

# **Part 4**

## **Rules of Procedure**

## **SECTIONS**

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(Standing Orders)**
- 2. Access to Information Procedure Rules**
- 3. Budget and Policy Framework Procedure  
Rules**
- 4. Executive Procedure Rules**
- 5. Overview and Scrutiny Procedure Rules**
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# **PART 4**

## **Rules of Procedure**

**NB: Nothing in these rules supersedes the statutory provisions that apply to the conduct of meetings.**

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## **1. ANNUAL MEETING OF THE COUNCIL**

### **1.1 Timing and business**

In a year when there is an ordinary election of Councillors, the annual meeting will take place within 21 days of the retirement of the outgoing Councillors. In any other year, the annual meeting will take place in May, or in March or April if the Council so determine.

The annual meeting will:

- (i) elect a person to preside if the Mayor is not present;
- (ii) elect the Mayor;
- (iii) appoint the Deputy Mayor;
- (iv) approve the minutes of the last meeting;
- (v) receive any announcements from the Mayor and/or Head of Paid Service;
- (vi) in a local election year, elect the Leader for a term of four years;
- (vii) in a local election year, note the appointment by the Leader, of the Deputy Leader and all other appointments to the Executive or Cabinet together with their portfolios, and all other Administration appointments (any changes to these appointments may be noted in other years);
- (viii) appoint four Overview and Scrutiny Committees, a Standards Committee and such other Committees as the Council considers appropriate to deal with matters which are neither reserved to the Council nor are Executive functions (as set out in Part 3, Table 1 of this Constitution);
- (ix) agree the scheme of delegation or such part of it as the Constitution determines it is for the Council to agree (as set out in Part 3 of this Constitution);
- (x) approve a programme of ordinary meetings of the Council for the year; and
- (xi) consider any business set out in the notice convening the meeting.

### **1.2 Selection of Councillors on Committees and Outside Bodies**

At the annual meeting, the Council meeting will:

- (i) decide which Committees to establish for the municipal year;
- (ii) decide the size and terms of reference for those Committees;
- (iii) decide the allocation of seats to political groups in accordance with the political balance rules;
- (iv) receive nominations of Councillors to serve on each Committee and outside body; and
- (v) appoint to those Committees and outside bodies except where appointment to those bodies has been delegated by the Council or is exercisable only by the Executive.

The Council may however decide at subsequent meetings to dissolve Committees, alter their terms of reference or to appoint new Committees.

## **2. ORDINARY MEETINGS**

2.1 Ordinary meetings of the Council will take place in accordance with a programme decided at the Council's annual meeting. Ordinary meetings will:

- (i) elect a person to preside if the Mayor is not present;
- (ii) approve the minutes of the last meeting;
- (iii) receive any declarations of interest from Members;
- (iv) receive any petitions;
- (v) receive questions from, and provide answers to, the public in accordance with Rule 10;
- (vi) receive questions from Members in accordance with Rule 11;
- (vii) consider Ward Concerns, in accordance with Rule 12;
- (viii) receive reports from the Cabinet and the Council's Committees and receive questions and answers on any of those reports;
- (ix) debate business in accordance with Rule 14 (at the meetings of Council specified in the annual schedule of meetings);
- (x) receive reports of the Overview and Scrutiny Committees for debate;
- (xi) receive reports about and receive questions and answers on the business of joint arrangements and external organisations;
- (xii) consider any other business specified in the summons to the meeting including consideration of proposals from the Executive in relation to the Council's budget and policy framework;
- (xiii) receive any announcements from the Mayor, Leader, Members of the Cabinet or the Head of Paid Service; and
- (xiv) consider motions of which notice has been given, in accordance with Rule 15.

2.2 Subject to there being no statutory requirement to the contrary, a motion may be moved without notice but an item of business specified in the summons shall have precedence.

2.3 However, the budget meeting of Council (i.e. the meeting usually held in early March) will also consider the following particular business:

- (i) receive such reports as deemed necessary by the Cabinet and Director of Finance and Corporate Services to enable the Council to approve its budget for the following financial year and consider any questions on the budget and Council Tax in accordance with rule 11.1.

## **3. EXTRAORDINARY MEETINGS**

### **3.1 Calling extraordinary meetings.**

Those listed below may request the proper officer in writing to call Council meetings in addition to ordinary meetings:

i) the Council by resolution;

ii) the Mayor;

iii) the Monitoring Officer; and

iv) any five Members of the Council if they have signed a requisition presented to the Mayor 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 (as provided for in Part I of Schedule 12 of the Local Government Act 1972).

When considering a requisition the Mayor shall decide, in consultation with the Head of Paid Service whether the proper officer should be requested to call the extraordinary meeting on the same date as the next scheduled ordinary meeting of the Council (as will ordinarily be the case) or on an earlier date in exceptional circumstances.

### **3.2 Business**

At a special or extraordinary meeting, the scope of the meeting will be confined to those matters specified in the request or requisition.

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

A Member of the Council may nominate another Member of the Council (except a Member of the Executive) to act as a substitute in the absence of the nominating Member at any meeting of a Committee or Sub-Committee, subject to the following conditions:

- (i) Substitute members will have all the powers and duties of any ordinary member of the Committee or Sub-Committee but will not be able to exercise any special powers or duties exercisable by the person for whom they are substituting;
- (ii) The nomination will not take effect until the Head of Democratic Services is notified of the intended substitution by the nominating Member by no later than midday before the time of the meeting as stated in the summons.

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

The time and place of meetings will be determined by the Head of Paid Service and notified in the summons.

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

The Head of Paid Service will give notice to the public of the time and place of any meeting in accordance with the Local Government Act 1972 and the Access to Information Rules. At least five clear days before a meeting, the Head of Paid Service will send a summons signed by him or her by post to every Member of the Council's home address (or other specified address) 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**

The person presiding at the meeting may exercise any power or duty of the Mayor. Where these rules apply to Committee and Sub-Committee meetings, references to the Mayor also include the Chairman of any Committees and Sub-Committees.

## 8. **QUORUM**

- 8.1 The quorum of a meeting will be one quarter of the whole number of Members. During any meeting if the Mayor counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Mayor. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.
- 8.2 Unless specified otherwise elsewhere in this Constitution or in law, the quorum of Committees shall be three, or one-third of the number of voting Committee members, whichever is the greater, and the quorum for Sub-Committees shall be two, or one-third of the number of voting Sub-Committee members, whichever is the greater.

## 9. **DURATION**

- 9.1 If the business of the meeting has not been concluded within 3 hours, the Mayor will interrupt the meeting and call for a vote immediately on the item under discussion.
- 9.2 If there are any other Executive or Head of Paid Service recommendations on the agenda that have not been dealt with, they will be deemed formally moved and seconded and the vote will be taken in the usual way, with no speeches allowed.
- 9.3 Any motions on the agenda that have not been dealt with and any other remaining business will be considered at the next ordinary meeting.

## 10. **PUBLIC INVOLVEMENT IN COUNCIL**

### 10.1 **General**

Members of the public may be involved in the meeting of Council by asking questions of Members of the Executive, asking a Member to present a petition on their behalf, or presenting a Ward concern (see rule 12).

Members of the public may ask questions of Members of the Executive, Group Leaders or any Committee/Sub-Committee Chairman at ordinary meetings of the Council. Question time will be limited to no more than 30 minutes (although the Mayor will have the discretion to extend this to allow supplementary questions to be asked and answered in respect of a question asked within the 30 minutes). The purpose of such questions is to obtain information or press for action; they should not be framed primarily so as to convey information or a particular point of view.

Democratic Services will ensure with the relevant department that a response is sent to the councillor presenting the petition and the identified lead petitioner. The Council's scheme for petitions is included in Part 5 of the Constitution.

### 10.2 **Order of questions**

Questions will be asked in the order in which notice of them was received, except that the Mayor may group together similar questions.

### 10.3 **Notice of questions**

A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the Chief Executive no later than midday 6 working days before the day of 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 questioner may subsequently give notice, in writing or by email, received by the Chief Executive no later than the scheduled start time of the meeting, that

they wish to withdraw the question. A replacement question may be asked only if delivered to the Chief Executive by midday 5 working days before the day of the meeting.

#### 10.4 **Number of questions**

At any one meeting no person or organisation may submit more than one question. No question shall exceed 100 words.

#### 10.5 **Scope of questions**

The Chief Executive may reject a question if it:

- is not about a matter in which the local authority has powers or duties or which specifically affects the borough;
- contains arguments, expressions of opinion, inferences or imputations, unnecessary epithets, or rhetorical, controversial, ironical or offensive expressions or is defamatory or frivolous;
- is substantially the same as a question which has been put at a meeting of the Council in the past six months;
- requires the disclosure of confidential or exempt information; or
- relates to a specific planning or licensing application.

#### 10.6 **Record of questions**

The Chief Executive will ensure that a record of questions open to public inspection is made and will immediately send a copy of the question to the Member to whom it is to be put. Rejected questions will include reasons for rejection.

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

#### 10.7 **Asking the question at the meeting**

The Mayor 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 unable to be present, a written reply will be given and copied to all Members.

Questioners must declare any current or prospective financial or personal interest they may have in the matter.

#### 10.8 **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 Mayor may reject a supplementary question on any of the grounds in Rule 10.5 above or if it is too long.

#### 10.9 **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.

## 10.10 Reference of question to the Executive or a Committee

Unless the Mayor decides otherwise, no discussion will take place on any question, but any Member may move that a matter raised by a question be referred to the Executive or the appropriate Committee or Sub-Committee. Once seconded, such a motion will be voted on without discussion.

10.11 The answer to the original question and any supplementary question should address the points contained in the question and shall not exceed 100 words.

## 11. QUESTIONS BY MEMBERS

### 11.1 On reports of the Executive or Committees

A Member of the Council may ask the Leader, a Member of the Executive or the Chairman of a Committee any question upon an item of the report of the Executive or a Committee when that item is being received or under consideration by the Council (except in respect of the annual Revenue Budget and Council Tax report when any such questions will be asked immediately after reception of the report is moved and before the mover speaks to it), provided that a copy of the question has been delivered to the Chief Executive no later than noon of the day before the meeting or the Mayor rules that by reason of special circumstances the question is of urgent importance. If elucidation of the reply is required, the questioner may ask one supplementary question which must arise directly out of the original question or the reply.

### 11.2 Questions on notice at full Council

Subject to Rule 11.3, a Member of the Council may ask:

- the Mayor;
- a Member of the Executive; or
- 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 specifically affects the borough.

Members' Question time will be limited to 30 minutes (although the Mayor will have the discretion to extend this to allow supplementary questions to be asked and answered in respect of a question asked within the 30 minutes).

### 11.3 Notice of questions

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

(a) they have given notice of the question in writing or by email to the Chief Executive by no later than midday six working days before the day of the meeting; or

(b) the question relates to urgent matters, they have the consent of the Mayor as to whom the question is to be put and the content of the question is given to the Chief Executive by 4 pm on the day before the meeting.

No Member may give notice to ask more than one question at any one meeting. No question shall exceed 100 words. The Member may subsequently give notice, in writing or by email, received by the Chief Executive no later than the scheduled start time of the meeting, that he/she wishes to withdraw the question. A replacement question may be asked only if delivered to the Chief Executive by midday on the third working day before the day of the meeting.

The purpose of questions under Rules 11.1 and 11.2 is to obtain information or press for action; they should not be framed primarily so as to convey information or a particular point of view.

The Chief Executive may reject a question if it is substantially the same as a question which has been put at a meeting of the Council in the past 6 months, unless the original question did not receive a direct oral answer.

The Chief Executive may also reject a question if it contains arguments, expressions of opinion, inferences or imputations, unnecessary epithets, or rhetorical, controversial, ironical or offensive expressions or is defamatory or frivolous.

#### **11.4 Response**

An answer may take the form of:

(a) a direct oral answer, which shall not exceed 100 words;

(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.

The answer should address the points contained in the question.

In the absence of the Member to whom the question is to be put, the Leader will reply or will nominate another Cabinet Member (or Committee/Sub-Committee Member) to provide an oral response.

#### **11.5 Supplementary questions**

If elucidation of a reply is required, the questioner may ask one supplementary question. Up to two other Members may put no more than one supplementary question each. The supplementary questions must arise directly out of the original question or the reply, and should be short and confined to not more than two points. If a supplementary question exceeds this guideline, the Member replying shall answer the two main points and no others.

#### **11.6 Record**

The original question and the reply will be recorded in full in the Minutes. A summary will be given of any supplementary questions and replies.

#### **11.7 Written Answers**

Any question which cannot be dealt with because of the lack of time or because of the non-attendance of the Member who was to ask the question will receive a written answer which will be appended to the Minutes of the meeting.

#### **11.8 Written Questions**

In addition to a question under Rules 11.1 or 11.2, a Member may submit a written question to the Mayor, a Member of the Executive or a Committee/Sub-Committee Chairman on any matter in relation to which the Council has powers or duties or which specifically affects the borough, subject to the limits set out in Rule 11.3 in relation to notice, length and reasons for rejection. The question and the reply will be appended to the Minutes.

## 11.9 **The Order of Questions**

Questions will be listed on the agenda in the order in which they were received by the Head of Democratic Services with the proviso that questions from the majority group members will be listed alternately with questions from members of minority groups. The first question to be taken at each meeting will be from a member of the majority group (if any).

## 12. **WARD CONCERNS**

- 12.1 At each ordinary meeting of the Council, two members of the Council may speak for up to five minutes on matters specific to their Wards or to one or more residents of their Wards.
- 12.2 A Member may only speak under Rule 12.1 if they have given notice in writing or by email to the Chief Executive by no later than noon 10 working days before the meeting, indicating the issue on which they wish to speak and the nature of any proposal(s) to be made, and giving sufficient information to enable the Cabinet Member to provide a considered response.
- 12.3 If by the deadline, more than two Members have indicated a wish to speak, the Chief Executive will draw lots to determine which two should be allowed to do so.
- 12.4 At the end of each Member's speech, the relevant Cabinet Member will reply, addressing in particular any specific proposals that may have been made.
- 12.5 In the absence of the Member who had given due notice, the Mayor will invite either of the other Ward Councillors to present the issue. If neither is willing/able to do so, a written answer will be produced (based on the information provided in accordance with Rule 12.2) and included in the Minutes of the meeting. In the absence of the relevant Cabinet Member, a written answer will be produced and included in the Minutes of the meeting.
- 12.6 In addition to the above members of the public may present a Ward concern in respect of a ward within the Borough in which they live, work or attend full time education. The member of the public will need to be sponsored by one of the councillors for the ward concerned. The member of the public will also need to have given notice in writing or by email to the Chief Executive by no later than midday 10 working days before the meeting, demonstrating that they have the necessary sponsor and indicating the issue on which they wish to speak and the nature of any proposal(s) to be made, and giving sufficient information to enable the Cabinet Member to provide a considered response.
- 12.7 No more than one Ward concern item may be presented by any one Councillor or member of the public, at any meeting of Council. No individual member of the public may present more than one Ward concern in any civic year.
- 12.8 In the event that more than one Ward concern is submitted by a member of the public, the Chief executive will draw lots as in 12.3 above.
- 12.9 The provisions of 12.2 above regarding notice will also apply to Ward concerns submitted by a member of the public.

## 13. **REPORT OF THE CABINET AND COMMITTEES**

- 13.1 The Cabinet will report to the Council on particular issues which it considers should be reported to the Council. Key Decisions are for Cabinet to take but there may be occasions when the Cabinet wishes Council to note such a Decision in order that there can be a wider ranging discussion in full Council. The Leader or Deputy Leader (or a Member of the Cabinet nominated by them) will introduce the report. The normal rules of debate will apply to any debate on the recommendations except that there can be no amendment to the motion to note, as the decision has already been taken by Cabinet.

- 13.2 The Leader of the Opposition can also ask the Leader of the Council for a discussion on a single Cabinet decision and it will take place as part of the Reports of Committees item on the Agenda, on the same to note basis. Such a request will normally be agreed unless the Cabinet has already referred a matter on a 'to note' basis at that meeting, it is a meeting which has provision for a debate on Opposition Priority Business or the matter is or has been within three months subject to a notice of motion. The Leader or Deputy Leader (or a Member of the Cabinet nominated by them) will introduce the report. The normal rules of debate will apply to any debate on the recommendations, except that there can be no amendment to the motion to note, as the decision has already been taken by Cabinet.
- 13.3 Whether initiated by the Administration or Opposition, any debate on items requested for discussion on a 'to note' basis in the Report of Cabinet will last no longer than 30 minutes.
- 13.4 Ordinary committees of the Council may also report to the Council on particular issues which they consider should be reported. The Chairman or Vice-Chairman will introduce the report. The normal rules of debate will apply to any debate on the recommendations.
- 13.5 A Member may ask a question on a report of Cabinet or Committees in accordance with Rule 11.1
14. **DEBATE ON OPPOSITION PRIORITY BUSINESS**
- 14.1 This Rule applies where there is a majority group of members of the Council.
- 14.2 A minority group may require that any one item of business placed on the Agenda for any Council meeting be treated as opposition priority business. Such a requirement will be considered only if the Leader of that Group has submitted it in writing to the Chief Executive by midday at least six working days before the Council meeting.
- 14.3 Where the Chief Executive receives more than one such request for a debate, he/she shall decide which shall be selected so as to ensure that as far as is possible each minority group's share of opposition priority business reflects the relative size of those groups in the period from the last Annual Meeting of the Council.
- 14.4 The Head of Democratic Services shall indicate on the Agenda which item of business (if any) is to be treated as opposition priority business.
- 14.5 If consideration of an item of opposition priority business has not begun two hours after the start of the meeting it will be brought forward and considered immediately after the conclusion of the item of business then under discussion.
- 14.6 Opposition priority business will be considered at no more than three non-consecutive ordinary Council meetings in each civic year. Opposition Priority business may not be considered at any Council meeting considering review of the budget (usually in March)
- 14.7 No more than half an hour will be allowed for discussion of opposition priority business on any single agenda. The topic must relate to a service provided or commissioned by the Council or a Council responsibility. It will not be a notice of motion; there will be no amendment or votes.
- 14.8 The opening speaker for the Opposition may speak for a time not exceeding seven minutes and two other Opposition Members may speak for no more than four minutes: two majority party councillors may also speak for up to four minutes and the session shall conclude with a majority party speech not exceeding seven minutes.

## **15. MOTIONS ON NOTICE**

### **15.1 Notice**

Except for motions which can be moved without notice under Rule 16, written notice of every motion must be delivered to the Chief Executive not later than 12 noon six working days before the date of the meeting. A record open to public inspection will be kept of submitted motions.

### **15.2 Motion set out in agenda**

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

### **15.3 Scope and length**

Motions must relate to matters in which the Council has powers or duties and must not include declaratory statements relating to matters outside the ambit of the Council. Motions should either address Council duties directly or call for action in cases where the Council has general responsibilities. Motions should be about a single discrete issue and not be in the opinion of the Proper Officer defamatory, frivolous, offensive or otherwise out of order.

No motion shall exceed 75 words in length.

