relating thereto.
- 4.92** Subject to any statutory provisions to the contrary, corporate procurement shall invite the Joint Venture Company to tender for the execution of all works and services.

- 4.93** To inform the Section 151 Officer of all contracts, agreements and awards, involving the payment or receipt of money on behalf of the Council. Payments to contractors (including sub contractors) shall be authorised only on a certificate signed by the appropriate officer showing the total amount of the contract, the estimated value of works executed to date, the retention money and the amount currently certified.
- 4.94** Every variation of a contract shall be priced and authorised in writing by the Authorised Officer. Where the net additional cost of variations is likely to exceed 10% of the contract sum of £5,000, whichever is the greater, the lead officer for the spending committee receives a full report of the reasons for the variation. A copy of the report shall be forwarded to the Section 151 Officer.
- 4.95** The Authorised Officer acting on behalf of the Council shall issue written instructions to the contractor with regard to the expenditure of all prime cost and provision sums included in the contract.
- 4.96** Copies of written instructions showing the agreed or estimated prices of such instructions shall be held by the Head of Legal and Democratic Services.
- 4.97** Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Head of Legal and Democratic Services for consideration of the Council's legal liability and, where necessary, to the Section 151 Officer for financial consideration before settlement is reached.
- 4.98** On completion of any contract with a budget of £50,000 or more for building or construction works there shall be a formal post contract review report provided by the Authorised Officer. This shall be reported to the client committee within 6 months of completion of the scheme and include:-
- (a) a review of the contractor's performance;
  - (b) report on the general management of the contract by authorised officer;
  - (c) a financial analysis of projected scheme costs; and
  - (d) client officers satisfaction with the complete scheme
- 4.99** Where completion of a contract is delayed by more than one sixth of the contract period, including any extensions granted, the authorised officer shall take appropriate action in respect of any claim for liquidated damages, and report the action to the client committee.

- 4.100** The final contract certificate specifying the total sum due under a contract shall not be issued by the authorised officer until a detailed statement of account has been produced with such documents and approval required by the Section 151 Officer.
- 4.101** Final scheme costs will be submitted to the relevant client committee if they are 5% or £75,000 (whichever is the lower) above the projected costs, previously reported to the client committee.
- 4.102** The Joint Venture Company should be given the opportunity to undertake additional works or services over and above existing contractual levels, subject to overriding existing contractual obligations and approval of the appropriate Committee.

Payments to employees and Members

(see also section 3: staffing)

**Why is this important?**

- 4.103** Staff costs are the largest item of expenditure for most authority services. It is therefore important that payments are accurate, timely, made only where they are due for services to the authority and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Members' allowances are authorised in accordance with the scheme adopted by Full Council.

**Key controls**

- 4.104** The key controls for payments to employees and members are:-

- (a) proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to:
- starters
  - leavers
  - variations
  - enhancements

and that payments are made on the basis of timesheets or claims;

- (b) frequent reconciliation of payroll expenditure against approved budget and bank account;
- (c) all appropriate payroll documents are retained and stored for a defined period; and
- (d) that Inland Revenue regulations are complied with.

### **Responsibilities of the Section 151 Officer**

**4.105** To provide advice and encouragement to secure payment of salaries and wages by the most economical means.

### **Responsibilities of the Head of Human Resources**

**4.106** To record and make arrangements for accurate and timely payment of salaries, wages and members allowances; tax, superannuation and other deductions.

**4.107** To implement national and local agreements concerning levels of wages and salaries; and conditions of employment.

**4.108** To make arrangements for payment of all travel and subsistence claims or financial loss allowance. To consult the Section 151 Officer on the form of time records and other pay documents.

**4.109** To make arrangements for paying members travel or other allowances upon receiving the prescribed form, duly completed and authorised.

**4.110** To consult the Section 151 Officer on taxation issues when any new payments to officers or members are introduced.

**4.111** To write off employee debts up to the limit shown in the appendix.

### **Responsibilities of Chief Officers and Heads of Service**

**4.112** To ensure that appointments are made in accordance with the regulations of the Council and approved establishments, grades and scale of pay and that adequate budget provision is available.

**4.113** To notify the Head of Human Resources of all appointments, terminations, sickness or variations which may affect the pay , or pension of an employee or former employee, in the form and to the timescale required.

**4.114** To ensure that adequate and effective systems and procedures are operated, so that:-

payments are only authorised to bona fide employees

payments are only made where there is a valid entitlement

conditions and contracts of employment are correctly applied

employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.