## **16. MOTIONS WITHOUT NOTICE**

The following motions may be moved without notice, and will then be followed by no more than the number of speakers indicated in brackets:

- (a) to appoint a Chairman of the meeting at which the motion is moved (none);
- (b) in relation to the accuracy of the minutes (no limit);
- (c) to change the order of business in the agenda (none);
- (d) to refer something to an appropriate body or individual (no limit, unless moved in accordance with Rule 10.10);
- (e) to appoint a Committee or Member arising from an item on the summons for the meeting (no limit);
- (f) to adopt recommendations of Committees or officers and any resolutions following from them (no limit);
- (g) to withdraw a motion (none);
- (h) to amend a motion (no limit);
- (i) to proceed to the next business (none, except right of reply in accordance with Rule 17.11);
- (j) that the question be now put (none, except right of reply in accordance with Rule 17.11);
- (k) to adjourn a debate (none);
- (l) to adjourn a meeting (none);
- (m) to suspend a particular Council procedure rule (two);

- (n) to exclude the public and press in accordance with the Access to Information Rules (two);
- (o) to not hear further a Member named under Rule 24.4 or to exclude them from the meeting under Rule 24.5 (none); and
- (p) to give the consent of the Council where its consent is required by this Constitution (no limit).

## 17. RULES OF DEBATE

### 17.1 No speeches until motion seconded

No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

### 17.2 Right to require motion in writing

Unless notice of the motion has already been given, the Mayor may require it to be written down and handed to him/her before it is discussed.

### 17.3 Secunder's speech

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

### 17.4 Content and length of speeches

Speeches must be directed to the question under discussion or to a personal explanation or point of order. The time allocated for speeches for different debates is as follows:

#### a) Opposition Priority Business (Rule 14)

No speech may exceed four minutes without the consent of the Council, save in the case of the proposer (of the issue for debate) and the Majority Party speaker closing the debate both of whom shall be entitled to speak for no longer than seven minutes. (See also Rule 14.8)

#### b) All other debates

No speech may exceed five minutes without the consent of the Council, save in the case of a mover of a motion to receive and adopt a report or a motion under Rule 15, or an Executive Member or the Chairman of a Committee replying to an amendment, who shall be entitled to speak for not longer than ten minutes.

### 17.5 When a Member may speak again

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

- (a) in exercise of a right of reply;
- (b) on a point of order; and
- (c) by way of personal explanation.

### 17.6 Amendments to motions

- (a) An amendment to a motion must be relevant to the motion and will be:

- (i) to refer the matter to an appropriate body or individual for consideration or reconsideration; or
- (ii) to leave out words; or
- (iii) to leave out words and insert or add others; or
- (iv) to insert or add words

as long as the effect of (ii) to (iv) is not to negate the motion.

Members should aim to keep the length of the amendment in line with that of the motion, which shall not exceed 75 words in length.

(b) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of. Amendments to motions will be moved at the earliest possible opportunity during the debate.

(c) If an amendment is not carried, other amendments to the original motion may be moved.

(d) 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 are moved.

(e) After an amendment has been carried, the Mayor will read out the amended motion. He/she will then accept any further amendments or, if there are none or if no Member indicates they wish to speak, he/she will put it to the vote.

#### 17.7 **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. If an amendment has already been carried, the mover of that amendment is deemed to be the mover of the revised substantive motion and therefore has the right of reply at the close of the debate on a further amendment.

(c) Only alterations which could have been made as an amendment to the motion may be made.

(d) The Leader may at any time nominate another Cabinet Member to exercise his right of reply to the debate on any paragraph of the Report from the Executive and the exercise of that right shall close the debate on that paragraph.

#### 17.8 **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.

#### 17.9 **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. If an amendment has

already been carried, the mover of that amendment is deemed to be the mover of the revised substantive motion and therefore has the right of reply at the close of the debate on a further amendment.

(c) The mover of the amendment has no right of reply to the debate on his or her amendment.

(d) The Leader may at any time nominate another Cabinet Member to exercise his right of reply to the debate on any paragraph of the Report from the Executive and the exercise of that right shall close the debate on that paragraph.

#### 17.10 **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 a motion;

(b) to amend a motion;

(c) to proceed to the next business;

(d) that the question be now put;

(e) to adjourn a debate;

(f) to adjourn a meeting;

(g) to exclude the public and press in accordance with the Access to Information Rules; and

(h) to hear no further a Member named under Rule 24.4 or to exclude them from the meeting under Rule 24.5.

#### 17.11 **Closure motions**

(a) A Member may move, without comment, 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 Mayor thinks the item has been sufficiently discussed, he or 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 Mayor 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 Mayor 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.

### 17.12 **Point of order**

A Member may raise a point of order at any time. The Mayor will hear the Member immediately. A point of order may relate only to an alleged breach of these Council Rules of Procedure or the 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 Mayor on the matter will be final.

### 17.13 **Personal explanation**

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

## 18. **ANNOUNCEMENTS**

18.1 The Mayor, the Leader and the Head of Paid Service may make announcements of which notice is not required.

18.2 With the consent of the Mayor, up to two Members of the Cabinet may make a brief statement relevant to the discharge of their official duties.

## 19. **PREVIOUS DECISIONS AND MOTIONS**

A resolution of the Council shall not be rescinded or altered except on the adoption of a recommendation of the Executive or of a Committee of the Council, specifying the proposed rescission or alteration.

### 19.1 **Motion to rescind a previous decision**

A motion or amendment to rescind a decision made at a meeting of Council within the past three months cannot be moved unless the notice of motion is signed by at least 6 Members.

### 19.2 **Motion similar to one previously rejected**

A motion or amendment in similar terms to one that has been rejected at a meeting of Council in the past three months cannot be moved unless the notice of motion or amendment is signed by at least 6 Members. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for a further three months.

## 20. **VOTING**

### 20.1 **Majority**

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

### 20.2 **Mayor's casting vote**

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

### 20.3 **Show of hands**

Unless a recorded vote is demanded under Rule 20.4, the Mayor will take the vote by show of hands, or if there is no dissent, by the affirmation of the meeting.

#### 20.4 **Recorded vote**

If 6 Members present at the meeting demand it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

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

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

#### 20.6 **Voting on appointments**

If there are more than two people nominated for any position to be filled and there is not an absolute 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 an absolute majority of votes for one person. Each Member shall have one vote only at each voting, subject to the Chairman's right to give a casting vote.

### 21. **MINUTES**

#### 21.1 **Signing the minutes**

The Mayor will sign the minutes of the proceedings at the next suitable meeting. The Mayor will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy (and then by means of a motion in accordance with Rule 16(b)).

#### 21.2 **No requirement to sign minutes of previous meeting at extraordinary meeting**

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.

#### 21.3 **Form of minutes**

Minutes will contain all motions and amendments in the exact form and order the Mayor put them.

### 22. **RECORD OF ATTENDANCE**

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

### 23. **EXCLUSION OF PUBLIC**

Members of the public and press may be excluded only in accordance with the Access to Information Rules in Part 4 of this Constitution or Rule 25 (Disturbance by Public).

### 24. **MEMBERS' CONDUCT**

#### 24.1 **Role of the Mayor**

The Mayor (and any Chairman at a Committee meeting) will be required to ensure that the meeting is conducted in a calm atmosphere of decorum.

## **24.2 Standing to speak**

A Member speaking at full Council must stand and address the meeting through the Mayor. If more than one Member stands, the Mayor will ask one to speak and the others must sit. Other Members must remain seated whilst a Member is speaking except to make a point of order or a point of personal explanation.

## **24.3 Mayor standing**

When the Mayor stands during a debate, any Member speaking at the time must stop and sit down. The meeting must be silent.

## **24.4 Member be not heard further**

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

## **24.5 Member to leave the meeting**

If the Member continues to behave improperly after such a motion is carried, the Mayor may order that either the Member leaves the meeting or that the meeting is adjourned for a specified period.

## **24.6 General disturbance**

If there is a general disturbance making orderly business impossible, the Mayor may adjourn the meeting for as long as he/she thinks necessary.

## **25. DISTURBANCE BY PUBLIC**

### **25.1 Removal of member of the public**

If a member of the public interrupts proceedings, the Mayor will warn the person concerned. If they continue to interrupt, the Mayor will order their removal from the meeting room.

### **25.2 Clearance of part of meeting room**

If there is a general disturbance in any part of the meeting room open to the public, the Mayor may call for that part to be cleared.

## **26. SUSPENSION AND AMENDMENT OF COUNCIL PROCEDURE RULES**

### **26.1 Suspension**

All of these Council Rules of Procedure except Rule 20.5 and 21.2 may be suspended by motion on notice or without notice if at least two thirds of the whole number of Members of the Council are present. Suspension can be only in relation to a specific matter. Rule 19 may not be suspended to allow rescission or alteration of a decision taken at the same meeting.

### **26.2 Amendment**

Any motion to add to, vary or revoke these Council Rules of Procedure will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the Council to which the Head of Paid Service will submit a report in accordance with Article 15.

27. **APPLICATION TO COMMITTEES AND SUB-COMMITTEES**

All of the Council Rules of Procedure apply to meetings of full Council and to meetings of Committees and sub-committees save where inconsistent with the specific provisions relating thereto.

# Access to Information Procedure Rules

## **1. SCOPE**

These rules apply to all meetings of the Council, Overview and Scrutiny Committees, Area Committees (if any), the Standards Committee (see also paragraph 10.5), other Committees and Sub-Committees and meetings of the Executive (together called meetings).

## **2. ADDITIONAL RIGHTS TO INFORMATION**

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law.

## **3. RIGHTS 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 clear days notice of any meeting by posting details of the meeting at the offices of Council.

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

The Council will make copies of the agenda and reports open to the public available for inspection at the designated office and, where possible, on the Council's Website at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the designated officer shall make each such report available to the public as soon as the report is completed and made available to Councillors) will be open to inspection from the time the item was added to the agenda.

## **6. SUPPLY OF COPIES**

The Council will supply 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 Councillors in connection with an item to any person on payment of a charge for postage and any other costs.

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

The Council will make available copies of the following for six years after a meeting:

- (a) the minutes of the meeting, or records of decisions taken, together with reasons, for all meetings of the Executive, 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 List of background papers**

The Proper Officer will have 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 in Rule 10).

### **8.2 Public inspection of background papers**

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 RIGHTS**

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

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

### **10.1 Confidential information – requirement to exclude public**

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**

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.

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.

As set out in Part 2 of Schedule 12A of The Local Authorities (Executive Arrangements) (Access to Information) (Amendment) (England) Regulations 2006: "Information... 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."

### 10.3 Meaning of confidential information

Confidential information means 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.

### 10.4 Meaning of exempt information

Exempt information means information falling within the following seven categories (subject to any condition):

Category
1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any 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.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which 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.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

**In respect of all categories there is a public interest test asking whether it would benefit the public more to withhold the information than to release it.** Every copy of a report of which the whole or part is not available for public inspection must be marked 'Not for Publication' and it must contain a description of the 'exempt' information in terms of Schedule 12A. There is an inherent public interest in access to information held by public bodies. Factors favouring disclosure include:

- (a) promoting accountability for public expenditure;
- (b) allowing individuals to understand decisions and being able to question those decisions;
- (c) promoting public order, health and safety;
- (d) enabling people to become informed and able to participate in public debate;
- (e) where the disclosure of information assists the applicant to enforce their rights under the European Convention on Human Rights.

The exemptions themselves provide the list of factors against disclosure. If disclosure would affect these matters adversely, then it is relevant to weigh the possible harm against the positive benefits of openness.

Information falling within any of paragraphs 1-7 is not exempt by virtue of that paragraph 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.

In addition, information falling within paragraphs 1-7 is not exempt if it is required to be registered under:

- (a) The Companies Act 1985
- (b) The Friendly Societies Act 1974
- (c) The Friendly Societies Act 1992
- (d) The Industrial and Provident Societies Acts 1965 to 1978
- (e) The Building Societies Act 1986
- (f) The Charities Act 1993.

### **10.5 Standards Committees**

Where a meeting of the Standards Committee or of a sub-committee of the Standards Committee is convened to consider a matter referred under the provisions of section 60 (2) or (3), 64(2), 70(4) or (5) or 71(2) of the Local Government Act, 2000, exempt information also means information falling within categories 7a – 7c below:

7a Information which is subject to any obligation of confidentiality

7b Information which relates in any way to matters concerning national security

7c The deliberations of a Standards Committee or of a sub-committee of a Standards Committee established under the provisions of Part 3 of the Local Government Act 2000 in reaching any finding on a matter referred under provisions of Section 60 (2) or (3), 64 (2), 70 (4) or (5) or 71 (2) of the Local Government Act 2000.

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

If the Chief Executive thinks fit, the Council may exclude access by the public to reports which in his or 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 "Not for publication" together with the category of information likely to be disclosed.

### **12. APPLICATION OF RULES TO THE EXECUTIVE**

Rules 13 – 24 apply to the Executive and its Committees. If the Executive or its Committees meet to take a Key Decision then it must also comply with Rules 1 – 11 unless Rule 15 (general exception) or Rule 16 (special urgency) apply. A Key Decision is one made in the course of developing proposals to amend the Policy Framework or one which is likely

- to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates; or
- to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the local authority.

The criteria adopted by the Council to be applied in identifying Key Decisions are set out at the end of these Rules.

If the Executive or its Committees meet to discuss a Key Decision to be taken collectively, with an officer present, within 28 days of the date according to the Forward Plan by which it is to be decided, then it must also comply with Rules 1 – 11 unless Rule 15 (general exception) or Rule 16 (special urgency) apply. A Key Decision is as defined above. This requirement does not include meetings whose sole purpose is for officers to brief Members.

No Key Decision or other decision taken by the Cabinet or an individual Member of the Executive shall be taken except upon a written report (which will include, as a minimum, the issue to be decided, the facts upon which any decision must be based, the options available to the decision-taker, the outcome of any consultation undertaken, the financial implications, the extent of compliance with the Policy Framework and other Council plans and strategies, and a recommendation (and the reasons supporting it) in respect of the proposed decision).

### **13. PROCEDURE BEFORE TAKING KEY DECISIONS**

Subject to Rule 15 (general exception) and Rule 16 (special urgency), a Key Decision may not be taken unless:

- (a) a notice (called here a Forward Plan) has been published in connection with the matter in question;
- (b) at least 5 clear days have elapsed since the publication of the Forward Plan; and
- (c) where the decision is to be taken at a meeting of the Executive or its Committees, notice of the meeting has been given in accordance with Rule 4 (notice of meetings).

### **14. THE FORWARD PLAN**

#### **14.1 Period of Forward Plan**

Forward Plans will be prepared by the Leader to cover a period of four months, beginning with the first day of any month. They will be prepared on a monthly basis and subsequent plans will cover a period beginning with the first day of the second month covered in the preceding plan.

#### **14.2 Contents of Forward Plan**

The Forward Plan will contain matters which the Leader has reason to believe will be subject of a Key Decision to be taken by the Executive, a Committee of the Executive, individual Members of the Executive, officers, or under joint arrangements in the course of the discharge of an Executive function during the period covered by the plan. It will describe the following particulars in so far as the information is available or might reasonably be obtained:

- (a) the matter in respect of which a decision is to be made;
- (b) where the decision taker is an individual, his/her name and title, if any and where the decision taker is a body, its name and details of membership;
- (c) the date on which, or the period within which, the decision will be taken;

- (d) the identity of the principal groups whom the decision taker proposes to consult before taking the decision;
- (e) the means by which any such consultation is proposed to be undertaken;
- (f) the steps any person might take who wishes to make representations to the Executive or decision taker about the matter in respect of which the decision is to be made, and the date by which those steps must be taken; and
- (g) a list of the documents submitted to the decision taker for consideration in relation to the matter.

The Forward Plan must be published at least 14 days before the start of the period covered. The Chief Executive will publish once a year a notice in at least one newspaper circulating in the area, stating:

- (a) that Key Decisions are to be taken on behalf of the Council;
- (b) that a Forward Plan containing particulars of the matters on which decisions are to be taken will be prepared on a monthly basis;
- (c) that the plan will contain details of the Key Decisions to be made for the four month period following its publication;
- (d) that each plan will be available for inspection at reasonable hours free of charge at the Council's offices;
- (e) that each plan will contain a list of the documents submitted to the decision takers for consideration in relation to the Key Decisions on the plan;
- (f) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed in the Forward Plan is available;
- (g) that other documents may be submitted to decision takers;
- (h) the procedure for requesting details of documents (if any) as they become available; and
- (i) the dates on each month in the following year on which each Forward Plan will be published and available to the public at the Council's offices and on the Council's Website.

Exempt information need not be included in a Forward Plan and confidential information cannot be included.

## **15. GENERAL EXCEPTION**

If a matter which is likely to be a Key Decision has not been included in the Forward Plan, then subject to Rule 16 (special urgency), the decision may still be taken if:

- (a) it must be taken by such a date that it is impracticable to defer the decision until it has been included in the next Forward Plan and until the start of the first month to which the next Forward Plan relates;

(b) the proper officer has informed Ward Councillors and the Chair of a relevant Overview and Scrutiny Committee or, if there is no such person, each member of that Committee, in writing or by email, of the matter in relation to which the decision is to be made;

(c) the proper officer has made copies of that notice available to the public at the offices of the Council; and

(d) at least five clear days have elapsed since the proper officer complied with (a) and (b).

Where such a decision is taken collectively, it must be taken in public.

## **16. SPECIAL URGENCY**

If by virtue of the date by which a decision must be taken Rule 15 (general exception) cannot be followed, then the decision can be taken only if the decision taker (if an individual) or the Chair of the body making the decision informs Ward Councillors and obtains the agreement of the Chair of a relevant Overview and Scrutiny Committee that the taking of the decision cannot be reasonably deferred. If there is no Chair of a relevant Overview and Scrutiny Committee, or if the Chair of each relevant Overview and Scrutiny Committee is unable to act, then the agreement of the Mayor, or in his/her absence the Deputy Mayor will suffice.

## **17. REPORT TO COUNCIL**

### **17.1 When an Overview and Scrutiny Committee can require a report**

If an Overview and Scrutiny Committee thinks a Key Decision has been taken which was not:

(a) included in the Forward Plan; or

(b) the subject of the general exception procedure; or

(c) the subject of an agreement with a relevant Overview and Scrutiny Committee Chair, or the Mayor/Deputy Mayor under Rule 16

the Committee may require the Executive to submit a report to the Council within such reasonable time as the Committee specifies. The power to require a report rests with the Committee, but is also delegated to the proper officer, who shall require such a report on behalf of the Committee when so requested by the Chair or any three Members. Alternatively, the requirement may be raised by resolution passed at a meeting of the relevant Overview and Scrutiny Committee.

### **17.2 Executive's report to Council**

In accordance with 17.1, the Executive will prepare a report for submission to the next available meeting of the Council. If the next meeting of the Council is within seven days of receipt of the written notice, or the resolution of the Committee, then the report may be submitted to the meeting after that. The report to Council will set out particulars of the decision, the individual or body making the decision, and if the Leader is of the opinion that it was not a Key Decision the reasons for that opinion.

### **17.3 Quarterly reports on special urgency decisions**

In any event, the Leader will submit quarterly reports to the Council on the Executive decisions taken in the circumstances set out in Rule 16 (special urgency) in the preceding three months. The report will include the number of decisions so taken and a summary of the matters in respect of which those decisions were taken.

## **18. RECORD OF DECISIONS**

After any meeting of the Executive or any of its Committees, whether held in public or private, the proper officer or, where no officer was present, the person presiding at the meeting, will produce a record of every decision taken at that meeting as soon as practicable and make it available to all Members via the Intranet. The record will include a statement of the reasons for each decision and any alternative options considered and rejected at that meeting.