- 4.115** To send an up-to-date list of the names of officers authorised to sign records and claims to the Head of Human Resources, together with specimen signatures.
- 4.116** To ensure that payroll transactions are processed only through the payroll system. Chief Officers should give careful consideration to the employment status of individuals employed on a self-employed consultant or subcontract basis. The Inland Revenue applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Section 151 Officer.
- 4.117** To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the authority, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and that the Head of Human Resources is informed where appropriate.
- 4.118** To ensure that the Head of Human Resources is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- 4.119** To ensure that all appropriate payroll documents are retained and stored for the period specified by the Audit Manager.
- 4.120** To ensure claims for overtime and reimbursement of expenses e.g. car mileage allowances, are submitted within two months from the date worked. Claims outside these periods will only be paid in exceptional circumstances with the written authorisation of the Head of Human Resources. A VAT invoice for fuel should accompany mileage claims. The invoice for fuel purchased can be greater than the mileage claim but should be dated in advance of the journey undertaken.
- 4.121** To ensure that approval is obtained from the Strategic director in advance of any overtime work.

## **Responsibilities of Members**

**4.122** To submit claims for members' travel and subsistence allowances on a monthly basis.

## TAXATION

### **Why is this important?**

**4.123** Like all organisations, the Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all officers to be aware of their role.

### **Key controls**

**4.124** The key controls for taxation are:-

- (a) budget managers are provided with relevant information and kept up to date on tax issues;
- (b) budget managers are instructed on required record keeping;
- (c) all taxable transactions are identified, properly carried out and accounted for within stipulated timescales;
- (d) records are maintained in accordance with instructions; and
- (e) returns are made to the appropriate authorities within the stipulated timescale.

### **Responsibilities of the Section 151 Officer**

**4.125** To complete all Inland Revenue returns regarding PAYE.

**4.126** To complete a monthly return of VAT inputs and outputs to HM Revenue and Customs.

**4.127** To provide details to the Inland Revenue regarding the construction industry tax deduction scheme.

**4.128** To maintain up-to-date guidance for authority employees on taxation issues.

### **Responsibilities of Chief Officers and Heads of Service**

**4.129** To ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Revenue and Customs regulations.

- 4.130** To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- 4.131** To ensure that all persons employed by the authority are added to the authority's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.
- 4.132** To ensure the Section 151 Officer is aware of any new or renewed contracts or leases to consider the Council's VAT position with regard to the benefits of opting to tax such schemes.
- 4.133** To follow guidance on taxation issued by the Section 151 Officer.

## TRADING ACCOUNTS AND BUSINESS UNITS

### **Why is this important?**

- 4.134** Trading accounts and business units have become more important as local authorities have developed a more commercial culture. Under best value, authorities are required to keep trading accounts for services provided on a basis other than straightforward recharge of cost. They are also required to disclose the results of significant trading operations in the Best Value Performance Plan (BVPP).

### **Responsibilities of the Section 151 Officer**

- 4.135** To advise on the establishment and operation of trading accounts and business units.

### **Responsibilities of Chief Officers and Heads of Service**

- 4.136** To consult with the Section 151 Officer where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the authority. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.
- 4.137** To observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and to produce an annual report in support of the final accounts.

**4.138** To ensure that the same accounting principles are applied in relation to trading accounts as for other services or business units.

**4.139** To ensure that each business unit prepares an annual business plan.

## **5. Partnerships**

### **Why is this important?**

**5.01** Partnerships are likely to play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. The Council works in partnership with others – public agencies, private companies, community groups and voluntary organisations. The Council delivers many services, but it also has a distinctive leadership role to bring together the contributions of the various stakeholders.

**5.02** The Council can mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. The Council will be measured by what it achieves in partnership with others.

### **General**

**5.03** The main reasons for entering into a partnership are:-

- (a) the desire to find new ways to share risk;
- (b) the ability to access new resources;
- (c) to provide new and better ways of delivering services;  
and
- (d) to forge new relationships.

**5.04** A partner is defined as either:-

- (a) an organisation (private or public) undertaking, part funding or participating as a beneficiary in a project;  
or
- (b) a body whose nature or status give it a right or obligation to support the project.

**5.05** Partners participate in projects by:-

- (a) acting as a project deliverer or sponsor, solely or in concert with others;
- (b) acting as a project funder or part funder; or
- (c) being the beneficiary group of the activity undertaken in a project.

**5.06** Partners have common responsibilities:-

- (a) to be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation;
- (b) to act in good faith at all times and in the best interests of the partnership's aims and objectives;
- (c) be open about any conflict of interests that might arise;
- (d) to encourage joint working and promote the sharing of information, resources and skills between public, private and community sectors;
- (e) to hold confidentially any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature; and
- (f) to act wherever possible as ambassadors for the project.