## **19. EXECUTIVE MEETINGS RELATING TO MATTERS WHICH ARE NOT KEY DECISIONS**

Meetings relating to matters which are not Key Decisions will also be held in public.

## **20. DECISIONS BY INDIVIDUAL MEMBERS OF THE EXECUTIVE**

### **20.1 Reports intended to be taken into account**

Where an individual Member of the Executive receives a report which he/she intends to take into account in making any Key Decision, then he/she will not make the decision until at least five clear days after receipt of that report.

### **20.2 Provision of copies of reports to Overview and Scrutiny Committees**

On giving such a report to an individual decision maker, the person who prepared the report will give a copy of it to the Chair of every relevant Overview and Scrutiny Committee as soon as reasonably practicable, and make it publicly available at the same time.

### **20.3 Record of individual decision**

As soon as reasonably practicable after an Executive decision has been taken by an individual Member of the Executive or a Key Decision has been taken by an officer, he/she will prepare, or instruct the proper officer to prepare, a record of the decision, a statement of the reasons for it and any alternative options considered and rejected, which will be made available to all Members via the Intranet. The provisions of Rules 7 and 8 (inspection of documents after meetings) will also apply to the making of decisions by individual Members of the Executive. This does not require the disclosure of exempt or confidential information.

## **21. OVERVIEW AND SCRUTINY COMMITTEES' ACCESS TO DOCUMENTS**

### **21.1 Rights to copies**

Subject to Rule 21.2 below, an Overview and Scrutiny Committee (including its Sub-Committees and Task Groups) will be entitled to copies of any document which is in the possession or control of the Executive or its Committees and which contains material relating to:

- (a) any business transacted at a meeting of the Executive or its Committees; or
- (b) any decision taken by an individual Member of the Executive.

### 21.2 Limit on rights

An Overview and Scrutiny Committee will not be entitled to:

- (a) any document that is in draft form (except for consultative drafts)
- (b) any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision they are reviewing or scrutinising or intend to scrutinise.

## 22. ADDITIONAL RIGHTS OF ACCESS FOR MEMBERS

### 22.1 Material relating to Key Decisions

All Members of the Council will be entitled to inspect any document (except those available only in draft form) in the possession or under the control of the Executive or its Committees which relates to any Key Decision unless it contains exempt information falling within paragraphs outlined in Part 2 of Schedule 12A of The Local Authorities (Executive Arrangements) (Access to Information) (Amendment) (England) Regulations 2006 in paragraph 10.2 above.

### 22.2 Nature of rights

These rights of a Member are additional to any other right he/she may have.

## KEY DECISIONS - CRITERIA

*Having regard to the underlying principle of accountable decision-making that there should be a presumption towards openness, Annual Council on 22 May 2001 adopted the following criteria to be applied in identifying Key Decisions:*

### “Test 1”

A Key Decision is one which is likely to result in significant expenditure or savings which fall outside the provisions and plans made by the Council in approving its annual revenue budget and capital programme. The limits for such a Key Decision are:

**Revenue, where the annual budget is less than £2M** – the net full year cost/saving is more than £50,000 per annum **and** more than 5% of the annual budget

**Revenue, where the annual budget exceeds £2M** – the net expenditure/saving exceeds £100,000 per annum

**Capital, where the capital programme provision is less than £2M** – more than £100,000 **and** more than 10% of the budget

**Capital, where the capital programme provision exceeds £2M** – more than £200,000.

**Notes:**

1. *Decisions are only to be considered Key if they fall outside the budget already agreed or where a choice of specific schemes to be progressed within unallocated, general provisions, e.g. major highway maintenance schemes, has to be made.*
2. *What comprises a service budget will need to be considered on its merits. It should normally be capable of being defined as a discrete activity and in many instances will reflect the Council's statutory duties e.g. collecting used plastic is not a service in its own right but recycling is, even though it forms part of the wider waste collection function.*
3. *These limits are not intended to apply to transactions carried out as part of the efficient administration of the Council's finances e.g. Treasury management activities, where actions taken within the Council's agreed policy for this area will not be construed as Key Decisions.*

**“Test 2”**

A Key Decision is one which is likely to be significant in terms of its effects on communities living or working in one or more Wards.

**Notes:**

1. *Consideration should be given to the strategic nature of the decision and whether the outcome will have an impact, for better or worse, on the amenity or well-being of the community or the quality of service provided by the authority to a significant number of people living or working in the locality affected (which will normally be at least 10% of them).*
2. *Effects may be direct or indirect and be of various kinds (e.g. social, economic, environmental).*
3. *In assessing the impact on a community, due regard will also be had to “communities of interest” who may be dispersed over a wide area geographically but be affected significantly by, for example, the closure of a facility.*

A Key Decision is also one

- which is made in the course of developing proposals to Council to amend the Policy Framework
- to amend the Policy Framework within the authority delegated to the Executive by the Council (as set out in Budget and Policy Framework Procedure Rule 6).

# Budget and Policy Framework Procedure Rules

## 1. THE FRAMEWORK FOR EXECUTIVE DECISIONS

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

The Executive (operating collectively or individually) will also have regard to other plans and strategies including, but not limited to, the following:

- Adoption Plan/Strategy
- Allotment Strategy
- Anti-Poverty/Social Inclusion Strategy
- Area Child Protection Committee Business Plan
- Arts Strategy
- Biodiversity Action Plan
- Care Charter 2000
- Carers Strategy
- Conservation Area Plans
- Cultural Strategy
- Disability Discrimination Act Implementation Strategy
- Domestic Violence Strategy
- Drug and Alcohol Action Team Action Plan
- Economic Development Strategy
- Grants Strategy
- Health and Safety Policy
- Joint Improvement Plans for
- Learning Disabilities
- Older People
- Welfare to Work for Disabled People
- Joint Strategic Framework for Mental Health
- Local Implementation Plan for Mental Health National Service Framework
- Parks Strategy
- Play Strategy
- Strategy for Sport
- Strategy to Combat Racial Harassment
- Supplementary Planning Guidance
- Thames (Landscape) Strategy
- Tourism Strategy
- Tripartite Agreement (and/or Joint Service Plan)
- Waste and Recycling Plan
- Youth Strategy.

## 2. PROCESS FOR DEVELOPING THE FRAMEWORK

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

(a) The Executive will publicise (by including in the Forward Plan, publishing on the Website and taking whatever other steps it deems appropriate) a timetable for making proposals to the Council for the adoption of any plan, strategy or budget that forms part of the budget and policy framework, and its arrangements for consultation after publication of those initial proposals. The Overview and Scrutiny Co-ordinating

Group will also be notified. The consultation period shall in each instance normally be not less than 8 weeks. In some instances, the Executive will wish to canvass the views of local stakeholders prior to formulating their initial proposals, and will also wish to consider the outcome of any relevant review of policy carried out by an Overview & Scrutiny Committee.

(b) At the end of the consultation period, the Executive will draw up firm proposals having regard to the responses to that consultation. If a relevant Overview and Scrutiny Committee wishes to respond to the Executive in that consultation process then it may do so. As the Overview and Scrutiny Committees have responsibility for fixing their own work programme, it is open to the Overview and Scrutiny Committee to investigate, research or report in detail with policy recommendations before the end of the consultation period. The Executive will take any response from an Overview and Scrutiny Committee into account in drawing up firm proposals for submission to the Council, and its report to Council will reflect the comments made by consultees and the Executive's response.

(c) Once the Executive has approved the firm proposals, the proper officer will refer them at the earliest opportunity to the Council for decision.

(d) In reaching a decision, the Council may adopt the Executive's proposals, amend them, refer them back to the Executive for further consideration or, in principle, substitute its own proposals in their place.

(e) If it accepts the recommendation of the Executive without amendment, the Council may make a decision which has immediate effect. Otherwise, it may only make an in-principle decision. In either case, the decision will be made on the basis of a simple majority of votes cast at the meeting.

(f) The decision will be publicised in accordance with Article 4 and a copy shall be given to the Leader.

(g) An in-principle decision will automatically become effective 5 days from the date of the Council's decision, unless the Leader informs the proper officer in writing within 5 days that he/she objects to the decision becoming effective and provides reasons why.

(h) In that case, the proper officer will either refer the matter to the next available Council meeting or call another Council meeting, using his/her judgement as to how quickly a final decision is required. The Council may

i) approve the Executive's recommendation by a simple majority of votes cast at the meeting; or

ii) approve a different decision which does not accord with the recommendation of the Executive by a simple majority.

(i) The decision shall then be made public in accordance with Article 4, and shall be implemented immediately.

(j) In approving the budget and policy framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by the Executive, in accordance with paragraphs 5 and 6 of these Rules (virement and in-year adjustments). Any other changes to the policy and budgetary framework are reserved to the Council.

### **3. DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

(a) Subject to the provisions of paragraph 5 (virement) the Executive, Committees of the Executive, individual Members of the Executive and any officers or joint arrangements discharging Executive functions may only take decisions which are in line with the budget and policy framework. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by full Council, then that decision may only be taken by the Council, subject to 4 below.

(b) If the Executive, Committees of the Executive, individual Members of the Executive and any officers, or joint arrangements discharging Executive functions want to make such a decision, they shall take advice from the Head of Paid Service and/or the Monitoring Officer and/or the Chief Finance Officer as to whether the decision they want to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget. If the advice of any of those officers is that the decision would not be in line with the existing budget and/or policy framework, then the decision must be referred by that body or person to the Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph 4 (urgent decisions outside the budget and policy framework) shall apply.

### **4. URGENT DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

(a) The Executive, a Committee of the Executive, an individual Member of the Executive or officers, or joint arrangements discharging Executive functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. However, the decision may only be taken:

- i) if it is not practical to convene a quorate meeting of the full Council; and
- ii) if the Chair of a relevant Overview and Scrutiny Committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the Chair of the relevant Overview and Scrutiny Committee's consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the Chair of a relevant Overview and Scrutiny Committee the consent of the Mayor or, in the absence of both, the Deputy Mayor, will be sufficient.

(b) Following the decision, the decision taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

### **5. VIREMENT**

(a) The Council shall define a budget head as the lowest level of Accounting Code recorded on the Council's financial ledger to which budgetary resources have been allocated.

(b) Steps taken by the Executive, a Committee of the Executive, an individual Member of the Executive or officers or joint arrangements discharging Executive functions to implement Council policy shall not exceed those budgets allocated to

each budget head. However, such bodies or individuals shall be entitled to vire across budget heads up to £250,000 in accordance with the Scheme of Virement set out in the Financial Procedure Rules (Section 20; Appendix 1 Section 20; and Appendix 7). Beyond that limit, approval to any virement across budget heads shall require the approval of the full Council. In addition, any virement across budget heads that, in the opinion of the Deputy Leader and Cabinet Member for Resources, the Chief Finance Officer or the Head of Paid Service, creates change to the services provided by the Council, shall require the approval of either the Executive or full Council as appropriate.

(c) Any restructuring of budgets that follows a management reorganisation, i.e. a service being transferred from one Directorate to another, but results in no change to either the level of purpose for which budgets are held, will not be considered as a virement for the purposes of these Procedure Rules.

## **6. IN-YEAR CHANGES TO POLICY FRAMEWORK**

The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the Executive, a Committee of the Executive, an individual Member of the Executive or officers, or joint arrangements discharging Executive functions must be in line with it. No changes to any policy and strategy which make up the policy framework may be made by those bodies or individuals except those changes:

(a) which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;

(b) necessary to ensure compliance with the law, ministerial direction or government guidance;

(c) in relation to the policy framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration;

(d) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change.

(e) additional funding has been identified and the net budget position of the Council will remain unchanged.

(f) no additional funding is available but the Council is able to contain the additional expenditure within its overall resources.

## **7. CALL-IN OF DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

(a) Where an Overview and Scrutiny Committee is of the opinion that an Executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the Head of Paid Service and/or Monitoring Officer and/or Chief Finance Officer.

(b) In respect of functions which are the responsibility of the Executive, the Head of Paid Service's report and/or the Monitoring Officer's report and/or Chief Finance Officer's report shall be to the Executive with a copy to every Member of the Council. Regardless of whether the decision is delegated or not, the Executive must meet to decide what action to take in respect of the Head of Paid Service's/Monitoring Officer's/Chief Finance Officer's report and to prepare a report to Council in the event

that the Head of Paid Service or the Monitoring Officer or the Chief Finance Officer conclude that the decision was a departure, and to the Overview and Scrutiny Committee if the Head of Paid Service or the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.

(c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Head of Paid Service and/or the Monitoring Officer and/or the Chief Finance Officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the Overview and Scrutiny Committee may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet as soon as practicable after receipt of the request by the Overview and Scrutiny Committee. At the meeting it will receive a report of the decision or proposals and the advice of the Head of Paid Service and/or the Monitoring Officer and/or the Chief Finance Officer. The Council may:

i) endorse a decision or proposal of the Executive decision taker as falling within the existing budget and policy framework. In this case no further action is required, save that the decision of the Council be minuted and circulated to all Councillors in the normal way;

or

ii) amend the Council's budget or the policy concerned to encompass the decision or proposal of the body or individual responsible for that Executive function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all Councillors in the normal way;

or

iii) where the Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, require the Executive to reconsider the matter in accordance with the advice of the Head of Paid Service/Monitoring Officer/Chief Finance Officer.

**POLICY DEVELOPMENT PROCESS**  
(in respect of policies that form part of the Policy Framework)

Executive publicise timetable for making proposals to the Council for the adoption of a (new) policy, and arrangements for consultation after publication of initial proposals [consultation period normally to be no less than 8 weeks].

Executive publish initial proposals.

Overview & Scrutiny Committee consider initial proposals and report outcome of deliberations to Executive by end of consultation period.

Public and/or other local stakeholders may also wish to respond to Executive.

Executive draw up final proposals for submission to Council, taking account of the views of the Overview & Scrutiny Committee and any other consultees.

Council consider Executive proposals.

Proposals adopted – become part of the Policy Framework with immediate effect.

Council amend proposals prior to adopting them in principle – become part of the Policy Framework within 5 Working Days of publication of the decision *unless* the Leader objects.

Council substitute and adopt their own proposals in principle – become part of the Policy Framework within 5 Working Days of publication of the decision *unless* the Leader objects.

Proposals referred back to the Executive for further consideration.

If Leader objects within 5 Working Days, referred to next available Council meeting or additional Council meeting convened to reconsider decision.

Final decision taken on the basis of a simple majority – effective immediately.

Executive reconsider proposals in light of Council's comments; decide whether to amend them prior to re-submission to Council.

# Executive Procedure Rules

## 1. HOW DOES THE EXECUTIVE OPERATE?

### 1.1 Who may make Executive decisions?

The arrangements for the discharge of Executive functions may be set out in the Executive arrangements adopted by the Council. If they are not set out there, then the Leader may decide how they are to be exercised. In either case, the arrangements or the Leader may provide for Executive functions to be discharged by:

- i) the Executive as a whole;
- ii) a Committee of the Executive;
- iii) an individual Member of the Executive;
- iv) an officer;
- v) joint arrangements; or
- vi) another local authority.

### 1.2 Delegation by the Leader

At the annual meeting of the Council, the Leader will present to the Council a written record of delegations made by him/her for inclusion in the Council's scheme of delegation at Part 3 to this Constitution. The document presented by the Leader will contain the following information about Executive functions in relation to the coming year:

- i) the names of the Councillors appointed to the Executive or Cabinet by the Leader and their individual portfolios;
- ii) the extent of any authority delegated to Cabinet Members individually, including details of the limitation on their authority;
- iii) the terms of reference and constitution of such Executive Committees as the Leader appoints and the names of Cabinet Members appointed to them;
- iv) the nature and extent of any delegation of Executive functions to any other authority or any joint arrangements and the names of those Cabinet Members appointed to any joint Committee for the coming year; and
- vi) the nature and extent of any delegation to officers with details of any limitation on that delegation, and the title of the officer to whom the delegation is made.

### 1.3 Sub-delegation of Executive functions

(a) Where the Executive, a Committee of the Executive or an individual Member of the Executive is responsible for an Executive function, they may delegate further to joint arrangements or an officer.

(b) Unless the Council directs otherwise, if the Leader delegates functions to the Executive, then the Executive may delegate further to a Committee of the Executive or to an officer.

(c) Unless the Leader directs otherwise, a Committee of the Executive to whom functions have been delegated by the Leader may delegate further to an officer.

(d) Even where Executive functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated.

#### **1.4 The Council's scheme of delegation and Executive functions**

(a) Subject to (b) below the Council's scheme of delegation will be subject to adoption by the Council and may be amended only by the Council. It will contain the details required in Article 7 and set out in Part 3 of this Constitution.

(b) If the Leader is able to decide whether to delegate Executive functions, he/she may amend the scheme of delegation relating to Executive functions at any time during the year. To do so, the Leader must give written notice to the proper officer and to the person, body or Committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, when it takes effect and whether it entails the withdrawal of delegation from any person, body, Committee or the Executive as a whole. The proper officer will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.

(c) Where the Leader seeks to withdraw delegation from a Committee, notice will be deemed to be served on that Committee when he/she has served it on its Chair.

#### **1.5 Conflicts of Interest**

Declarations of interest will be dealt with in accordance with the Members' Code of Conduct set out in Part 5 of this Constitution. If the exercise of an Executive function has been delegated to an individual Member or an officer, and should a conflict of interest arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made.

#### **1.6 Executive meetings – when and where?**

The Executive or Cabinet will meet at least 10 times per year at times to be agreed by the Leader. The Executive shall meet at the Council's main offices or another location to be agreed by the Leader.

#### **1.7 Public or private meetings of the Executive?**

All meetings of the Executive will normally be held in public (as set out in the Access to Information Rules in Part 4 of this Constitution).

#### **1.8 Quorum**

The quorum for a meeting of the Executive shall be 4, including the Leader or the Member appointed by him/her to preside in his/her absence.

#### **1.9 How are decisions to be taken by the Executive?**

(a) Executive decisions which have been delegated to the Executive as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of the Constitution.

(b) Where Executive decisions are delegated to a Committee of the Executive, the rules applying to Executive decisions taken by them shall be the same as those applying to those taken by the Executive as a whole.

(c) In taking decisions, the Executive (including individual Members) will have regard to the plans and strategies set out in Budget and Policy Framework Procedure Rule 1 and will abide by the protocols referred to in Rule 3 below, and any other such protocols that may be developed by the Executive.

## **2. HOW ARE EXECUTIVE MEETINGS CONDUCTED?**

### **2.1 Who presides?**

The Leader will preside at any meeting of the Executive or its Committees at which he/she is present. Otherwise, the person appointed by the Leader to preside in his/her absence will do so.

### **2.2 Who may attend?**

All meetings of the Executive and its Committees will be open to the public, subject only to the exceptions set out in the Access to Information Rules in Part 4 of this Constitution.

### **2.3 What business?**

At each meeting of the Executive the following business will be conducted:

- i) consideration of the minutes of the last meeting;
- ii) declarations of interest, if any;
- iii) representations by members of the public in respect of any matters set out in the agenda for the meeting, if any (subject to them having registered their wish to speak by no later than 2p.m. one working day before the meeting);
- iv) matters raised by Executive Members, if any;
- v) matters raised by non-Executive Members, if any;
- vi) matters referred to the Executive (whether by an Overview and Scrutiny Committee or by the Council) for reconsideration by the Executive in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Part 4 of this Constitution, if any;
- vii) consideration of reports from Overview and Scrutiny Committees, if any; and

viii) any other matters set out in the agenda for the meeting (indicating which, if any, are Key Decisions and which are not in accordance with the Access to Information Procedure Rules set out in Part 4 of this Constitution).

In respect of (v), non-Executive Members shall be allowed to speak on the matter at the meeting and, with the Leader's consent, participate in any ensuing debate.

In respect of (vi) and (vii), the relevant Overview and Scrutiny Committee Chair (or his/her representative) shall be allowed to introduce and speak on the matter/report and participate in any ensuing debate.

Other than in respect of (v), (vi) and (vii) above, non-Executive Members may address the Cabinet only if permission is granted by the Chair and if the Chair has been informed accordingly before the meeting begins. Having addressed the Cabinet, such non-Executive Members shall take no further part in the discussion.

## **2.4 Consultation**

All reports to the Executive from any Member of the Executive or an officer on proposals relating to the budget and policy framework must contain details of the nature and extent of consultation with stakeholders and relevant Overview and Scrutiny Committees, and the outcome of that consultation. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

## **2.5 Who can put items on the Executive agenda?**

The Leader will decide upon the schedule for the meetings of the Executive. He/she may put on the agenda of any Executive meeting any matter which he/she wishes, whether or not authority has been delegated to the Executive, a Committee of it or any Member or officer in respect of that matter. The proper officer will comply with the Leader's requests in this respect.

Any Member of the Executive may require the proper officer to make sure that an item is placed on the agenda of the next available meeting of the Executive for consideration. If he/she receives such a request the proper officer will comply.

There will be a standing item on the agenda of each meeting of the Executive for matters referred by Overview and Scrutiny Committees.

Any Member of the Council may ask the Leader to put an item on the agenda of an Executive meeting for consideration, and if the Leader agrees the item will be considered at the next available meeting of the Executive. The notice of the meeting will give the name of the Councillor who asked for the item to be considered.

The Monitoring Officer and/or the Chief Finance Officer may include an item for consideration on the agenda of an Executive meeting and may require the proper officer to call such a meeting in pursuance of their statutory duties. In other circumstances, where any two of the Head of Paid Service, Chief Finance Officer and Monitoring Officer are of the opinion that a meeting of the Executive needs to be called to consider a matter that requires a decision, they may jointly include an item on the agenda of an Executive meeting. If there is no meeting of the Executive soon enough to deal with the issue in question, then the person(s) entitled to include an

item on the agenda may also require that a meeting be convened at which the matter will be considered.

### **3. PROTOCOLS**

At all times, the Executive will abide by the following protocols, and any other such protocols they may develop:

- Consultation between Cabinet Members exercising delegated authority and their Executive colleagues
- Consultation between the Executive (collectively or individually) and Ward Councillors
- Consultation between Cabinet Members and the relevant Overview & Scrutiny Committee Chairs
- Consultation between Cabinet Members and relevant Consultative Groups (e.g. Transport, Education, Special Educational Needs)
- Consultation generally
- Publicity.

### **4. COMMITTEES OF THE CABINET**

4. 1 The Cabinet may establish one or more Cabinet Committees to exercise specified executive functions. Standing Committees established by the Cabinet are listed below. In addition the Cabinet may from time to time establish ad hoc committees on a time-limited basis.

#### Orleans House Trust Cabinet Committee

Terms of Reference:

1. To act on behalf of the Council as Corporate Trustee of the Orleans House Trust and, in that capacity, to consider all matters in connection with the future use, operation and management of the Trust property and the preservation of the objectives of the Trust so instituted.
2. To consider all proposals and representations from and on behalf of the Council or any third party, in connection with the future use, operation, management and ownership of the Trust property.
3. To secure all necessary advice and assistance, including, where necessary, external advice and assistance, to ensure that the interests of the Trust are protected and preserved.
4. To receive reports on the property and financial implications of the Trust's assets and to prepare reports as required for Cabinet.

# Overview and Scrutiny Procedure Rules

## 1. What will be the number and arrangements for Overview and Scrutiny Committees?

The Council will have four Overview and Scrutiny Committees (OSC) as set out in Article 6:

1. Finance and Performance
2. Education and Children's Services
3. Health, Housing and Adult Services
4. Environment, Sustainability and Community

The Council will appoint to them as it considers appropriate from time to time. Such Committees may appoint Sub-Committees and Task Groups.

All Committees have the power to initiate 'short-term' in depth studies lasting 2-3 meetings and to undertake one major (six month) study at any point in time. The Commission also has the power to initiate up to three major studies on topics which transcend the responsibilities of any one individual committee (or if the matter is urgent, on a committee-specific topic if the relevant committee is already in the middle of a major study).

Although they will normally be expected to meet in public, any Task Groups that may be established will not be bound by the Access to Information Procedure Rules.

## 2. Who may sit on Overview and Scrutiny Committees?

All Councillors except Members of the Executive may be Members of an Overview and Scrutiny Committee. Assistant Cabinet Members may not be Members of an Overview and Scrutiny Committee if their area of responsibility falls within the remit of the Committee. However, no Member may be involved in scrutinising a decision with which he/she has been directly involved.

All Overview and Scrutiny Members may nominate another Overview and Scrutiny Member to act as a substitute in the event that they are unable to attend a particular meeting. Details of the substitution should be notified to the clerk of the Committee no later than the day before the meeting.

The Leader of the Opposition may attend any Committee or Sub-Committee meeting and take part in the deliberations, but may not vote unless he/she is a member of the Committee/Sub-Committee concerned.

## 3. Co-optees

Each Overview and Scrutiny Committee shall be entitled to appoint non-voting co-optees as set out in the Table at the end of this procedure rule. Sub-Committees and Task Groups shall be entitled to appoint as many non-voting co-optees as they see fit, for periods of office to be determined by each Sub-Committee/Task Group.

## 4. Education representatives

Each relevant Overview and Scrutiny Committee/Sub-Committee dealing with education matters shall include in its Membership the following voting representatives:

- (a) 1 Church of England diocese representative;
- (b) 1 Roman Catholic diocese representative; and
- (c) Up to 3 parent governor representatives.

A relevant Overview and Scrutiny Committee/Sub-Committee in this paragraph is an Overview and Scrutiny Committee or Sub-Committee of a local education authority, where the Committee or Sub-Committee's functions relate wholly or in part to any education functions which are the responsibility of

the authority's Executive. If the Overview and Scrutiny Committee/Sub-Committee deals with other matters, these representatives shall not vote on those other matters, though they may stay in the meeting and speak.

## **5. Meetings of the Overview and Scrutiny Committees**

There shall normally be at least six 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 Chair of the relevant Overview and Scrutiny Committee, by any 3 Members of the Committee or by the proper officer if he/she considers it necessary or appropriate.

## **6. Quorum**

The quorum for an Overview and Scrutiny Committee shall be three or one-third of the number of voting Committee Members, whichever is the greater (as set out for Committees in the Council Procedure Rules in Part 4 of this Constitution).

## **7. Who chairs Overview and Scrutiny Committee meetings?**

The posts of Chairs and Vice-Chairs of the four Overview and Scrutiny Committees will be allocated proportionately. At least one Committee will be chaired by an Opposition Member.

## **8. Work programme**

The Overview and Scrutiny 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.

## **9. Agenda items**

(a) Any Member of an Overview and Scrutiny Committee shall be entitled to give notice to the Proper Officer that they wish an item relevant to the functions of the Committee to be included on the agenda for the next available meeting of the Committee. On receipt of such a request the proper officer will ensure that it is included on the next available agenda.

(b) Any Member of the Council who is not a Member of an Overview and Scrutiny Committee may give written notice to the proper officer that they wish an item to be included on the agenda of that Overview and Scrutiny Committee. If the proper officer receives such a notification, then he/she will include the item on the first available agenda of the relevant Overview and Scrutiny Committee for consideration by the Committee, with the consent of the Chair. Also with the consent of the Chair, the Member who requested the inclusion of the item shall be allowed to address the Committee and may also be allowed to participate in any ensuing debate.

Parts (a) and (b) will apply where the Councillor Call for Action procedure set out in para (c) below does not apply.

The Overview and Scrutiny Committees shall also respond, as soon as their work programme permits, to requests from the Council and, if it considers it appropriate, the Executive, 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 Executive and/or Council. The Council and/or the Executive shall normally consider the report of the Overview and Scrutiny Committee within one month of receiving it.

Except as provided above, a Member of the Council who is not a Member of an Overview & Scrutiny Committee may address the Committee only if permission is granted by the Chair and if the Chair has been informed accordingly before the meeting begins. Having addressed the Committee, such non-

Committee Members shall take no further part in the discussion. This shall not however apply to Cabinet Members in attendance either at the Committee's request or to seek the Committee's views on proposed policy developments, nor to the Leader of the Opposition (whose right to participate in meetings is set out in Procedure Rule 2 above).

## **10. Councillor Call for Action**

Any Member of the council may give written notice to the proper officer that they wish to refer a Councillor Call for Action to be included on the agenda of a Committee. On receipt of such a request the proper officer, with the consent of the Chair, will include the item on the first available agenda of the relevant Overview and Scrutiny Committee for it to determine whether the request is valid in accordance with the call for action protocol.

The relevant Overview and Scrutiny Committee will consider a CCfA that:

- Has been submitted in relation to a matter that affects a single Ward;
- Has been submitted by a Councillor from the Ward affected;
- Is in relation to a local crime and disorder matter or any other matter affecting the ward of the member (including a matter that relates to the Council's partners involved in the delivery of Local Area Agreement Targets);
- Specifies what existing avenues have been exhausted and that this is considered to be a matter of 'last resort';
- Has been submitted on the prescribed request form;
- Adheres to the process as set out in the flowchart at Annex ??; and
- States:
  - The nature of the issue
  - What action has been taken to resolve the issue
  - An outline of the resolution to the problem being sought
  - An indication of any other organisations involved in the CCfA
- In considering the matter referred the committee may take into account what avenues have been explored in addressing the issue.

The Overview and Scrutiny Committee will not consider a CCfA that is:

- vexatious, persistent, unreasonable or discriminatory request;
- in relation to a planning, licensing or regulatory application;
- any matter relating to an individual or entity where there is a statutory right of recourse to a review or appeal.

If the committee decides not to exercise any of its powers, it must notify the member and give its reasons.

[See Annex 1 and Annex 2 which follow these rules]

## **11. Reports from Overview and Scrutiny Committee**

(a) Once it has formed recommendations on proposals for development, the Overview and Scrutiny Committee will prepare a formal report and submit it to the proper officer for consideration by the Executive (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).

(b) If an Overview and Scrutiny Committee cannot agree on one single final report to the Council or Executive as appropriate, then up to two minority reports may be prepared and submitted for consideration by the Council or Executive with the majority report.

(c) The Council or Executive shall normally consider the report of the Overview and Scrutiny Committee within one month of it being submitted to the proper officer.

## **12. Making sure that Overview and Scrutiny reports are considered by the Executive**

(a) The agenda for Executive meetings shall include an item entitled 'Issues arising from Overview and Scrutiny'. The reports of Overview and Scrutiny Committees referred to the Executive shall be included at this point in the agenda (unless they have been considered in the context of the Executive's deliberations on a substantive item on the agenda) within one month of the Overview and Scrutiny Committee completing its report/recommendations.

(b) Overview and Scrutiny Committees will in any event have access to the Executive's Forward Plan and timetable for decisions and intentions for consultation. Even where an item is not the subject of detailed proposals from an Overview and Scrutiny Committee following a consideration of possible policy/service developments, the Committee will at least be able to respond in the course of the Executive's consultation process in relation to any Key Decision.

## **13. Rights of Overview and Scrutiny Committee Members to documents**

(a) 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 this Constitution.

(b) Nothing in this paragraph prevents more detailed liaison between the Executive and Overview and Scrutiny Committee as appropriate depending on the particular matter under consideration.

## **14. Members and officers giving account**

(a) Any Overview and Scrutiny Committee may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the scrutiny role, it may require any Member of the Executive, the Head of Paid Service and/or any senior officer to attend before it to explain in relation to matters within their remit:

i) any particular decision or series of decisions;

ii) the extent to which the actions taken implement Council policy; and/or

iii) their performance

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

(b) Where any Member or officer is required to attend an Overview and Scrutiny Committee under this provision, the Chair of that Committee will inform the proper officer. The proper officer shall inform the Member or officer in writing or by email giving at least 5 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, then the Member or officer concerned will be given sufficient notice to allow for preparation of that documentation.

(c) 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 14 days from the date of the original request].

## **15. Attendance by others**

An Overview and Scrutiny Committee may invite people other than those people referred to in paragraph 14 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 staff in other parts of the public sector and shall invite such people to attend.

## **16. Call-in**

- (a) When a decision is made by the Executive, an individual Member of the Executive or a Committee of the Executive, or a Key Decision is made by an officer with delegated authority from the Executive, or under joint arrangements, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of the Council normally within 2 days of being made. All Members will be able to access copies of the records of all such decisions via the Intranet/Internet within the same timescale.
- (b) 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 5 working days after the publication of the decision, unless the relevant Overview and Scrutiny Committee (which will be identified) objects to it and calls it in.
- (c) During that period, the proper officer shall call-in a decision for scrutiny by the Committee if so requested by any two voting Members of the Committee (who shall give their reasons for requesting that the decision be called in at the time of making the request), and shall then notify the decision-taker of the call-in. The Proper Officer shall call a meeting of the Committee on such date as he/she may determine, where possible after consultation with the Chair of the Committee, or place the matter on the agenda for the next scheduled meeting of the Committee if, in his/her judgement, any resulting delay would not be prejudicial. The Members who requested the Proper Officer to call in the decision must normally be present at the meeting when the decision is reviewed/scrutinised. The relevant Cabinet Member will be expected to attend the meeting in accordance with Rule 14. If he/she is unable to do so, the Leader may either attend or nominate another Cabinet Member to attend in his/her place.
- (d) If, having considered the decision, the Overview and Scrutiny Committee is still concerned about it, then 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. As a general rule, a decision will not be referred to full Council unless either the Committee believes it to be contrary to the Policy Framework or Budget, or considers that it was a Key Decision that was not dealt with as such by the Executive. If it is referred back to an individual Cabinet Member, he/she shall then reconsider within a further 5 working days. If it is referred back to the Cabinet, the Proper Officer shall either call a meeting of the Cabinet on such date as he/she may determine or place the matter on the agenda for the next scheduled meeting if, in his/her judgement, any resulting delay would not be prejudicial. The decision maker may amend the decision or not, before adopting a final decision which will take effect immediately and may not be called in.
- (e) If following an objection to the decision, the Overview and Scrutiny Committee does not meet by the date determined by the proper officer, 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 date determined by the proper officer, whichever is the earlier.
- (f) 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 has no locus to make decisions in respect of an Executive decision unless it is contrary to the policy framework, or contrary to or not wholly consistent with the budget. Unless that is the case, the Council will refer any decision to which it objects back 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 before reaching a final decision and implementing it. Where the decision was taken by the Executive as a whole or a Committee of it, a meeting will be convened to reconsider within 10

working days of the Council request. Where the decision was made by an individual, the individual will reconsider within 10 working days of the Council request.

- (g) 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 the earlier.

## **EXCEPTIONS**

- (h) In order to ensure that call-in is not abused, nor causes unreasonable delay, certain limitations are to be placed on its use. Namely two voting Members of an Overview and Scrutiny Committee are needed for a decision to be called in.

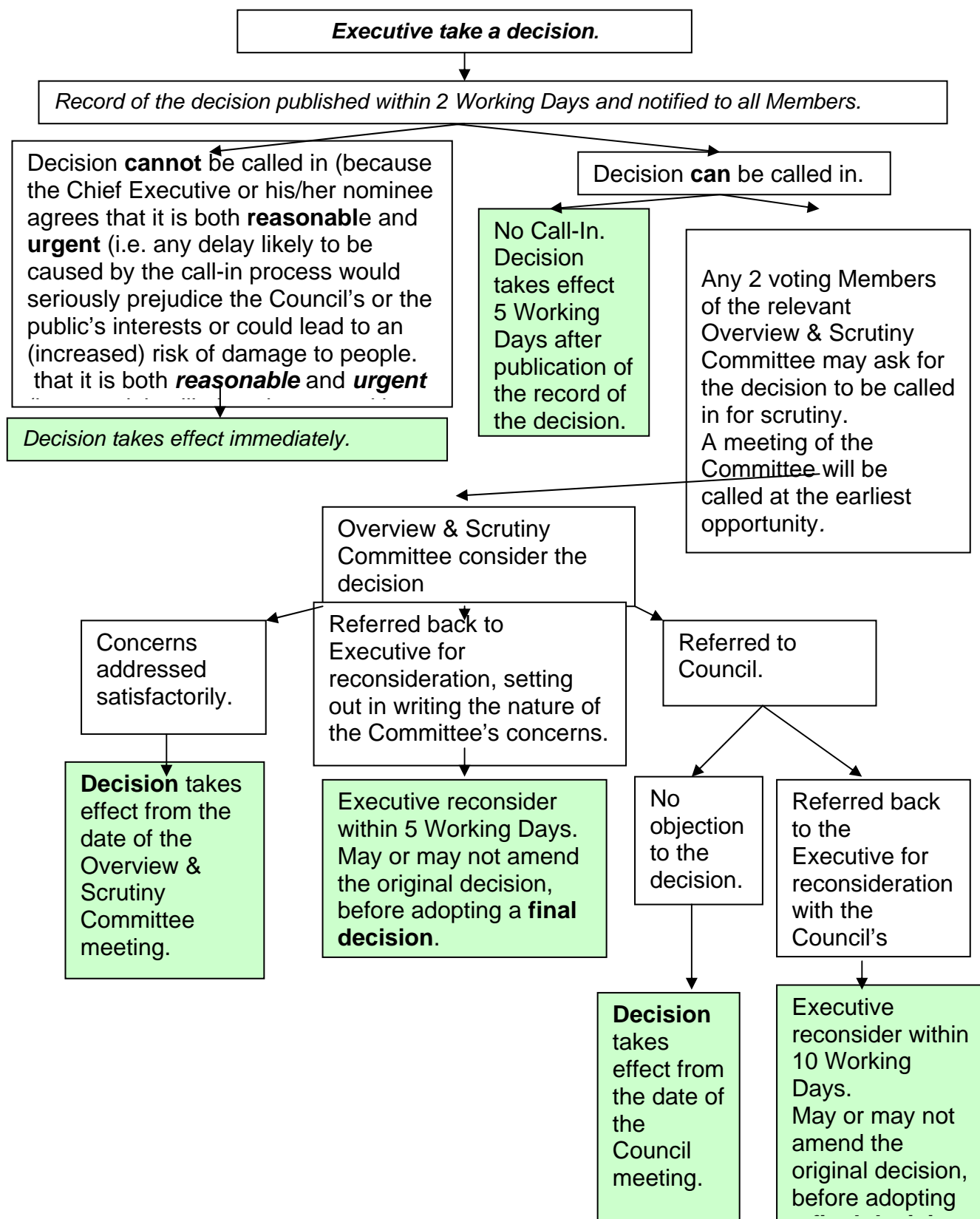
In addition:

- (i) Cabinet decisions to make recommendations to Council in respect of the budget or policy framework may not be called in;
- (ii) Executive decisions in respect of matters upon which the relevant Overview & Scrutiny Committee have already been consulted may not be called in unless a majority of the Members of the Committee so request.