**Key controls**

**5.07** The key controls for authority partners are:

- (a) if appropriate, to be aware of their responsibilities under the Council's Financial Regulations and the Contract Standing Orders;
- (b) to ensure that risk management processes are in place to identify and assess all known risks;
- (c) to ensure that project appraisal processes are in place to assess the viability of the project in terms of resources, staffing and expertise;
- (d) to agree and accept formally the roles and responsibilities of each of the partners involved in the project before the project commences; and
- (e) to communicate regularly with other partners throughout the project so that problems can be identified and shared to achieve their successful resolution.

**Responsibilities of the Section 151 Officer**

**5.08** To advise on effective controls that will ensure that resources are not wasted.

**5.09** To advise on the key elements of funding a project. They include:-

- (a) a scheme appraisal for financial viability in both the current and future years;
- (b) resourcing, including taxation issues;
- (c) audit, security and control requirements; and
- (d) carry-forward arrangements.

**5.10** To ensure that the accounting arrangements are satisfactory.

### **Responsibilities of Chief Officers and Heads of Service**

- 5.11** To maintain a register of all contracts entered into with external bodies in accordance with procedures specified by the Section 151 Officer.
- 5.12** To ensure that, before entering into agreements with external bodies, a risk management appraisal has been prepared.
- 5.13** To ensure that such agreements and arrangements do not impact adversely upon the services provided by the authority.
- 5.14** To ensure that all agreements and arrangements are properly documented.
- 5.15** To provide appropriate information to the Section 151 Officer to enable a note to be entered into the Council's statement of accounts concerning material items.

## **EXTERNAL FUNDING**

### **Why is this important?**

- 5.16** External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the authority. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers. Funds from external agencies such as the National Lottery and the single regeneration budget provide additional resources to enable the authority to deliver services to the local community. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the authority's overall plan.

### **Key controls**

- 5.17** The key controls for external funding are:-

- (a) to ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood;
- (b) to ensure that funds are acquired only to meet the priorities approved in the policy framework by the Full Council; and
- (c) to ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements.

### **Responsibilities of the Section 151 Officer**

- 5.18** To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- 5.19** To ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.
- 5.20** To ensure that audit requirements are met.

### **Responsibilities of Chief Officers and Heads of Service**

- 5.21** To ensure that all claims for funds are made by the due date.
- 5.22** To ensure that the project progresses in accordance with the agreed project and that all expenditure is properly incurred and recorded.

## **WORK FOR THIRD PARTIES**

### **Why is this important?**

- 5.23** Current legislation enables the authority to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is intra vires.

### **Key controls**

- 5.24** The key controls for working with third parties are:-

- (a) to ensure that proposals are costed properly in accordance with guidance provided by the Section 151 Officer;
- (b) to ensure that contracts are drawn up using guidance provided by the Section 151 Officer and that the formal approvals process is adhered to; and
- (c) to issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

### **Responsibilities of the Section 151 Officer**

**5.25** To issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

### **Responsibilities of Chief Officers and Heads of Service**

**5.26** To ensure that the approval of the appropriate committee is obtained before any negotiations are concluded to work for third parties.

**5.27** To maintain a register of all contracts entered into with third parties in accordance with procedures specified by the Section 151 Officer.

**5.28** To ensure that appropriate insurance arrangements are made.

**5.29** To ensure that the authority is not put at risk from any bad debts.

**5.30** To ensure that no contract is subsidised by the authority.

**5.31** To ensure that, wherever possible, payment is received in advance of the delivery of the service.

**5.32** To ensure that the service area has the appropriate expertise to undertake the contract.

**5.33** To ensure that such contracts do not impact adversely upon the services provided for the authority.

**5.34** To ensure that all contracts are properly documented.

**5.35** To provide appropriate information so that a note can be prepared for annual accounts purposes.

| Section | Description  | Financial Limits |
|---------|--|------------------|
|         |  | £                |
|         | <b>Virement Limits</b>                               |                  |
| 1.13    | Individual Cost Centre Manager                       | 5,000            |
|         | Head of Service                                      | 25,000           |
|         | Strategic Director                                   | 50,000           |
| 1.14    | Spending Committee                                   | 500,000          |
|         | <b>Carry Over Limits</b>                             |                  |
| 1.22    | Strategic Directors:General Fund                     | 50,000           |
|         | Housing Revenue Account                              | 150,000          |
|         | <b>Inventories</b>                                   |                  |
| 3.86    | Notify Sec 151 Off re new property or equipment      | 1,000            |
| 3.122   | <b>Disposal of Stores and Equipment:</b>             |                  |
|         | (a) offer to first come, first served                | 50               |
|         | (b) invitation to bid                                | 1,000            |
|         | (c) quotations/public auction sale                   | 1,000+           |
| 3.130   | <b>Pre-signed cheque limit</b>                       | 100,000          |
| 4.38    | Maximum cash limit to be held overnight              | 100,000          |
|         | <b>Write Off Limits (Debits and Credits)</b>         |                  |
| 4.40    | Sec 151 Off: Business Rates                          | 5,000            |
|         | Housing Rents  | 1,000            |
|         | Other debts  | 1,000            |
|         | Housing Benefit Manager                              | 1,000            |
|         | Revenues Manager                                     | 1,000            |
|         | Recovery Manager                                     | 75               |
|         | Area Managers (Rents)                                | 100              |
| 4.111   | Head of Human Resources (employee debts)             | 250              |
|         | <b>Orders/Purchasing</b>                             |                  |
| 4.66    | Quotations for purchase of, works goods and services | <5,000           |
| 4.67    | Refer to Corporate Procurement                       | 5,000+           |
|         | <b>Appointment of Consultants</b>                    |                  |
| 4.72    | Refer to Committee                                   | 25,000+          |