## **CALL-IN AND URGENCY**

- (i) The call-in procedure set out above shall not apply where the decision being taken by the Executive is 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 or could lead to an (increased) risk of damage to people or property. 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 Head of Paid Service, or his/her nominee, must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.
- (j) 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.

## OPERATION OF "CALL-IN"



**NB.** In this instance, "Executive" could be full Cabinet, individual Cabinet Member or an officer (the latter, only if making a Key Decision).

**REMINDER:** The Council has no locus to make decisions in respect of an Executive decision unless it is contrary to the Policy Framework or contrary to/not wholly consistent with the Budget.

## **17. Procedure at Overview and Scrutiny Committee meetings**

(a) Overview and Scrutiny Committees and Sub-Committees shall consider the following business:

- i) minutes of the last meeting;
- ii) declarations of interest (including whipping declarations);
- iii) representations by members of the public in respect of any matters set out in the agenda for the meeting (subject to them having registered their wish to speak by no later than 2p.m. one working day before the meeting);
- iv) consideration of any matter referred to the Committee for a decision in relation to call in of a decision;
- v) responses of the Executive to reports of the Overview and Scrutiny Committee; and
- vi) the business otherwise set out on the agenda for the meeting.

In the event that the business set out on the agenda for the meeting has not been completed within 3 hours, a majority of Members present and voting may agree to continue the meeting for up to a further 30 minutes.

(b) Where the 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:

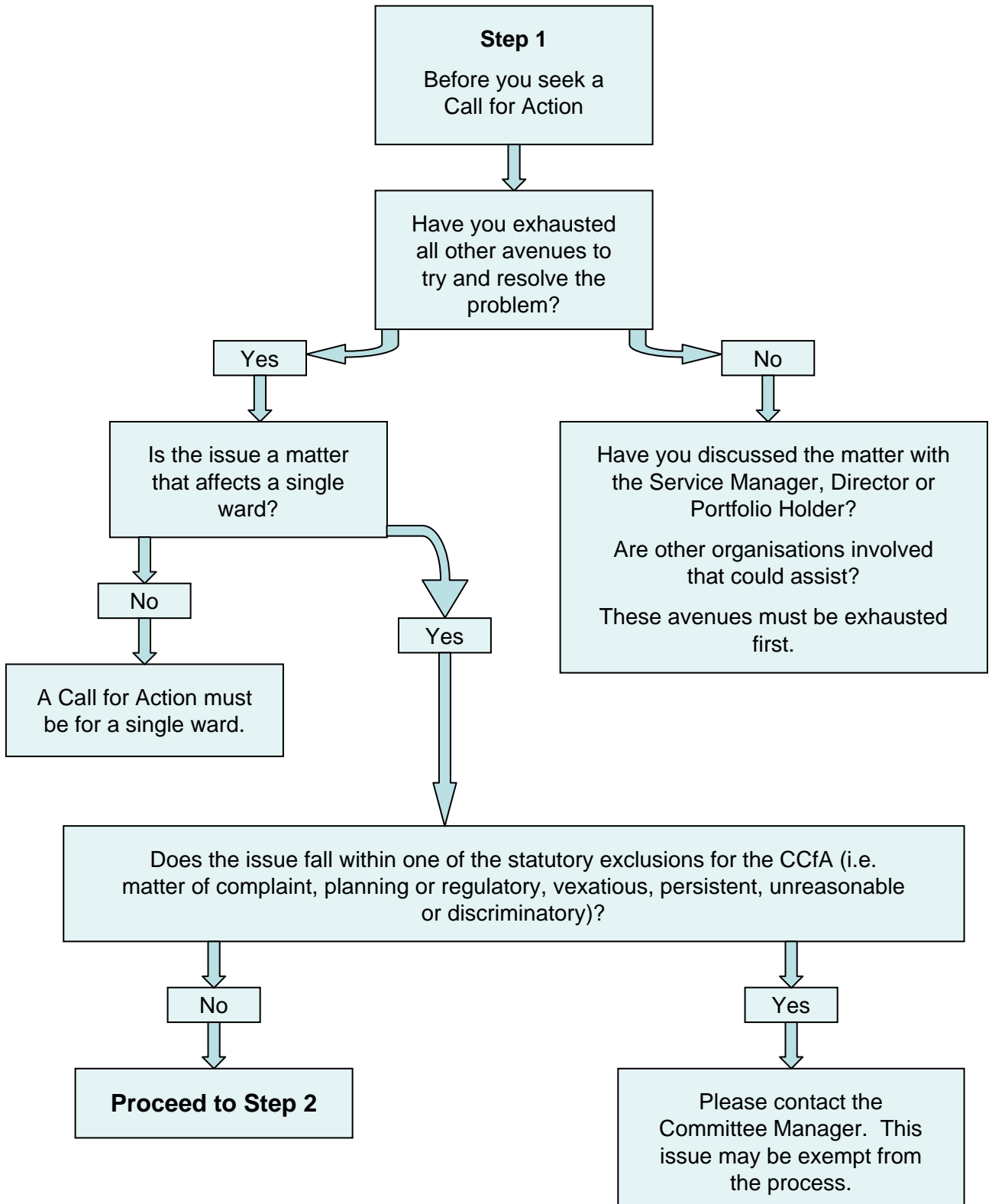
- i) that the investigation be conducted fairly and all Members of the Committee be given the opportunity to ask questions of attendees, and to contribute and speak;
- ii) that those assisting the Committee by giving evidence be treated with respect and courtesy; and
- iii) that the investigation be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

(c) Following any investigation or review, the Committee shall prepare a report, for submission to the Executive and/or Council as appropriate and shall make its report and findings public.

## **18. Matters within the remit of more than one Overview and Scrutiny Committee**

Where a matter for consideration by an Overview and Scrutiny Committee also falls within the remit of one or more other Overview and Scrutiny Committees, the decision as to which Overview and Scrutiny Committee will consider it will be resolved by the Finance and Performance Committee. If appropriate, the Finance and Performance Committee may convene joint meetings of Committees. It may also recommend the establishment of joint Sub-Committees or Task Groups.

# Operation of CCfA



<p><b>Step 2</b> Call for Action form</p>	<p>In Completing the form you should:</p> <ul style="list-style-type: none"> <li>•State what the issue is</li> <li>•State what action has been taken to resolve the issue</li> <li>•Include an outline of the resolution being sought</li> <li>•Indicate any other organisations that are involved in the CCfA</li> <li>•<b>Send your completed form to the Committee Manager</b></li> </ul>
<p><b>Step 3</b> Chair's consideration of the Call for Action form</p>	<p>On receipt of such a request the Head of Democratic Services, with the consent of the Chair, will include the item on the first available agenda of the relevant Overview and Scrutiny Committee for it to determine whether the request is valid in accordance with the call for action protocol.</p> <p>In doing so they will ask if:</p> <ul style="list-style-type: none"> <li>• All existing options to resolve the issue have been exhausted</li> <li>• There are potential resource implications in the Committee's work programme to accommodate the CCfA</li> <li>•The statutory exclusions have been considered e.g. subject of a complaint, vexatious, persistent, unreasonable or discriminatory.</li> </ul>
<p><b>Step 4</b> Overview and Scrutiny Committee</p>	<p>The initial report allows the Committee to determine the appropriate authority in its work programme for the CCfA.</p> <ul style="list-style-type: none"> <li>• It will include information on:</li> <li>• What the Councillor is requesting as the proposed outcome (with an opportunity to speak to the item)</li> <li>• Action being taken prior to the Call for Action being taken</li> <li>• Any other known information</li> <li>• Exclusions process information</li> <li>• Which organisations/service managers would be affected</li> <li>• Potential resource implications</li> <li>• Whether and when to include the CCfA into the work programme</li> </ul>
<p><b>Step 5</b> Overview and Scrutiny Committee</p>	<p>Once the CCfA is in the Committee's work programme it will receive:</p> <p>A report including the background to the CCfA  Comments from partner organisations  Other information submitted for consideration by the committee  Evidence from appropriate experts</p> <p><b>The committee will seek to recommend a 'resolution' to the CCfA</b></p>
<p><b>Step 6</b> Seeking a resolution</p>	<ul style="list-style-type: none"> <li>• The Overview and Scrutiny Committee makes recommendations to the Cabinet if it is a Council matter or to other partners.</li> <li>• CCfA may be about matters that cut across the remit of partner organisations</li> <li>• The committee will send its recommendation direct to the organisation concerned</li> <li>• The committee might say there is no action to be taken</li> </ul>
<p><b>Step 7</b> Monitoring recommendations</p>	<p>The Overview and Scrutiny Committee will monitor the implementation of its 'recommendations'</p>

**Councillor Call for Action Form**

Please complete every section fully – and provide evidence as requested – because failure to do so could cause delay in referral to the relevant scrutiny body

**Committee**

**Description of the subject matter and outcome sought**

**Impact**

Locality (*ward(s)/area covered*):  
No. people affected (*i.e. not individual complaint*).

**What prompted you to raise this issue?**

**What has been done to address the issue to date?** (Please provide details of the processes used – attach any supporting documents as appropriate)

**What is the timescale you consider appropriate to address this issue?** (i.e. explain why this cannot await consideration as part of the next year's scrutiny work programme)

**Are there any specific Environmental, financial, policy, legal or equalities implications related to the issue?**

**What other organisations are involved, if any?**

**Any other comments**

**Proposed by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Ward:** \_\_\_\_\_

**LONDON BOROUGH OF RICHMOND UPON  
THAMES**

**FINANCIAL REGULATIONS**

# **FINANCIAL REGULATIONS – SECTION 1**

## **KEY CONTROL REQUIREMENTS**

### **1. GENERAL**

#### **1.1 Overview**

1.1.1 Departments have many systems and procedures relating to the control of the Council's assets, including purchasing, costing and management systems. Departments are also increasingly reliant on computers for their financial management information. The information must therefore be accurate and the systems and procedures should be sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.

1.1.2 The Director of Finance & Corporate Services has a professional responsibility to ensure that the Council's financial systems are sound and should be notified of any new developments or planned changes.

#### **1.2 Key Control Requirements**

1.2.1 Members and officers must understand and abide by their responsibilities as set out in this document.

1.2.2 Consultants or agency staff acting for the Council will be bound by these regulations and it must be a condition of their engagement or employment that they do so.

1.2.3 Basic data must as a minimum exist to enable the authority's objectives, targets, budgets and plans to be formulated.

1.2.4 Performance management information relevant to each service must be communicated to the appropriate managers on an accurate, complete and timely basis.

1.2.5 Early warning must be provided of deviations from targets, plans and budgets that require management attention.

1.2.6 Operating systems and procedures must be secure.

1.2.7 These regulations shall apply to services carried out under agency arrangements for any other authority or organisation.

### **2. RISK MANAGEMENT AND INTERNAL CONTROLS**

#### **2.1 Overview**

2.1.1 The authority is a complex organisation and has many statutory obligations and other policy objectives to achieve. In delivering its services, the Council

adheres to a corporate system of policy planning and performance management, together with an integrated risk management process.

2.1.2 All senior managers are required to complete risk registers in their areas of responsibility. The identification and management of risk must be linked to the achievement of the Council's objectives, and then a control environment established to manage or mitigate those risks, and hence ensure the achievement of those objectives. The Council has an agreed Risk Management Strategy, which sets out the standard risk based evaluation process to be applied across the Council. Risk assessment and internal controls should form an integral part of service planning and delivery, and not be regarded as a separate activity.

2.1.3 A system of internal controls is required in order to provide assurance that:

- risks to service delivery are identified and managed
- operations are efficient and effective;
- financial information and performance reporting is reliable;
- there is compliance with laws and regulations.

2.1.4 The Accounts and Audit Regulations 2003 (updated 2006) require Councils to publish an annual Statement of Internal Control as part of its annual accounts. This statement provides a set of assertions on the quality of the control environment operating throughout the Council. The Council has adopted an Assurance Framework process to obtain the necessary assurances from senior officers that the control environment is both adequate (fit for the purpose) and operating effectively as intended. The Assurance Framework is based on the Heads of Service completing Control Effectiveness reports, which are then reviewed and agreed with their Directors. The Directors then prepare control assurance statements, which feed directly into the Statement of Internal Control.

## **2.2 Key Internal Controls**

2.2.1 Managerial control systems must exist to define policies, set objectives and plans, identify risks, establish appropriate controls, monitor financial and other performance indicators and to take appropriate anticipatory and remedial action.

2.2.2 Financial and operational control systems and procedures include physical safeguards for assets, segregation of duties, authorisation and approval procedures and security of information systems.

2.2.3 An effective internal audit function must exist which operates in accordance with the principles stated in the Auditing Practices Board's auditing guideline 'Guidance for Internal Auditors', and also in accordance with the requirements of the accounts and Audit Regulations 2003 (updated 2006) and any other statutory obligations and regulation. Internal Audit undertake risk based, systems and compliance audits to review and evaluate the Council's risks and controls, systems and procedures on a regular basis.

### **3. PREVENTING FINANCIAL IRREGULARITIES**

#### **3.1 Overview**

- 3.1.1 The Council will not tolerate fraud and corruption in the administration of its responsibilities whether from inside or outside the authority.
- 3.1.2 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 and financial requirements, rules, procedures and practices.
- 3.1.3 The Council also expects that organisations it comes into contact with, and persons/companies working on its behalf, will act towards the Council with integrity and without thought or actions involving fraud and corruption.
- 3.1.4 Detailed guidance on reporting fraud and irregularities is available within the Council's 'Whistleblowing Policy' (see Part 5 of the Council's Constitution).

#### **3.2 Key Prevention Controls**

- 3.2.1 The key controls regarding the prevention of financial irregularities are that:
- the culture and tone of the authority is one of honesty and opposition to fraud and corruption;
  - all Officers and Members of the Council shall act with integrity and lead by example;
  - all individuals and organisations associated in any way with the Council will act with integrity;
  - senior managers are required to deal swiftly and firmly with those who defraud the Council or are corrupt and Internal Audit must be informed at the commencement of any investigation;
  - both Internal and External Audit regularly review the corporate governance of the authority and will draw matters to the attention of the Director of Finance & Corporate Services or the Monitoring Officer as appropriate.

### **4. REVENUE BUDGET**

#### **4.1 Overview**

- 4.1.1 Budget Management ensures that resources allocated by the Council are used for their intended purposes and that these resources are properly accounted for. Budgetary control is a continual process enabling the authority to review and adjust its budget targets during the financial year. It also provides the mechanism to call to account managers responsible for defined elements of the budget.
- 4.1.2 By identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest

opportunity. The Council itself operates within an annual cash limit, approved in setting the overall budget. To ensure that the Council does not overspend, each Head of Service / Assistant Director is required to manage his/her own expenditure within the cash limited budget allocated.

4.1.3 Budgets are approved by the Heads of Service and Council and the budget holders are therefore authorised to incur expenditure in accordance with those estimates

## **4.2 Key Revenue Budget Controls**

4.2.1 The key controls for managing and controlling the revenue budget are:

- The Council shall approve a revenue budget and Council Tax in accordance with the relevant legislation.
- Budget holders shall be responsible for expenditure against the budget which is allocated to them.
- Each “£” of budgeted expenditure shall be allocated to a named budget manager.
- Budget managers shall accept accountability for their budgets and the level of service to be delivered.
- Budget managers shall follow an approved certification process for all expenditure.
- Income and expenditure shall be properly accounted for and recorded.
- Performance levels/levels of service must be monitored in conjunction with the budget and necessary action taken to align service outputs and budget.
- Any contingency budgets must be identified to the Director of Finance & Corporate Services who shall be responsible for approving expenditure against any such contingency.
- Where in the opinion of the Head of Service / Assistant Director or the Director of Finance & Corporate Services actual or proposed expenditure is likely to result in a budget overspend, the Head of Service / Assistant Director concerned must seek a virement to offset this overspend.
- Managers shall receive and review budget monitoring reports regularly.

## **5. SCHEME OF VIREMENT**

### **5.1 Overview**

- 5.1.1 The Council's scheme of virement is administered by the Director of Finance & Corporate Services within guidelines set by Council. Any variation from this scheme requires the approval of Council.
- 5.1.2 The rules below cover virement, which is switching resources between different heads of expenditure. For the purposes of this scheme, a budget head is considered to be the estimate shown in the Council's accountancy system. These rules apply only to revenue expenditure.
- 5.1.3 Any restructuring of budgets that follows a management reorganisation, i.e. a service being transferred from one Directorate to another, but results in no change to either the level or purpose for which budgets are held, will not be considered as a virement for the purpose of these Regulations.
- 5.1.4 The Council's scheme of virement is intended to enable Heads of Service and their staff to manage budgets with a degree of flexibility, within the overall "Policy Framework" as determined by the Council, and therefore optimise the use of resources. Heads of Service 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. Heads of Service must plan to fund such commitments from within their own budgets.

### **5.2 Key Virement Controls**

- 5.2.1 Virements should only be made in accordance with the following guidelines:
- the limits and authorisation requirements as set out in Appendix 5;
  - where such a virement leaves the originating budget with sufficient funds to meet its commitments.

## **6. CAPITAL PROGRAMME AND FUNDING**

### **6.1 Overview**

- 6.1.1 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 and equipment or vehicles. Capital assets shape the way services are delivered for the long term and create financial commitments for the future in the form of financing costs and revenue running costs.
- 6.1.2 The Government places strict controls on the financing capacity of the Council. 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.

## **6.2 Key Capital Programme Controls**

6.2.1 The key controls for capital programmes are:

- The Capital Strategy Document which sets the framework within which all capital schemes should be approved and monitored;
- The Capital Asset Management Plan (CAMP) which identifies the key assets, their use, value and condition. The CAMP should be used as part of the process to determine the priorities when setting the capital programme;
- Specific approval is provided by the Council for the programme of capital expenditure;
- Expenditure on capital schemes is subject to the approval of the Director of Finance & Corporate Services;
- Steps shall be taken to enable land required for the purposes of the programme to be acquired in due time;
- A scheme and estimate, including associated revenue expenditure shall be prepared for each capital project, for approval by the Executive;
- Funding for all schemes shall be recommended by the Director of Finance & Corporate Services for approval by the Executive;
- Proposals for improvements and alterations to buildings must be incorporated within the Capital Programme and approved by Executive;
- Schedules for individual schemes within block votes must be submitted to the Executive for approval (for example, minor works).

## **7. ORDERING AND PAYING FOR WORK, GOODS AND SERVICES**

### **7.1 Overview**

7.1.1 Public money should be spent with demonstrable probity and in accordance with the Council's policies. The Council's procedures should help to ensure that services can receive value for money in their purchasing arrangements. These procedures should be read in conjunction with the Council's Procurement Handbook and Contract Standing Orders.

7.1.2 Every Officer and Member of the authority has a responsibility to declare any links or personal interest which they may have with purchasers or suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council. In addition they must comply with the Officer and Member Codes of Conduct respectively.

## **7.2 Key Payment Controls**

7.2.1 The key controls for ordering and paying for work, goods and services are:

- all purchases of goods and services must comply with the Council's Contract Standing Orders and the Procurement Handbook;
- all goods and services shall be ordered in accordance with the Council's Procurement Handbook unless they are purchased from within the Council
- all purchases of goods and services must be backed up by appropriate documentation that provides an audit trail for the transaction. Such documentation might be a contract, specialist records relating to specific service provision, record of an on line order, a non Council order form or an official Council order. The records must show the goods and services being procured, an estimated price and the name of the authorising officer. The Director of Finance and Corporate Services may, from time to time, specify exceptions to this requirement. The current exceptions are utility bills, rent payments and purchases of minor items via petty cash or procurement cards.
- all goods and services must only be ordered by appropriate persons and must be recorded;
- goods and services must be checked to ensure they are in accordance with the order;
- payments must only be authorised by officers who can certify that goods have been received in terms of price, quantity and quality;
- all payments must be made to the correct person/persons, for the correct amount and shall be properly recorded regardless of the payment method;
- no payment shall be made to any organisation in advance of goods or services being rendered to the Council except in instances of subscriptions, memberships, training courses etc. Formal consent of a member of the Executive Board must be obtained in other instances;
- all appropriate payment documents must be retained and stored for at least the defined period in accordance with the Council's "Guidelines on the Destruction of Records" ( Appendix 2);
- officers certifying accounts for payment shall ensure that they are dealt with promptly, ensuring that any discounts available can be obtained and that the performance indicator for payment timescales is met;
- all expenditure including V.A.T. must be accurately recorded against the correct budget;

- in addition, the effect of e-business/e-commerce and electronic purchasing requires that processes are put in place to maintain the security and integrity of data for transacting business electronically;
- official orders must be in a form approved by the Director of Finance & Corporate Services;
- each order must conform with the directions of the Council on central purchasing and the standardisation of supplies and materials. The Council's standard terms and conditions must not be varied without the prior approval of the Director of Finance & Corporate Services;
- apart from petty cash, other payments from imprest/advance accounts or payments made by Procurement Card, the normal method of payment shall be by cheque or BACS drawn on the Council's bank account by the Director of Finance & Corporate Services. Payments made through petty cash, imprest account or procurement card must comply with the relevant guidance issued in respect of that payment method;
- the use of direct debit or standing order shall require the prior approval of the Director of Finance & Corporate Services;
- official orders must not be raised for any personal or private purchases, nor should personal or private use be made of Council contracts;
- commonly used goods, materials and services are to be contracted for and purchased from the named suppliers. A list of corporate contracts can be found on the Corporate Purchasing Intranet site. This provision may be waived in the event of a genuine emergency where agreement has been given by the Director of Finance & Corporate Services;
- any purchase of IT software or hardware (except for consumables) must be via the Council's IT Partner and shall require the approval of the relevant departmental commissioning agent. The departmental commissioning agent must keep a separate record of all purchases made, recording the date and the identification / property marking. This record must be made readily available to the Head of IT upon request.

## **8. INCOME COLLECTION**

### **8.1 Overview**

- 8.1.1 Income can be a vulnerable asset and effective utilisation of income collection systems is essential to ensure that all of the income due to the Council is identified, collected, receipted and banked properly. It is preferable, whenever practicable, to obtain income in advance of supplying goods or services as this improves the Council's cash flow and also avoids the time and cost of administering debts.

## 8.2 Key Income Collection Controls

8.2.1 The key controls for the collection of income are as follows:

- all income due to the Council must be identified and charged for correctly through the Council's primary income systems (e.g. DEBT, CTAX, NNDR) unless specifically authorised otherwise by the Director of Finance & Corporate Services;
- all income must be collected from the correct person at the right time using current procedures and approved stationery;
- all money received by an employee on behalf of the Council must be paid without delay to the Director of Finance & Corporate Services or as he/she directs, to the Council's bank account;
- on receipt of income, Council officers must issue an official receipt;
- effective action must be taken to pursue non-payment of debt within defined timescales;
- formal approval for write-off of any debt must be obtained using the standard form (see Appendices 2 & 8);
- appropriate write off action must be taken within defined timescales;
- appropriate accounting adjustments are made following write off action;
- the appropriate income documents must be retained for the defined period in accordance with "Guidelines on the Destruction of Records" (Appendix 2);
- all receipt forms, books, tickets etc. shall be in a form approved by the Director of Finance & Corporate Services;
- all manual receipts issued shall be signed by the receiving officer;
- personal cheques or electronic transactions may not be cashed out of money held on behalf of the Council;
- every transfer of official monies from one officer to another shall be evidenced in the records of the department concerned by the signature of the receiving officer;
- scales of charges for goods/services provided by the Council shall be reviewed annually in accordance with the Council's Corporate Policy on Fees & Charges (see Appendix 7) and reported to the Executive and Council if appropriate. Directors can set and / or amend charges where the impact is under £10,000 per annum.

## **9. BANKING ARRANGEMENTS AND CHEQUES**

### **9.1 Overview**

9.1.1 The Council operates a number of bank accounts for the collection and payment of monies. Receipts and payments are made through these accounts by both manual (cash, cheques) and electronic (BACS, CHAPS) means. Most payments/receipts should come through the Council's centrally held main accounts; only in exceptional circumstances will separate accounts with cheque books / paying in facilities be issued.

### **9.2 Key Banking Controls**

9.2.1 All arrangements with the Council's bankers concerning the Council's bank accounts will be made through the Director of Finance & Corporate Services. Only the Director of Finance & Corporate Services is authorised to open bank accounts relating to the Council's business.

9.2.2 All bank accounts shall bear an official title and in no circumstances shall an account be opened in the name of an individual, with the exception of the Returning Officers Account for election expenses. All stocks of cheques must be held securely and stock records maintained to identify both issued and spoilt cheques.

9.2.3 Bank accounts shall be reconciled with cashbooks at least once in each month and any discrepancies identified and appropriate action undertaken.

9.2.4 Heads of Service, in relation to bank accounts, shall arrange such safeguards as necessary and practicable, including the separation of staff duties so that as far as possible the following are the responsibility of at least 2 separate officers:

- checking of creditors accounts;
- control of cheque forms;
- preparation of cheques;
- signature of cheques;
- despatch of cheques;
- entry of the cash accounts;
- reconciliation of bank balances.

## **10. PAYMENTS TO EMPLOYEES AND MEMBERS**

### **10.1 Overview**

10.1.1 Staff costs are the largest item of expenditure for most Council services. It is therefore important that there should be effective controls in place to ensure that payments are made only where they are due for services to the Council and that payments accord with individual conditions of service.

## **10.2 Key Remuneration Controls**

10.2.1 The key controls for payments to employees and Members are:

- proper authorisation procedures and adherence to corporate timetables for starters, leavers, variations and enhancements must be complied with;
- frequent reconciliation of payroll expenditure must be undertaken against approved budgets;
- all appropriate payroll documents must be retained and stored for the defined period in accordance with the “Guidance for the destruction of documents (Appendix 2);
- all employees must be paid through the Council’s payroll system;
- all absences from duty due to sickness or other reasons must be properly recorded in an approved format;
- information necessary to maintain records of service for pension funds must be properly recorded in an approved format;
- all timesheets or other pay documents must be signed by the employee and authorised by an approved member of staff confirming the entries to be accurate;
- an up to date list of officers authorised to certify salary documents must be provided to the Director of Finance & Corporate Services and any additions/deletions reported on a timely basis;
- a Members’ Allowances Scheme must be approved annually by the Council and all payments to Members must be made in accordance with that approved scheme.

## **11. INVENTORIES AND SECURITY OF ASSETS**

### **11.1 Overview**

11.1.1 The Council holds assets in the form of property, vehicles, equipment, furniture and other items worth many millions of pounds. It is important that assets should be safeguarded and used efficiently in the delivery of services, and that there should be arrangements for the security of both assets and service operations.

### **11.2 Key Asset Controls**

11.3 An up to date inventory of all attractive and readily portable items and those with a purchase value of £250 or more and an estimated life in excess of 12 months shall be maintained for each establishment or department which records the following:

- description of item;
  - value of each item;
  - date of purchase;
  - security tag number;
  - make and model;
  - serial number.
- 11.4 An annual physical inventory check must be undertaken and any discrepancies identified and reported to the Head of Service / Assistant Director. In respect of stores, procedures should be in place to ensure continuous stocktakes and the level of stock should be maintained at reasonable levels.
- 11.5 All assets over £250 shall, as far as practicable, be effectively marked as Council property.
- 11.6 The disposal of surplus or obsolete items shall be undertaken within the “Guidelines for the disposal of assets and I.T. equipment”,(Appendix 3).
- 11.7 Authorisation from the responsible Head of Service / Assistant Director must be obtained for appropriate adjustment to the inventory and of stock records in the event of a loss or disposal as per Appendix 3.
- 11.8 All items loaned to Officers and Members e.g. laptop computers must be separately recorded in a record of loans and signatures should be provided by the borrowing officer.
- 11.9 The key controls for the security of resources such as land, buildings, fixed plant and machinery are:
- budget managers must obtain specific funds for the specified level of service delivery;
  - approval to commit expenditure is required using an approved authorisation process, in particular no fixed asset with a value in excess of £10,000 shall be acquired without the approval of the Cabinet Member for Resources;
  - resources must only be used for the purposes of the Council and shall be properly accounted for;
  - resources must be secured and available for use when required;
  - resources no longer required must be disposed of in accordance with the regulations of the Council so as to maximise benefits.
- 11.10 Maximum limits of cash as specified by the Council’s insurers to be held at any one time shall not be exceeded without the permission of the Director of Finance & Corporate Services. (Advice on insurance limits may be obtained from the Council’s insurers through the Director of Finance & Corporate Services).

- 11.11 Keys to safes and similar receptacles used for the safekeeping of cash must be kept on the person of the responsible officer at all times. The loss of any such keys must be immediately reported to Internal Audit.
- 11.12 Secure arrangements must be made for the preparation and holding of pre-printed cheques, stock certificates, bonds and other financial documents.
- 11.13 Whenever breaking and entering, burglary or criminal damage occurs the matter must be reported immediately to the police and Internal Audit.
- 11.14 Details regarding maintaining a fixed asset register, as per the guidelines issued by the Director of Finance & Corporate Services, shall be complied with at all times

## **12. DISPOSAL OF ASSETS**

### **12.1 Overview**

- 12.1.1 It would be unsatisfactory 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 guidance provided at Appendix 3.

### **12.2 Key Disposal Controls**

- 12.2.1 Assets must be disposed of at the most appropriate time, only when it is in the best interests of the Council, and at the best price reasonably obtainable. For items of significant value, disposal should be by competitive tender or public auction. Guidelines on disposal of assets are attached at Appendix 3.
- 12.2.2 The Corporate Asset Management Plan (CAMP) should be used to identify the initial value of the asset and whether there is any alternative use before disposal takes place.
- 12.2.3 All IT disposals must be via the Council's IT Partner and with the approval of the relevant departmental commissioning agent.

## **13. STOCKS AND STORES**

### **13.1 Overview**

- 13.1.1 Heads of Service shall be responsible for the proper custody of stocks and stores held and shall see that all stocks and stores under their supervision are subject to an effective system of stock recording and control and stocktaking.

### **13.2 Key Stock Controls**

- 13.2.1 Stocks in excess of reasonable requirements shall not be kept other than in exceptional circumstances.
- 13.2.2 Obsolete stock with a value of less than £500 should be disposed of after consultation with the Corporate Procurement Manager. Obsolete stock with a

value greater than £500 should be disposed of by competitive competition or auction unless in any particular case it is decided otherwise by the Executive.

- 13.2.3 All practicable steps must be taken to ensure that a delivery note submitted by the supplier or by the person delivering is obtained at the time of delivery. All goods delivered must be checked to verify that the correct quantity has been received.
- 13.2.4 All goods must be checked as regards quality and with the specification as soon as practicable after delivery.
- 13.2.5 No article or goods shall be issued from any store or depot unless the person receiving the goods produces a requisition note, properly certified.
- 13.2.6 The responsible Head of Service / Assistant Director shall make arrangements for a system of continuous stock-taking to be carried out so that the stock of all articles is confirmed at least once in each financial year. Stock checks must be undertaken annually by an officer not responsible for the stores and a certificate of stock must be issued to the Director of Finance & Corporate Services as at 31<sup>st</sup> March in all financial years.
- 13.2.7 The Director of Finance & Corporate Services shall be entitled to check stores, if necessary requiring closure of the stores after consultation and agreement with the Head of Service / Assistant Director concerned, and be supplied with such information as required in relation to stores for the accounting, costing and financial records of the Council.

## **14. PETTY CASH/ IMPREST ACCOUNTS ETC.**

### **14.1 Overview**

- 14.1.1 The Director of Finance & Corporate Services shall make such advances as deemed appropriate either to departmental management or direct to particular officers for the defraying of authorised expenses of the Council. Such advances shall be maintained on an imprest basis.

### **14.2 Key Petty Cash Controls**

- 14.2.1 A request should be made in writing, via the Director of Finance & Corporate Services, in order for a department/establishment to open/close a petty cash account/imprest account or an account with the Council's Bankers for use by an imprest holder.
- 14.2.2 Imprest accounts shall not be permitted to be overdrawn.
- 14.2.3 Adequate security arrangements with regard to any cash balances held should be exercised at all times in accordance with requirements of the Council's Insurers. Stamps (including any franking machine) and similar stocks shall be properly controlled.

- 14.2.4 Each imprest holder shall annually, and at other times when requested, provide a certificate to the Director of Finance & Corporate Services of the amount held and a reconciliation covering all expenditure incurred.
- 14.2.5 On leaving the Council's employment or otherwise ceasing to be responsible for an imprest, each officer shall account to the Director of Finance & Corporate Services for the amount advanced. It is the responsibility of the relevant officer's line manager to ensure that this happens.
- 14.2.6 Payments shall be limited to minor items of expenditure not exceeding £100 unless approval is given by Internal Audit for exceptional payments in excess of this figure.
- 14.2.7 Receipts for all disbursements shall be obtained and the imprest holder shall obtain a signature for all reimbursements. A VAT invoice must be obtained for all purchases, and care taken to isolate the VAT element in any payment made from the imprest account.
- 14.2.8 The imprest holder shall be responsible for the control and operation of the imprest account in accordance with any instructions issued by the Director of Finance & Corporate Services. All non-computerised records relating to imprest accounts shall be maintained in ink. Expenditure which should form part of the payroll system e.g. car allowances, subsistence and payment to casual staff shall not be processed through imprest accounts. Guidance on the operation of imprest/advance accounts is detailed at Appendix 4.
- 14.2.9 No income other than the original advance and reimbursement shall be credited to an imprest account.

## **15. UNOFFICIAL FUNDS**

### **15.1 Overview**

- 15.1.1 An "unofficial fund" is any fund where the income and expenditure does not form part of the Council's accounts, but which is controlled wholly or in part by an officer by reason of employment by the authority or employment by a semi-autonomous body.

### **15.2 Key Unofficial Fund Controls**

- 15.2.1 The existence of all 'Unofficial funds' shall be notified to the Director of Finance & Corporate Services who will issue and update accounting instructions for them where necessary.
- 15.2.2 All 'Unofficial funds' must be properly accounted for and be subject to an independent annual audit.
- 15.2.3 Accurate records must be maintained as per the regulations governing the operation of Imprest Accounts (Appendix 4).

## **16. INFORMATION SYSTEMS**

### **16.1 Overview**

16.1.1 The Council is responsible for many computer systems and items that support the electronic exchange of information. It is important that relevant Acts of Parliament are complied with, (such as Data Protection Act 1998), and that all systems contain the necessary internal control mechanisms to protect the Council's assets.

### **16.2 Key Information Systems Controls**

16.2.1 The development and implementation of all major I.T. systems should conform to the Council's overall ICT Strategy.

16.2.2 Officers should ensure that they comply with the Computer Security Guidelines and the Data Protection Act as well as the Council's Code of Practice for the use of e-mail, the Intranet and the World Wide Web.

16.2.3 Officers should ensure that they maintain confidentially all passwords issued to them and only access systems for which they have been given specific authority.

16.2.4 Quotations for all purchases of computer hardware/software, excluding consumables, should be requested via the Corporate I.T. Department.

## **17. CLAIMS FOR EXPENSES AND ALLOWANCES**

### **17.1 Overview**

17.1.1 Officers may incur certain expenses in the course of their Council duties. In normal circumstances, the need to incur such expenses shall be approved in advance and shall be incurred in the most cost effective way.

### **17.2 Key Expenses Controls**

17.2.1 All employees submitting claims for expenses shall ensure that the claim is in respect of legitimate and authorised expenditure which has been incurred on Council business.

17.2.2 Certification by or on behalf of a Head of Service / Assistant Director shall be taken to mean that the certifying officer is satisfied that journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council.

17.2.3 All car allowances are to be paid through the Council's Payroll System. The use of travel warrants should be encouraged whenever rail travel is contemplated.

17.2.4 Claims for expenses not identified as taxable and in excess of £100 (inclusive of VAT) are to be reimbursed through the Council's creditors system utilising

the BACS facility where appropriate. Each claim shall be promptly submitted for payment and shall be presented on a form clearly detailing the expenditure incurred, supported by receipts where applicable, dated, coded, signed by the claimant and counter signed by the appropriate authorising officer.

17.2.5 Payments less than £100 may be made by the Chief Cashier on an approved form clearly detailing the expenditure incurred, supported by receipts where applicable, dated, coded, signed by the claimant and counter signed by the appropriate authorising officer.

## **18. RISK MANAGEMENT AND INSURANCE**

### **18.1 Overview**

18.1.1 All organisations, whether they are in the private or public sectors, face risks to people, property and continued operations. Risk is defined as the chance or possibility of loss, damage or injury 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.

18.1.2 Insurance has been the traditional means of protecting against loss but this cannot be seen as the complete answer. By reducing, or even preventing, the incidence of losses (whether they result from crime or accident) the Council will benefit from reduced costs of providing insurance cover and will also avoid the disruption and wasted time caused by losses and insurance claims.

18.1.3 It is the overall responsibility of the Council, to approve the authority's Risk Management Strategy, and to promote a culture of risk management awareness throughout the Council.

### **18.2 Key Risk Management and Insurance Controls**

18.2.1 The key controls for risk management and insurance are:

- procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are promoted throughout the organisation;
- acceptable levels of risk are determined and insured against where appropriate;
- managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives;
- provision is made for losses that might result from the risks that remain;
- procedures are in place to investigate claims within required timescales;

- a full risk management review shall be carried out at least every 5 years and a monitoring process shall be in place to regularly review the effectiveness of risk management.

## **19. TREASURY MANAGEMENT**

### **19.1 Overview**

19.1.1 Many millions of pounds pass through the Council's books each year. The Chartered Institute of Public Finance and Accountancy (CIPFA) lay down the Code of Practice on Treasury Management which the Council follows. This Code, together with the Council's own policies, aims to provide assurances that the Council's money is properly managed in a way which balances risk with return, but with the overriding consideration being given to the security of the Council's capital sum.

### **19.2 Key Treasury Management Controls**

19.2.1 Clear procedures and systems documentation are in place which define the Council's policy on Treasury Management. The Treasury Management Policy shall be approved annually by the Executive who shall also receive twice yearly reports on borrowing activity from the Director of Finance & Corporate Services.

19.2.2 All executive decisions on borrowing, investment or financing (including leasing) shall be delegated to the Director of Finance & Corporate Services who shall act in accordance with the Council's agreed "Treasury Management Policy". All leasing requires the prior approval of the Director of Finance & Corporate Services.

19.2.3 All borrowing, lending or investment shall be made in the name of the Council.

## **20. ACCOUNTING POLICIES**

### **20.1 Overview**

20.1.1 The Director of Finance & Corporate Services is responsible for the preparation of the Council's Statement of Accounts, in the format required by the CIPFA Code of Practice on Local Authority Accounting in Great Britain, for the financial year ending 31 March.