|      |   |          |
|------|---|----------|
| 4.86 | <b>Ex-gratia Payment Limits</b>   |          |
|      | Head of Service, with notification to<br>Section 151 Officer  | 200      |
|      | Agreement of Chief Executive and Sec 151 Off  | 1,000    |
|      | Agreement of Chief Executive, Sec 151 Off<br>and appropriate Head of Service in consultation<br>with Spending Committee Chairman<br>and Vice Chairman | 1,000+   |
|      | <b>Contracts</b>  |          |
| 4.88 | Invitations to tender and quotations  | 5,000+   |
| 4.89 | Performance bonds for contracts   | 100,000+ |

# **STANDING ORDERS RELATING TO CONTRACTS**

## **Purpose**

The Standing Orders Relating to Contracts (CSOs) set out the rules by which the Council spends money on the supplies, services and works required to function as an organisation and deliver services to our communities and the citizens of Harlow. This document forms part of the Council's Constitution and has been produced pursuant to Section 135 of the Local Government Act 1972.

Supplies, works and services with a value less than £5,000 are not engaged by CSOs other than in circumstances where the purchase relates to leaseholder properties as stated in CSO 1(a).

The CSOs are designed to ensure value for money, probity, propriety and the proper spending of public money. The Council has a duty to allow, and be seen to allow, the market freedom of opportunity to trade with us. If the Council fails in this duty, a Supplier may have cause for complaint.

The CSOs therefore have three main purposes:-

- (a) to enable the Council to obtain Best Value when making purchases, so that it may in turn offer Best Value supplies, services and works to the public;
- (b) to comply with the laws that govern the spending of public money; and
- (c) to protect Officers and Members from undue criticism or allegation of wrongdoing.

CSOs provide the legal and operational framework to undertake procurement on behalf of the Council and apply to all the supplies, services and works that are purchased. However, they also underpin the commercial approach for achieving value for money and efficiency.

CSOs are intended to be read in conjunction with the Council's Procurement Guidance, Financial Regulations and The Officers Code of Conduct that also outlines existing laws, regulations, policies and conditions of service. Failure to comply with CSOs may result in disciplinary action.

## **1 Scope**

- (a) These CSOs must be followed every time the Council enters into a contract for supplies, services or works, including consultants advice and expertise, estimated to have a value of £5,000 or greater (with the exception of works to leaseholder properties where the threshold is for supplies, services or works with a value greater than £250 per property or £100 per property for a qualifying long term agreement, or such other value as may be prescribed from time to time by statute) or the sum specified for the time being in the Council's Financial Regulations as agreed by the Council. In all these cases, Corporate Procurement shall be notified that a contract is to be let.
- (b) All contracts for supplies, services, works or consultants advice and expertise, estimated to have a value below £5,000 shall be made in accordance with paragraphs 3.141 or 4.66 of Financial Regulations.
- (c) All procurement, tendering and Best Value legislation regulations and directives for the time being binding upon the Council must also be followed and shall prevail in relation to these CSOs.
- (d) It shall be a condition of any contract between the Council and any person (not being an officer of the Council) who is required to procure or supervise a contract on behalf of the Council that, in relation to such contract, that person shall comply with the requirements of these CSOs as if he/she were an officer of the Council.
- (e) The terms of these CSOs shall, subject to the statutory responsibilities of the Section 151 Officer be interpreted and applied by the Monitoring Officer, or in his/her absence, his/her nominated representative. Day to day practical advice shall be supplied by Corporate Procurement.
- (f) All sums quoted or referred to in these CSOs exclude VAT.

## **2 Definitions**

Unless the context otherwise requires, in this document the terms below shall have the meanings ascribed to them:

“appropriate committee” shall mean the Policy and Resources Committee provided always that a meeting of the Full Council may do anything that could be done by that committee;

“authorised officer” shall mean the officer responsible for inviting quotations and tenders, issuing orders and letting contracts within the scope of these CSOs;

“best value” shall mean continuous improvement in the exercise of all functions undertaken by the Council, whether statutory or not, having regard to economy, efficiency and effectiveness;

“business case” shall mean a proposal to carry out works or services on behalf of the Council, which takes advantage of Kier Harlow's existing business with the Council to exploit economies of scale and present a more economically advantageous offer than can reasonably be expected to be achieved by means of market competition *[subject to agreement]*.