### **20.2 Key Accounting Policy Controls**

20.2.1 The key controls for accounting policies are:

- suitable accounting policies are selected and applied consistently;
- judgements are made and estimates prepared which are reasonable and prudent;

- statutory and other professional requirements are observed to maintain proper accounting records;
- all reasonable steps have been taken for the prevention and detection of fraud and other irregularities.

## **21. ACCOUNTING RECORDS AND RETURNS**

### **21.1 Overview**

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

### **21.2 Key Accounting Record Controls**

21.2.1 The key controls for accounting records and returns are:

- all Executive Members, finance staff and budget managers shall operate within the required accounting standards of the Council;
- all the authority's transactions, material commitments and contracts and other essential accounting information shall be recorded completely, accurately and on a timely basis;
- procedures shall be in place to enable accounting records to be reconstituted in the event of failure;
- balances and reconciliation procedures shall be carried out to ensure transactions are recorded correctly;
- the Director of Finance & Corporate Services may from time to time issue requirements for accounting records or procedures which must be adhered to by all officers to ensure that the Council meets the statutory requirements of audit.

## **22. FORMAT OF THE ACCOUNTS**

### **22.1 Overview**

22.1.1 The format of the budget will determine the level of detail on which financial control and management will be exercised. The format will shape how the rules around virement will operate, the operation of cash limits and will set the level at which funds may be re-allocated within budgets.

## **22.2 Key Controls for the Format of the Accounts**

22.2.1 The key controls for the budget format are:

- the format complies with all legal requirements;
- the format complies with the CIPFA Code of Practice on Local Authority Accounting in Great Britain.

## **23. PERFORMANCE PLAN**

### **23.1 Overview**

23.1.1 Each local authority has a statutory responsibility to publish various plans, within the Council's "Policy Framework", including Best Value Performance Plans, Crime Reduction Strategies, Community Plans etc. The purpose of the plans is to drive the overall priorities and objectives, current performance, and proposals for further improvement. The Best Value Performance Plan is particularly important and is an extension of yearly reports on performance against the Audit Commission performance indicators.

### **23.2 Key Performance Plan Controls**

23.2.1 The key controls for performance plans are:

- to ensure that all relevant plans are produced and that they are consistent with each other;
- to produce plans in accordance with statutory requirements;
- to meet the set timetables;
- to be regularly monitored by senior officers, the Executive and the appropriate Overview and Scrutiny Committee, alongside the budget of the authority.

## **24. CONTRACTS AND CAPITAL MONITORING**

### **24.1 Overview**

24.1.1 Capital expenditure is tightly controlled by central Government and it is essential that the limited resources available are tightly controlled so that the Council may achieve the outcomes it desires. The controls set out below shall apply to both revenue contracts and capital unless otherwise stated.

### **24.2 Key Contract Controls**

24.2.1 No tender shall be accepted unless it complies with and is within the tolerance limits set out in the Council's Contract Standing Orders.

- 24.2.2 Where expenditure on a scheme is spread out over more than one year, a tender may only be accepted if resources have been earmarked in all years concerned.
- 24.2.3 Heads of Service must identify and report the projected over-spend or under-spend on any scheme as soon as they are identified, in accordance with the procedures set out in Appendix 6. Where the cost of a scheme increases in stages it must be reported at each stage with reference made to all previous increases.
- 24.2.4 The Director of Finance & Corporate Services, or a Head of Service / Assistant Director approved by the Director of Finance & Corporate Services, shall keep a register recording amounts due under contracts which provide for payments to be made in instalments. Heads of Services are required to maintain records of all interim payments made under contracts for works or services.
- 24.2.5 All payments under such contracts shall be made on a certificate signed by the appropriate Head of Service / Assistant Director. The certificate shall be dated and contain the total contract sum together with the estimated value of works to date and any retentions/liquidated damages withheld.
- 24.2.6 Where contracts of the Council are supervised and managed by persons other than officers of the Council, the agreement with that person shall stipulate that they shall provide to the Council, for inspection by its officers, all relevant vouchers and documents.
- 24.2.7 Claims from contractors in respect of matters not clearly within the terms of any existing contracts shall be referred to the Head of Legal Services before any settlement is reached.

## **25. TREATMENT OF YEAR END BALANCES AND RESERVES**

### **25.1 Overview**

- 25.1.1 The Council's scheme of year-end balances is administered by the Director of Finance & Corporate Services within guidelines set by the Council. Any variation from this scheme requires the approval of Council.
- 25.1.2 The rules below cover arrangements for the transfer of resources between financial years, i.e. a 'carry forward', and changes to other reserves, provisions and balances.
- 25.1.3 Reserves are maintained as a matter of prudence.

### **25.2 Key Balances Controls**

- 25.2.1 With the exception of school balances, any under-spend or over-spend may only be carried forward with the agreement of the Director of Finance & Corporate Services.

25.2.2 To maintain reserves in accordance with relevant accounting policies and the Code of Practice on Local Authority Accounting in Great Britain. The Director of Finance & Corporate Services shall agree all additions to/withdrawals from reserves, balances and provisions and shall report on such at least annually to the Executive.

## **26. TAXATION**

### **26.1 Overview**

26.1.1 The Council is responsible for ensuring all tax affairs are in order. Tax issues are often complex and the penalties for incorrectly accounting for tax are severe. It is therefore important for officers to be aware of their role.

### **26.2 Key Taxation Controls**

26.2.1 The key controls on taxation are operated by the Director of Finance & Corporate Services and cover the following:

- Budget managers shall be provided with the relevant information and shall be kept up to date on tax issues.
- Budget managers shall be instructed on required procedures for record keeping.
- All taxable transactions shall be identified, properly carried out and accounted for within stipulated timescale
- All records shall be maintained in accordance with instructions.
- All returns shall be made to the appropriate authorities within the stipulated timescales.
- An officer/officers shall be nominated by the Director of Finance & Corporate Services to take responsibility for taxation issues and liaison with agencies such as the Inland Revenue and Customs and Excise.

## **27. GIFTS AND HOSPITALITY**

### **27.1 Overview**

27.1.1 It is essential that a culture of openness and integrity is demonstrated by Officers, Members and contractors when acting on behalf of the Council to ensure high standards of propriety are achieved.

### **27.2 Key Propriety Controls**

27.2.1 All Officers, Members and contractors acting on behalf of the Council must ensure that they follow corporate guidelines and the relevant Code of Conduct in respect of gifts, hospitality, personal interests and other propriety

issues. In addition guidance from professional institutes and other bodies must be followed in appropriate cases.

27.2.2 Officers must notify their Head of Service / Assistant Director of any direct or indirect interest or any personal connection whatsoever that they may have in or with any organisation with which they are dealing on behalf of the Council. All Members must notify the Monitoring Officer if any of the above are applicable.

27.2.3 Each department must maintain a Register of Interests in line with corporate guidelines.

## **28. GRANT INCOME AND CLAIMS**

### **28.1 Overview**

28.1.1 Grant income makes up an ever increasing proportion of Council Funding and the administration of grant funded initiatives can have a significant impact on staff workloads. As such, there needs to be a robust system of approvals, monitoring and claims in place to ensure that all implications have been considered prior to application for a grant, that appropriate controls are in place on expenditure for the purposes of the grant and that effective procedures exist for the submission of claims to grant making bodies.

### **28.2 Key Grant Controls**

28.2.1 The Director of Finance and Corporate Services shall maintain a Grants Register showing inter alia the grant giving body, the purpose of the grant, the nominated responsible officer, the estimated value of the grant and a timetable for submission of claims as per 30.2.8 below.

28.2.2 Permission must be sought from the appropriate Director and Executive Member prior to submitting an application for a grant. The following factors should be considered:

- Relationship of the grant to Community and Service Plan objectives
- Knock on impact of the scheme e.g. additional staff time that cannot be charged to the grant, monitoring, preparing claims, reporting etc.
- Are there any ongoing financial consequences to the Council at the end of the grant?

28.2.3 Expenditure can only be made after formal approval under 28.2.2 and after receipt of official confirmation from the grant giving body.

28.2.4 Any new grants must be reported to the Director of Finance and Corporate Services for inclusion in the Grants Register and to the Executive as part of the budget monitoring process.

- 28.2.5 Each grant must have a nominated responsible officer who will ensure compliance with these regulations.
- 28.2.6 All expenditure must be in accordance with the terms and conditions attached to the grant by the grant giving body and in accordance with the Council's Financial Regulations and Standing Orders.
- 28.2.7 Proper records of expenditure must be kept to allow for verification of amounts claimed by the grant giving body and, where necessary, by the Council's internal and external auditors.
- 28.2.8 All grant claims are to be certified by the Director of Finance and Corporate Services. Grant claims must be completed to allow for:
- The Director of Finance and Corporate Services to verify the grant claim prior to certification
  - Submission of the grant claim to the grant giving body or external auditors in accordance with the grant conditions
- (The Director of Finance & Corporate Services will agree a timetable for each grant claim)
- 28.2.9 Any anticipated shortfall in grant income shall be reported to the Director of Finance and Corporate Resources as soon as it becomes apparent. The Director of Finance and Corporate Resources will normally require the appropriate Head of Service / Assistant Director to identify savings from other budgets where a shortfall of grant income occurs.

## **29. INTERNAL AUDIT**

### **29.1 Overview**

- 29.1.1 The Director of Finance & Corporate Services has a statutory responsibility for the overall financial administration of the Council's affairs and is responsible for maintaining an adequate and effective internal audit.
- 29.1.2 Internal Audit is an independent and objective appraisal function established by the Council for reviewing the authority's 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.

### **29.2 Key Internal Audit Controls**

- 29.2.1 The key controls for Internal Audit are that:
- it remains independent in planning and operation;
  - the Chief Internal Auditor has direct access to the Head of Paid Service, the Executive and the Council's Overview & Scrutiny Committees;

- the internal auditor complies with Auditing Practices Board's auditing guideline 'Guidance for Internal Auditors' and other relevant guidance;
- Internal Audit shall have access at any reasonable time and shall have the authority to apply any test or check they deem necessary to the accounts, cash, securities or other properties or records which relate in any way to the operations of the Council.

## **30. EXTERNAL AUDIT**

### **30.1 Overview**

30.1.1 The Local Government Finance Act 1982 set up the Audit Commission for local authorities and police authorities in England and Wales which is responsible for appointing external auditors to each local authority. The Head of Paid Service is responsible for working with the external auditor and for advising the Council, Executive and Heads of Service on their responsibilities in relation to External Audit. The external auditor has the same rights of access as the internal auditor to all documents, which are necessary for audit purposes.

30.1.2 The basic duties of the external auditor are governed by section 15 of the 1982 Act, under which auditors need to satisfy themselves that:

- the accounts are prepared in accordance with regulations made under Section 23 of 1982 Act and comply with the requirements of all statutory provisions applicable to the accounts;
- proper practice has been observed in compilation of accounts;
- the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

30.1.3 The Council's accounts are scrutinised by external auditors, appointed by the Audit Commission, 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 legal requirements.

### **30.2 Key External Audit Control**

30.2.1 External auditors are appointed by the Audit Commission normally for a minimum period of five years. The Audit Commission prepares guidelines, which the external auditors follow when auditing the authority's statement of accounts.

## **31. PARTNERING ARRANGEMENTS**

### **31.1 Overview**

31.1.1 The Council works with a number of external organisations in delivering community strategies and in seeking to promote and improve the well being of the area. The Council has a key role in leading and co-ordinating the contributions of various stakeholders and providers.

31.1.2 As part of this leadership role, the Council may bid for funds, identify areas for investment, co-ordinate the input of resources from other bodies and organisations. In order to maintain full accountability of its role in these activities, it is essential that these arrangements are subject to the same standards of corporate governance and financial management as applies to the Council's own functions.

31.1.3 Before entering into any partnering arrangement:

- the objectives and associated risks should be clearly identified, so that adequate controls can be implemented. Where partnering arrangements are supported by formal contracts, these should comply with the Council's Contract Standing Orders.
- legal and financial advice must be obtained to ensure the arrangement is legally compliant with statutory requirements and financially viable.
- an initial appraisal should identify the staffing and other resources required and the sources of funding
- roles and responsibilities of the respective parties should be clearly identified before the arrangement commences, particularly with regard to financial management and transaction responsibilities.

31.1.4 Once established, processes and procedures should be documented, and all financial transactions should be supported by adequate evidence to provide an audit trail.

31.1.5 Partnering arrangements should include provision for the Council's Internal Audit to have access to all records and documents as required.

## **31.2 Key Partnering Controls**

31.2.1 Any partnering arrangement should comply with the Council's Contract Standing Orders, Financial Regulations and Risk Management Strategy as far is relevant and appropriate.

31.2.2 Any partnering arrangement planned should be notified to the Director of Finance and Corporate Services and the Head of Legal Services to ensure that the appropriate financial and legal issues are taken into account before the arrangement proceeds. This notification should include a documented risk assessment / register.

31.2.3 Accounting, budget and audit roles and responsibilities must be agreed with the Director of Finance and Corporate Services.

31.2.4 The spending of any specific funding obtained must comply with any key conditions or statutory requirements of the issuing authority / organisation, with full supporting documentation.

## **FINANCIAL REGULATIONS – SECTION 2**

### **RESPONSIBILITIES OF DIRECTOR OF FINANCE AND CORPORATE SERVICES**

#### **1. GENERAL**

- 1.1 The Director of Finance & Corporate Services has statutory duties in relation to the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. The statutory duties arise from laws such as:

Section 151 of the Local Government Act 1972;  
Local Government Finance Act 1988;  
Local Government and Housing Act 1989;  
Accounting and Audit Regulations (latest version);  
Local Government Act 2000.

- 1.2 The Director of Finance & Corporate Services is responsible for:

- the proper administration of the Council's financial affairs;
- setting financial management standards and monitoring their compliance;
- advising on the corporate financial position and on the key financial controls necessary to secure sound financial management;
- preparing the revenue budget, capital programme and borrowing plan.

- 1.3 Section 114 of the Local Government Act 1988 requires the Director of Finance & Corporate Services to report to the Council 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 or would result in a loss or deficiency to the Council;
- has or is about to make an unlawful entry in the Council's accounts.

#### **2. RISK MANAGEMENT AND INTERNAL CONTROLS**

- 2.1 To ensure the proper administration of the financial affairs of the Council.
- 2.2 To set the financial management standards, and to monitor their compliance. This will include guidance and procedures in respect of the operation and use of the Council's main financial system, SAP.
- 2.3 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.

- 2.4 To take action to ensure that financial information is available to enable accurate and timely reporting of comparisons of national and local financial performance indicators.
- 2.5 To prepare, review and amend Financial Regulations and to submit to Council for approval.
- 2.6 To ensure that Heads of Service are informed of the contents and implications of Financial Regulations, with updates issued as appropriate.
- 2.7 To prepare and promote across the authority the Council's Risk Management Strategy and Assurance Framework process. This includes the provision of advice on the key strategic controls necessary to secure an effective system of internal control.
- 2.8 To prepare reports in accordance with legislative requirements on the Council's internal control environment.

### **3. PREVENTING FINANCIAL IRREGULARITIES**

- 3.1 To maintain adequate and effective audit arrangements for the Council.
- 3.2 To ensure that financial irregularities are reported to the Head of Paid Service, the Executive and the Council's relevant Overview & Scrutiny Committee, where appropriate.
- 3.3 To ensure that an asset register is maintained in accordance with good practice. To ensure that no fixed assets with a value in excess of £10,000 are acquired without the prior approval of the Executive Member for Resources.

### **4. REVENUE BUDGET**

- 4.1 To advise on methods available for the funding of expenditure.
- 4.2 To establish an appropriate framework of budgetary management and control which ensures that:
  - budgetary management is exercised within the annual cash limits set, unless the Council agrees otherwise;
  - each Head of Service / Assistant Director has available timely information on receipts and payments on each budget heading, to enable cost centre managers to fulfil their budgetary responsibilities;
  - expenditure is committed only against an approved budget head;
  - all officers responsible for committing expenditure comply with relevant guidance, including these Financial Regulations;

- each budget head has a single named manager, determined by the Head of Service / Assistant Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making powers which commit expenditure;
  - significant variances from approved budgets are investigated and reported by managers regularly.
- 4.3 To administer the Council's scheme of virement.
- 4.4 To prepare and submit reports to the Executive and to Council, as appropriate, in consultation with the Head of Service / Assistant Director where a Head of Service / Assistant Director is unable to balance expenditure compared with the budget.
- 4.5 To prepare and submit reports on budgetary prospects for the Executive, including resource constraints set by Government. Reports should take account of medium-term prospects, where appropriate.
- 4.6 To determine the detailed form of revenue estimates, consistent with the general directions of the Council, and after consultation with the Executive and Heads of Service.
- 4.7 To prepare and submit reports to the Executive and Council on the aggregate spending plans of departments and on the resources available to fund them, identifying, where appropriate, the implications for the level of Council Tax to be levied.
- 4.8 To prepare an annual report detailing the revenue estimates of the Council recommending proposals for the level at which the Council Tax should be set.
- 4.9 To maintain an appropriate forward planning mechanism to monitor the medium term implications of spending decisions.
- 4.10 To encourage best use of resources and value for money by working with Heads of Service 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.
- 4.11 To advise Council on Executive proposals in accordance with the responsibilities under section 151 of the Local Government Act 1972 and the Local Government Act 2000.

## **5. SCHEME OF VIREMENT**

- 5.1 To prepare and agree virement limits and authorisation procedures in conjunction with the Executive.

## **6. CAPITAL PROGRAMMES AND FUNDING**

- 6.1 To prepare capital estimates jointly with Heads of Service and the Head of Paid Service and to report them to the Executive for approval. The Executive will make recommendations on the capital estimates and or any associated financing requirements to Council. Approval from the Cabinet Member for Strategy & Finance and the relevant Cabinet Member is required where a Head of Service / Assistant Director proposes to bid for or exercise additional borrowing approval not anticipated in the capital programme. This is because the extra borrowing may create future commitments to financing costs.
- 6.2 To co-ordinate the preparation of and submit reports to the Executive on the projected expenditure and resources compared with the approved estimates.
- 6.3 To prepare and update the Council's Capital Strategy Document which sets out the framework for the approval and monitoring of capital schemes. The definition of 'capital' will be determined by the Director of Finance & Corporate Services, having regard to Government regulations and accounting requirements.
- 6.4 To ensure adequate records are maintained to inform the Asset Management Plan (CAMP) in accordance with the "Policy Framework". To submit the CAMP to Council on an annual basis.
- 6.5 To ensure that the Council complies with the Prudential Controls regime in respect of the financing of the Capital Programme.

## **7. ORDERING AND PAYING FOR GOODS/SERVICES**

- 7.1 To ensure that all of the Council's financial systems and procedures are sound and well administered.
- 7.2 To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- 7.3 To approve the format of official orders, and associated terms and conditions.
- 7.4 To make payments from the Council's funds on the Head of Service / Assistant Director's authorisation that the expenditure has been duly certified in accordance with these Financial Regulations.
- 7.5 To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute, is made under a court order, is in respect of a major incident where the Council's Emergency Planning procedures are invoked or as advised by the Head of Legal Services.

7.6 To make payments to contractors on the certificate of the appropriate Head of Service / Assistant Director, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.

7.7 To provide advice on making payments by the most economical means.

## **8. INCOME**

8.1 To agree arrangements for the collection of all income due to the Council and approve the procedures, systems and documentation for its collection.