“consultants” shall mean a person(s) or body that supplies professional/technical advice or expertise and/or the supply of a management role in addition to professional/technical advice or expertise;

“Council” shall mean Harlow District Council;

“Council List” shall mean the list of approved Suppliers from time to time approved by or on behalf of the Council;

“CSOs” shall mean the Council’s Standing Orders Relating to Contracts;

“EU” shall mean European Union;

“emergency” shall mean a requirement which could not reasonably have been foreseen and cannot be delayed or deferred;

“financial regulations” shall mean the Council’s Financial Regulations that set out the rules and procedures for financial management and the conduct required of Council staff in dealing with financial matters. This document is issued by the Council and forms part of the Constitution.

“framework agreement” is a non-binding agreement that may be entered into with a single supplier or several suppliers, setting out the terms and conditions and scope of the supplies, services or works under which future purchases (or call offs) can be made throughout the term of the agreement and that any such agreement shall have been subjected to a competitive tendering exercise;

“Joint Venture Company” shall mean Kier Harlow Ltd (company registration number 05961079);

“member” shall mean an elected member of the Council;

“OJEU” means the Official Journal of the European Union;

“performance bond” shall mean a legally enforceable financial guarantee given by a third party (the guarantor) to the Council to guarantee the obligations of a supplier;

“services agreement” shall mean the agreement for Housing and Street Scene Services between the Council and Kier Harlow Limited dated 31 January 2007 and any subsequent amendments thereof;

“supplier” shall mean the party or potential party to a contract i.e. contractor, consultant, supplier of goods, works or services; and

“supplies, services and works” should be taken as defined in the latest version of the EU Directives.

### **3 Exceptions (granting a waiver)**

No exceptions shall be made from these CSOs otherwise than by a joint written decision of the Relationship and Procurement Manager, Section 151 Officer, Monitoring Officer and Strategic Director (or in their absence their appointed nominee) in consultation with the Chairman and Vice-Chairman of the appropriate committee and any such action shall be reported to the appropriate committee as soon as practicable following the exception to the CSOs.

### **4 Appointing suppliers**

- (a) Where the estimated value of a proposed contract is at or greater than £5,000 and in any other case where the Council or the appropriate committee determine, suppliers must be selected and appointed by one of the following methods listed in order of priority.
  - (i) In the case of works similar to those works provided for in the services agreement, the Joint Venture Company shall be invited to submit a business case without competition.
  - (ii) Utilisation of an existing framework agreement.
  - (iii) Collaborative arrangement with other local authorities or public bodies.
  - (iv) Selective tendering from the Council List under CSO 5.
  - (v) Selective tendering by advertisement under CSO 6.
  - (vi) Open competitive tendering under CSO 7.
- (b) Where the estimated aggregate value of a proposed contract exceeds the threshold for EU supplies, services or works the European Procurement Regulations must be complied with.

- (c) Any contract entered into in an emergency with a value at or greater than £5,000 shall be treated in accordance with CSO 3 above, unless an emergency or disaster involving destruction or danger to life or property occurs or is imminent, in which case a waiver of these CSOs shall be deemed given and any action taken shall be reported to the next appropriate committee.

## **5 Selective competition from the Council list**

- (a) The Relationship and Procurement Manager shall be responsible for ensuring the compilation and updating of the Council list.
- (b) Where the estimated value or amount of a proposed contract is at or greater than £5,000 but less than £50,000, at least three suppliers on the Council list, appropriate for the type and value of work, plus the Joint Venture Company, shall be invited to submit a quotation in the following order.
  - (i) Joint Venture Company, where appropriate.
  - (ii) One available supplier who has recently completed a successful contract for similar work.
  - (iii) Two suppliers taken by random selection.
  - (iv) If the Joint Venture Company declines to tender, one further supplier should be invited in accordance with 5 (b)(ii).
- (c) Where the estimated value or amount of a proposed contract is at or greater than £50,000 but less than the threshold for EU contracts, at least four Suppliers on the Council list, appropriate for the type and value of work, plus the Joint Venture Company, shall be invited to submit a tender in the following order.
  - (i) Joint Venture Company, where appropriate.
  - (ii) Two available suppliers who have recently completed a successful contract for similar work.
  - (iii) Two suppliers taken by random selection.
  - (iv) If the Joint Venture Company declines to tender, one further supplier should be invited in accordance with 5 (c)(ii).
- (d) If the requisite number of suppliers cannot be obtained in accordance with 5 b) and c) above then there must be a minimum of three suppliers invited to ensure adequate competition.

- (e) Where there are less than three suppliers appropriate for the type and value of the work included on the Council List and the estimated aggregate value of the proposed contract is less than £25,000, the process for sourcing and selecting Suppliers shall be approved by the Relationship and Procurement Manager. CSO 6 shall be followed if the estimated aggregate value of the proposed contract is £25,000 or greater.
- (f) In identifying and applying the selection process within these CSOs, provided that tenders or quotations received are within 20% of the estimated contract value, then the adopted process may continue to be applied.
- (g) Leaseholder properties

Where the estimated value or amount of a proposed contract is greater than £250 per property, or greater than £100 per property per annum for qualifying long term agreements (or such other value as may be prescribed from time to time by statute), but less than £5,000, two Suppliers on the Council List appropriate for the type and value of work, plus the Joint Venture Company, where appropriate, shall be selected. Three Suppliers on the Council List shall be selected if the Joint Venture Company declines the invitation.

## **6 Selective competition by advertisement**

- (a) This Standing Order is mandatory where there are less than three suppliers (excluding the Joint Venture Company), appropriate for the type and value of the work included on the Council list if the estimated aggregate value of a proposed contract is £25,000 or greater.
- (b) Where the estimated aggregate value of a contract exceeds the threshold for EU supplies, services or works contracts, the European Procurement Regulations must be complied with and a notice shall be published in the Official Journal of the European Union (OJEU).
- (c) An advertisement seeking expressions of interest from suppliers, identifying the nature and duration of the contract must be published on the Council's website with a closing date of at least two weeks from the date of publication of the advertisement. Other methods of advertising may be used, if deemed necessary including:-
  - (i) advising the current and former suppliers of the opportunity and inviting them to formally register their interest;

- (ii) publication of a Prior Information Notice (PIN) to notify the market of future potential requirements;
  - (iii) publication of an advert in local and/or national press;
  - (iv) publication of an advert on appropriate website and/or free press; or
  - (v) publication of an OJEU Notice.
- (d) After the closing date a sufficient number of suppliers (no less than three) shall be chosen to tender or quote following financial and technical appraisal and by reference to any other factors the authorised officer may have considered essential prior to publication of the advertisement. The Joint Venture Company shall also be invited to tender or quote. If the Joint Venture Company declines the invitation one further supplier should be selected.

## **7 Open competitive tendering**

This option should be considered only in circumstances where the supplies, services or works are known to be in a very limited market. CSOs 6 a), b) and c) above shall also be applicable to this tendering procedure. After the closing date of the advert seeking expressions of interest, all the suppliers who expressed an interest must be invited to tender, in addition to the Joint Venture Company, where appropriate.

## **8 Submitting tenders and quotations**

- (a) Every invitation to quote with an estimated value at or greater than £5,000 but less than £15,000 must state that it will only be considered if it is received in a sealed, plain envelope with the word "quotation" and the title of the contract and quotation return date written or typed on it. The returned quotations must be addressed to the relevant Head of Service who will be the custodian of the quotations until the official closing date. There must be no mention of the sender's name or any other way of identifying the sender on the envelope.
- (b) Every invitation to tender or quote, with an estimated value at or greater than £15,000, must state that it will only be considered if it is received in a sealed, plain envelope and addressed using the label supplied by Corporate Procurement, by no later than the deadline for returning tenders or quotations. The word "tender" or "quotation", title of contract, and tender or quotation return date must be written or typed on the return label. There must be no mention of the sender's name or any other way of identifying the sender on the envelope.

- (c) Returned tenders and quotations with an estimated value at greater than £15,000 will be stored in a secure area by Contact Harlow until they are collected for opening by Corporate Procurement, after the time and date for the receipt of tenders and quotations has expired. There must be no mention of the sender's name or any other way of identifying the sender on the envelope.

## **9 Opening tenders and quotations**

- (a) The authorised officer and one other officer shall open quotations with an estimated value below £15,000.
- (b) The authorised officer and a member of Corporate Procurement shall open quotations with an estimated value at or greater than £15,000.
- (c) The Chairman or the Vice-Chairman of the appropriate committee (or in their absence another Member) and a member of Corporate Procurement shall open tenders with an estimated value at or greater than £50,000.
- (d) A written record of all tenders and quotations received and the amounts thereof must be submitted to the Relationship and Procurement Manager in relation to a), b) and c) above.
- (e) Tenders and quotations must be opened and details recorded contemporaneously.
- (f) No officer or Member who has a direct or indirect pecuniary interest may attend the opening of tenders or quotations.

## **10 Amending tenders and quotations**

A tender or quotation can be amended after it has been received and before it has been accepted only to correct an error made in good faith and with the approval of the Relationship and Procurement Manager.

## **11 Late tenders and quotations**

Any tender or quotation submitted in competition and received after the specified time shall be opened by the Relationship and Procurement Manager only to ascertain the name of the sender. No details of the same shall be disclosed and it shall be returned promptly.

## **12 Accepting tenders and quotations**

- (a) Only the lowest tender or quotation (or highest if payment is to be made to the Council) can be accepted unless tenders or quotations are selected on the basis of that which is the most economically

advantageous, in relation to criteria made known to bidders prior to invitations to tender being dispatched.

- (b) Contracts that have a value less than £50,000 may be let by the authorised officer in consultation with the Relationship and Procurement Manager.
- (c) Contracts that have a value at or greater than £50,000 and not exceeding £250,000 in value may be let by the authorised Officer and Relationship and Procurement Manager in consultation with the Chairman and Vice-Chairman of the appropriate committee. Any such letting must be reported to the appropriate committee as soon as practicable following such letting.
- (d) Contracts that have a value of £250,000 or greater shall be let by the appropriate committee or a meeting of the Full Council. Such letting to be arranged at the request of the authorised officer in consultation with the Relationship and Procurement Manager.
- (e) Contracts for the appointment of consultants, with a value of £25,000 or greater, shall be let by the appropriate committee or a meeting of the Full Council. Such letting to be arranged at the request of the authorised officer in consultation with the Relationship and Procurement Manager.

### **13 Extending contracts**

- (a) Subject to any statutory restrictions, and provided that the appropriate committee or Council has provided sufficient monies in its estimates or any supplementary estimate to cover the total cost to the Council of the extended contract, and provided that the aggregate value of the contract shall not exceed the EU threshold, and provided that it is in the best interests of the Council, the Relationship and Procurement Manager, Section 151 Officer, Monitoring Officer and Strategic Director (or in their absence their appointed nominee) may make a joint decision in consultation with the Chairman and Vice-Chairman of the appropriate committee to approve the extension of a contract in the following circumstances.
  - (i) A contract term (i.e. the length of a contract) may be extended subject to any such option to extend being provided for in the terms and conditions of contract.
  - (ii) A works contract with a value of less than £250,000 may be extended for work upon the same site, for the same services, to the same specification and at the same rates by up to 30% of the original contract price.

- (iii) A works contract with a value at or exceeding £250,000 may be extended by up to £75,000 for work upon the same site, for the same services, to the same specification and at the same rates.
  - (iv) A services contract may be extended by up to a period of twelve months for the same services and to the same specification where there is no provision to extend in the terms and conditions of contract.
  - (v) A contract that is renewable annually may be extended on no more than three occasions.
- (b) Provided also that in relation to (i) (ii) (iii) (iv) and (v) above, the authorised officer must in the first instance supply the Relationship and Procurement Manager with sufficient documentary evidence to enable an informed decision to be made regarding a proposed contract extension in accordance with 13 (a) above, and that any such action shall be reported to the appropriate committee by the Relationship and Procurement Manager at the next meeting of the appropriate committee.

#### **14 Contracts**

Every contract with a value of £50,000 or greater must be in a form approved by the Head of Legal and Democratic Services, in writing and under seal or with the effect of being under seal (unless the Head of Legal and Democratic Services decides otherwise).

#### **15 Bonds and other security**

Every contract with a value of £100,000 or above shall require the supplier to provide sufficient security for the due performance thereof, except where the Relationship and Procurement Manager in consultation with the Section 151 Officer consider this to be unnecessary.

#### **16 Corrupt practices**

There shall be inserted in every written contract, a clause empowering the Council to cancel the contract and to recover from the supplier the amount of any loss resulting from such cancellation if the supplier shall have offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or having done or forborne to do any action in relation to the obtaining or execution of the contract or any other contract with the Council or for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Council, or if the like acts shall have been done by any person employed by them or acting on their behalf (whether with or without the knowledge of the supplier) or if in relation to any contract with the Council the supplier or any person employed by it or

acting on their behalf shall have committed any offence under the Prevention of Corruption Acts 1889 to 1916 or any amendment or re-enactment thereof or shall have given any fee or reward the receipt of which is an offence under sub-section (2) of Section 117 of the Local Government Act 1972.

## **17 Consequences of non-compliance**

It is a disciplinary offence to fail to comply with these CSOs when awarding contracts and officers have a duty to report breaches of these CSOs to the Relationship and Procurement Manager and the Head of Audit, Section 151 Officer or the Monitoring Officer. Heads of Service are to be responsible for ensuring that every officer involved in the procurement of works, services and supplies (including the appointment of consultants) are aware of their obligation to comply with the requirements of CSOs and the need to avoid any impropriety or the appearance of impropriety.

## **18 Declaration of Interest**

Section 117 of the Local Government Act 1972 provides that, if it comes to the attention of any officer employed by the Council, that the Council has entered or is proposing to enter into a contract in which he or she has a “pecuniary” interest, he or she must give notice in writing of that interest to the Council as soon as it is practicable. It is a criminal offence not to comply with this provision. The Head of Legal and Democratic Services shall keep a complete record.

# OFFICER EMPLOYMENT PROCEDURE RULES

## 1 Recruitment and appointment

### 1.1 Declarations

- (a) Any candidate for appointment as an officer must state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing Councillor or officer of the Council; or of the partner of such persons.
- (b) No candidate so related to a Member or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by him/her.

### 1.2 Seeking support for appointment.

- (a) Subject to paragraph (c), the Council will disqualify any applicant who directly or indirectly seeks the support of any Member for any appointment with the Council. The content of this paragraph will be included in any recruitment information.
- (b) Subject to paragraph (c), no Member will seek support for any person for any appointment with the Council.
- (c) Nothing in paragraphs (a) and (b) above will preclude a Member from giving a written reference for a candidate for submission relating to an application for appointment

## 2 Recruitment of Head of Paid Service and chief officers

Where the Council proposes to appoint a chief officer and it is not proposed that the appointment be made exclusively from among their existing officers, the Council will:

- (a) draw up a statement specifying:-
  - (i) the duties of the officer concerned; and
  - (ii) any qualifications or qualities to be sought in the person to be appointed;
- (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and

- (c) make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.

### **3 Appointment of Head of Paid Service**

Subject to the requirements of legislation, the full Council will appoint the Head of Paid Service (Chief Executive) on the recommendation of the Policy and Resources Committee.

### **4 Appointment of chief officers and statutory officers**

Subject to the requirements of legislation, the Council on the recommendation of the Policy Resources Committee or the Head of Paid Service or his/her nominee will appoint chief officers.

### **5 Other appointments**

Appointment of officers below Chief Officer is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Members.

### **6 Disciplinary action**

#### **6.1 Suspension**

The Head of Paid Service, Monitoring Officer and Chief Finance Officer may be suspended by Council to permit the preparation of a report in accordance with 6.2. That suspension will be on full pay and last no longer than two months.

#### **6.2 Independent person**

No other disciplinary action may be taken in respect of any of those officers, except in accordance with a recommendation in a report made by a designated independent person as provided by the Local Authorities (Standing Orders) (England) Regulations 2001.

#### **6.3 Discipline short of dismissal**

Members will not be involved in disciplinary action short of dismissal against any officer below Chief Officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct; such disciplinary action is the responsibility of the Head of Paid Service or his/her nominee.

## **7 Dismissal**

Members will not be involved in the dismissal of any officer below Chief Officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time, may allow a right of appeal to Members: save for this provision such dismissals are the responsibility of the Head of Paid Service or his/her nominee.

## **8 Interpretation**

"Chief Officer" shall comprise the s.151 Chief Finance Officer and/or the Strategic Directors.

## **9 Facilities for officers**

- 9.1 The Council will provide the Monitoring Officer and Chief Finance Officer with such officers, accommodation and other resources as are reasonable to allow their duties to be performed.
- 9.2 The Monitoring Officer and Chief Finance Officer will receive copies of CMT agendas and minutes and be able to contribute to and take part in relevant decisions taken by CMT.
- 9.3 The Strategic Directors, Monitoring Officer and Chief Finance Officer shall have unrestricted access to any information held by the Council, Internal Audit and any employee which can assist them in the discharge of their functions.
- 9.4 The Chief Executive and/or Strategic Directors and/or Chief Finance Officer and/or the Monitoring Officer has the right to report to and advise a committee or the Council on any matter which he/she feels should be drawn to a committee or Council's attention. No veto can be applied to such an intention to report, nor may the form or the content of the report be prescribed by Members or other officers. Before executing this right the appropriate Strategic Director will be consulted. The party group leaders (or in their absence the deputy group leaders) will also be informed before the report is issued.
- 9.5 The Strategic Directors and the Monitoring Officer and Chief Finance Officer will have advance notice of any agenda and reports, whether an informal or formal meeting, which may be relevant to his/her responsibilities.

9.6 The Strategic Directors and the Monitoring Officer and Chief Finance Officer will have copies of all reports to Members.

9.7 The Head of Paid Service, Chief Finance Officer, and Monitoring Officer will meet regularly to consider and recommend action on matters of governance and/or probity.

**10 Appraisal of CMT**

10.1 The Chief Executive's appraisal will be carried out annually by a Members' Panel.

10.2 The Strategic Directors' appraisals will be carried out annually by the Chief Executive.