8.2 To order and supply to departments all receipt forms, books or tickets and similar items and satisfy himself/herself regarding the arrangements for their control.

8.3 To agree to the write-off of bad debts within the limits set out at Appendix 1 to an approved limit in each case and to refer larger sums to the Executive.

8.4 To obtain the approval of the Executive in consultation with the relevant Head of Service / Assistant Director, for writing off debts in excess of the approved limit.

8.5 To set a framework for charging policies of the Council in accordance with the Council's Corporate Policy on Fees & Charges (see Appendix 7).

## **9. BANKING ARRANGEMENTS AND CHEQUES**

9.1 To make overall arrangements with the Council's bankers.

## **10. PAYMENTS TO EMPLOYEES AND MEMBERS**

10.1 To arrange and control the secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees in accordance with procedures prescribed and on the due date.

10.2 To record and control tax, superannuation and other deductions.

10.3 To make arrangements for payment of all travel and subsistence claims or financial loss allowance.

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

## **11. INVENTORIES AND SECURITY OF ASSETS**

11.1 To ensure that an asset register is maintained in accordance with good practice. To ensure that no fixed assets with a value in excess of £10,000 are acquired without the prior approval of the Executive Member for Resources.

**12. DISPOSAL OF ASSETS**

- 12.1 To advise on best practice for disposal of assets.
- 12.2 To ensure appropriate accounting entries are made

**13. STOCKS AND STORES**

- 13.1 The Director of Finance and Corporate Services has no direct responsibilities on this issue.

**14. PETTY CASH/IMPREST ACCOUNTS**

- 14.1 To agree the provision of imprest accounts to identified officers of the Council and to set the rules governing the use and administration of such funds.

**15. UNOFFICIAL FUNDS**

- 15.1 To agree the setting up of all “Unofficial Funds” and to issue and update accounting instructions for these funds where necessary.

**16. INFORMATION SYSTEMS**

- 16.1 To ensure that budget proposals for any major development and/or implementation of I.T. systems are made under the terms of the Council’s ICT Strategy.
- 16.2 To ensure that the data provided by information systems is secure, timely and accurate and is able to support calculations of performance indicators etc.

**17. CLAIMS FOR EXPENSES AND ALLOWANCES**

- 17.1 To ensure that claims for expenses and allowances are paid in accordance with the Council’s Financial Regulations.

**18. RISK MANAGEMENT AND INSURANCE**

- 18.1 To prepare and promote the Council’s risk management policy statement.
- 18.2 To effect corporate insurance cover, through external insurance and internal funding, and negotiate all claims in consultation with other officers where necessary.

- 18.3 To include all appropriate employees of the Council in a suitable fidelity guarantee insurance.
- 18.4 To offer insurance cover to schools in accordance with Fair Funding arrangements.
- 18.5 To develop risk management controls in conjunction with other Heads of Service.

## **19. TREASURY MANAGEMENT**

- 19.1 To arrange borrowing and investments of the Council in such a manner as to comply with the CIPFA Code of Practice on Treasury Management in the UK and the authority's Treasury Policy Statement.
- 19.2 To report twice a year to Council on treasury management activities.
- 19.3 To operate such bank accounts as are considered necessary within the terms of the banking arrangement.
- 19.4 To ensure that all investments of money are made in the name of the Council, or in the name of nominees approved by Council.
- 19.5 To effect all borrowings in the name of the Council.
- 19.6 To act as the Council's registrar of stocks, bonds, mortgages and to maintain records of all borrowing by the Council.

## **20. ACCOUNTING POLICIES**

- 20.1 To select suitable accounting policies and to ensure that they are applied consistently. The accounting policies will be set out in the statement of accounts which is prepared at 31 March each year and will be communicated to all Heads of Service.

## **21. ACCOUNTING RECORDS AND RETURNS**

- 21.1 To determine the accounting procedures and records to be maintained by the Council. Where these are maintained outside the Finance Department, the Director of Finance & Corporate Services should consult the Head of Service / Assistant Director concerned.
- 21.2 To compile all accounts and accounting records or ensure they are compiled under his / her direction.

- 21.3 To comply with the following principles when allocating accounting duties:
- separating the duties of providing information about sums due to or from the Council and calculating, checking and recording these sums, from the duty of collecting or disbursing them;
  - employees with the duty of examining or checking the accounts of cash transactions shall not themselves be engaged in these transactions.
- 21.4 To make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit Regulations.
- 21.5 To prepare and publish the audited accounts of the Council for each financial year, in accordance with the statutory timetable.
- 21.6 To ensure the proper retention of financial documents and records. The periods for which documents and records are to be retained are specified in the "Guidelines for the Destruction of Documents" at Appendix 2.

## **22. FORMAT OF THE ACCOUNTS**

- 22.1 To advise the Council on the format of the budget and the accounts of the Council.

## **23. PERFORMANCE PLAN**

- 23.1 To advise and supply the financial information that needs to be included in performance plans in accordance with statutory requirements and agreed timetables.
- 23.2 To contribute to the development of corporate and service targets and objectives and performance information.

## **24. CONTRACTS AND CAPITAL MONITORING**

- 24.1 To ensure that an appropriate Head of Service / Assistant Director/s is nominated to maintain a register recording amounts due under contracts which provide for payments to be made in instalments.
- 24.2 To report jointly with the appropriate Head of Service / Assistant Director to the Executive, on overspends and projected contract overspends as per the schedule detailed at Appendix 6.

## **25. TREATMENT OF YEAR END BALANCES AND RESERVES**

- 25.1 To administer a scheme of 'carry forward' within the guidelines set by the Executive. To consider whether under or over-spends should be carried over from one year to another.

25.2 To recommend to the Executive the extent of over-spends and under-spends on service estimates to be carried forward.

25.3 To administer and control all financial reserves, balances and provisions of the Council and report to the Executive and to the Council as appropriate.

## **26. TAXATION**

26.1 To complete all Inland Revenue returns.

26.2 To complete a monthly return of V.A.T. inputs and outputs to H.M. Customs and Excise.

26.3 To provide details to the Inland Revenue regarding Construction Industry Tax Deduction Schemes (CITDS).

26.4 To provide sufficient information to Heads of Service on the accounting requirements of Customs and Excise and the Inland Revenue to enable the regulations to be fully complied with.

## **27. GIFTS AND HOSPITALITY**

27.1 To maintain a system to record and monitor gifts and hospitality received by Council employees.

## **28. GRANT INCOME AND CLAIMS**

28.1 To maintain a Grants Register.

28.2 To agree a timetable for each grant claim and certify every completed claim.

## **29. INTERNAL AUDIT**

29.1 The Director of Finance & Corporate Services is responsible for maintaining an adequate and effective system of Internal Audit. He or she must ensure that internal auditors have the authority to:

- access Council premises at reasonable times;
- access all assets, records, documents, correspondence and control systems relevant to audit
- require and receive any information and explanation considered necessary concerning any matter under consideration;
- require any employee of the Council to account for cash, stores or any other Council property under his/her control;

- access records belonging to third parties, such as contractors when required;
  - report directly to the Head of Paid Service, the Executive and the relevant Overview & Scrutiny Committees.
- 29.2 To maintain Strategic and Annual Audit Plans which take account of the characteristics and relative risk of the activities involved. He should liaise with Heads of Service on the audit strategy and cover required. In addition to the statutory requirement this takes account of the need to seek added value, effective use of resources, improved performance and cost-effective controls.
- 29.3 Where an appropriate response to audit recommendations has not been made within a reasonable period, the Director of Finance & Corporate Services may, after consultation with the Head of Paid Service, refer the matter to the appropriate Executive Member.
- 29.4 To investigate promptly any fraud or irregularity of which he/she becomes aware of and to report to the Head of Paid Service who will consider any legal proceedings and disciplinary action in consultation with the appropriate Head of Service / Assistant Director.
- 29.5 To report at least annually to the Head of Paid Service and to the relevant Overview & Scrutiny Committee on the main issues raised by Internal Audit during the year.

### **30. EXTERNAL AUDIT**

- 30.1 To draw up the timetable for final accounts purposes and to advise staff and external auditors accordingly.
- 30.2 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.
- 30.3 To report to Council on the actions being taken to address the recommendations made within External Audits Management Letter, and to follow up recommendations to ensure their implementation.
- 30.4 To set guidelines for the provision of working papers as required by the Council's external auditors to support transactions recorded in the Council's financial records.

### **31. TRUST FUNDS AND FUNDS HELD ON BEHALF OF THIRD PARTIES**

- 31.1 To ensure that all trust funds are, whenever possible maintained in the name of the Council.
- 31.2 Where funds are held on behalf of third parties, for their secure administration and to maintain written records of all transactions

31.3 To ensure that trust funds are operated within any relevant legal requirements and the specific requirements for each trust.

**31. PARTNERING ARRANGEMENTS**

31.1 To provide financial advice to Heads of Service regarding partnership arrangements.

31.2 To ensure that partnering arrangements have adequate financial controls in place.

**FINANCIAL REGULATIONS – SECTION 3**  
**RESPONSIBILITIES OF HEADS OF SERVICE**

**1. OVERALL RESPONSIBILITIES OF HEADS OF SERVICE**

- 1.1 Heads of Service [as defined in the Glossary in Part 1 of this Constitution] are responsible for ensuring that the Executive are advised of the financial implications of all proposals and that they are agreed with the Director of Finance & Corporate Services.
- 1.2 Heads of Service must ensure that all staff, agency staff and consultants engaged in the provision of Council services comply with these regulations.
- 1.3 Heads of Service must ensure that these regulations are complied with in respect of work carried out under agency arrangements for another authority or organisation.

**2. RISK MANAGEMENT AND INTERNAL CONTROL**

- 2.1 To adhere to the Financial Regulations set out in this document and promote the financial management standards set by the Director of Finance & Corporate Services in their departments.
- 2.2 To promote proper financial practices in relation to the standards, performance and development of staff in their departments.
- 2.3 To ensure that Financial Regulations are made known to all appropriate employees, with updates issued as appropriate and to keep suitable records to confirm to the Director of Finance & Corporate Services that this has been done.
- 2.4 To comply with the requirements of the Council's risk management strategy and procedures, and the Assurance Framework. Risk registers should be maintained and subject to regular review in light of achievement or otherwise of service objectives and targets, and overall performance levels.
- 2.5 To ensure that the internal controls operating within their areas of responsibility are adequate and operating as intended. Controls should be subject to periodic independent testing to evidence they are operating on a cost effective basis.

**3. PREVENTING FINANCIAL IRREGULARITIES**

- 3.1 To foster a culture of honesty and opposition to fraud and corruption within the authority.
- 3.2 To ensure that all suspected irregularities are immediately reported to the Director of Finance & Corporate Services / **Head of Internal Audit and Risk Management**, and if appropriate to the Monitoring Officer.

- 3.3 To instigate the use of the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.
- 3.4 To ensure that where financial impropriety is discovered, and sufficient evidence exists to believe that a criminal offence may have been committed, that the Director of Finance & Corporate Services/ **Head of Internal Audit and Risk Management** are notified to decide on police or other legal action and to determine with the Crown Prosecution Service whether a prosecution should be instigated.

#### **4. REVENUE BUDGET**

- 4.1 To commit and authorise expenditure within their department in line with Financial Regulations.
- 4.2 To maintain budgetary control within the department, in adherence to the principles stated and to ensure that all income and expenditure is properly recorded and accounted for.
- 4.3 To ensure that no expenditure is incurred without a properly approved budget allocation being in place.
- 4.4 To ensure that a single accountable budget officer is identified for each item of expenditure under the control of the Head of Service / Assistant Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making which commits expenditure.
- 4.5 To ensure that income and expenditure is correctly recorded in the Council's financial system (SAP). This means that the correct GL code that describes the item of income or expenditure must be used rather than directly coding an item of expenditure to another budget head showing an underspend.
- 4.6 To ensure that spending remains within the service overall cash limit, and that individual budget heads are not overspent, by monitoring the budget and, where it appears that areas of the budget are likely to be over or under-spent, taking appropriate corrective action.
- 4.7 To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and that any necessary action is taken.
- 4.8 To ensure that an appropriate number of staff have access to and are trained in the use of the Council's financial system (SAP) to enable them to monitor budgets.
- 4.9 To prepare reports on the service's projected expenditure compared with its budget. These reports should be prepared and submitted on a monthly basis to the appropriate Management Team within Directorates and to the Director of Finance and Corporate Services. The Director of Finance and Corporate Services may, from time to time, vary the requirement to submit a monthly report to him but such a report will be required on at least a quarterly basis.
- 4.10 To ensure prior approval by the Council for new proposals which:

- create financial commitments in future years;
  - initiate a new policy or cease existing policies;
  - materially extend or reduce the Council's services
  - generate additional income.
- 4.11 To ensure use of and compliance with the Council's scheme of Virement as set out in Appendix 5.
- 4.12 To consult with other Heads of Service where it appears that a budget proposal, including a virement proposal, may impact materially on another service or level of service activity, or which would create for them a financial commitment in future years.
- 4.13 To provide information, as requested by the Director of Finance & Corporate Services, to enable the estimates of income and expenditure to be prepared for submission to the Executive and/or Council for approval.
- 4.14 To prepare budgets which are consistent with any relevant cash limits, within the Council's annual budget cycle and within guidelines issued by the Director of Finance & Corporate Services.
- 4.15 To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance indicators and measures.
- 4.16 When drawing up a spending plan to have regard to:
- spending patterns and pressures revealed through the budget monitoring process;
  - legal requirements (including those under statute, statutory instrument, order, EU Directives, EU Regulations, deed, contract, agreement or case law);
  - policy requirements as defined by the Council;
  - initiatives already underway.
  - risk assessments impacting on the service area

## **5. SCHEME OF VIREMENT**

- 5.1 To use the Scheme of Virement to offset overspends.
- 5.2 To use the Scheme of Virement to transfer resources from one purpose to another e.g. purchasing a chair from an underspend on stationery.
- 5.3 To ensure that all virements comply with the Scheme of Virement as set out at Appendix 5. The prior approval of the Executive is required to any virement

where it is proposed to vire between budgets of different accountable Executive members.

## **6. CAPITAL PROGRAMMES AND FUNDING**

- 6.1 To comply with the Council's Capital Strategy Document and other guidance concerning capital schemes and controls issued by the Director of Finance & Corporate Services.
- 6.2 To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Director of Finance & Corporate Services.
- 6.3 To prepare regular reports reviewing the capital programme provisions for their services' and prepare a quarterly return of estimated final cost of schemes in the approved capital programme for submission to the Director of Finance & Corporate Services.
- 6.4 To ensure that adequate records are maintained in respect of all capital contracts.
- 6.5 To proceed with projects only when there is adequate provision in the capital programme, and with the agreement of the Director of Finance & Corporate Services where required.
- 6.6 To prepare and submit reports, jointly with the Director of Finance & Corporate Services, to the Executive, of any variation in the contract costs greater than the approved limits.
- 6.7 To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the Director of Finance & Corporate Services and, if applicable, approval of the scheme through the capital programme.
- 6.8 To consult with the Director of Finance & Corporate Services and to seek the Executive's approval where a Head of Service / Assistant Director proposes to bid for additional borrowing approvals or grants, to be issued by Government departments to support expenditure which has not been included in the current years capital programme.
- 6.9 To report to the Executive on capital expenditure compared to estimates, including all contracts where the final expenditure exceeds the approved estimate by more than the prescribed amount.
- 6.10 To ensure that all capital schemes have a nominated officer with responsibility for monitoring and controlling the costs of each scheme.
- 6.11 To ensure that adequate records are maintained to provide the information required to update the Corporate Asset Management Plan (CAMP) by identifying key assets, their use, value and condition in order to determine priorities for capital expenditure

## **7. ORDERING AND PAYING FOR GOODS/SERVICES**

- 7.1 To ensure that all goods and services are ordered / purchased in accordance with the Council's Contract Standing Orders, Financial Regulations and Procurement Handbook.
- 7.2 To ensure that there is real and demonstrable requirement for the goods/services to be purchased.
- 7.3 To ensure that appropriate documentation is kept to provide an audit trail for all purchases as set out in Section 7.2 of the Key Control Requirements section of this document. Where possible, this should take the form of an official order.
- 7.4 To ensure that, when an official order is used, only official pre-numbered order forms, as approved by the Director of Finance, are used. These are controlled stationery and should be retained securely when not in use.
- 7.5 To ensure that orders are only used for goods and services provided to the Department/Establishment. Individuals must not use official orders to obtain goods or services for their private use.
- 7.6 To ensure that, where a corporate contract for the supply of particular goods/services is in place, that the goods/services are purchased from the named supplier. Only with the permission of the Director of Finance and Corporate Services can this provision be waived. A list of existing Corporate contracts is available on the Corporate Purchasing intranet site.
- 7.7 To ensure that only authorised staff sign official orders or other appropriate documentation and that an up-to-date list of such authorised staff, including specimen signatures identifying in each case the limits of their authority is readily available. The signatory of the order should be satisfied that the goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Value for money should always be obtained.
- 7.8 To ensure that sufficient budgetary control procedures are in place to establish current and projected expenditure against the appropriate budget allocation, which recognises the implications of raising orders.
- 7.9 To ensure that goods and services are checked on receipt to ensure they are in accordance with the official order. This check should, where practicable, be carried out by a different officer to the officer who signed the original order. Entries should then be made in inventories or stores records as appropriate.
- 7.10 To ensure that payment is not made unless a proper VAT invoice has been made received, checked, coded and certified for payment confirming:
  - receipt of goods or services;
  - that the invoice has not previously been paid;
  - that expenditure has been properly incurred and is within budget provision;

- that prices and arithmetic are correct and accord with quotations, tender, contracts or catalogue prices;
- correct accounting treatment of tax;
- the invoice is correctly coded;
- discounts have been taken where available;
- that appropriate entries are made in the accounting records.

and that the Payment Grid Stamp is used and completed to evidence the above.

- 7.11 To ensure that the properly delegated Budget Manager for a cost centre signs off all invoices for that cost centre. Unsigned invoices or those signed by other than the authorised Budget Manager must not be entered onto the Council's financial system (SAP).
- 7.12 To ensure that an authorised member of staff, if possible a different officer from the person who signed the order and in every case a different officer from the person certifying the invoice, authorises invoices.
- 7.13 To ensure that the department maintains and reviews periodically a list of staff approved to certify and authorise invoices. Names of authorising officers together with specimen signatures and details of the limits of their authority shall be forwarded to the Director of Finance & Corporate Services.
- 7.14 Payment should not be made on a photocopied or faxed invoice, a statement or other document other than the formal invoice.
- 7.15 To encourage suppliers of goods and services to receive payment by the most economical means for the Council. Payments should, however, not be made by direct debit or standing orders unless specifically agreed with the Director of Finance & Corporate Services.
- 7.16 To ensure that the department obtains value for money from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality, with regard to best practice guidelines issued by the Director of Finance & Corporate Services.
- 7.17 To ensure Contract Standing Orders are fully complied with when obtaining goods/services through competitive quote or tenders.
- 7.18 To ensure that employees are aware and comply with the Employees Code of Conduct (as set out in Part 5 of the Constitution).
- 7.19 To ensure that no loan, leasing or rental arrangements are entered into without prior agreement from the Director of Finance & Corporate Services. This is because of the potential impact on the Council's borrowing powers, to protect the authority against entering into unapproved credit arrangements and to ensure value for money is being obtained.

- 7.20 To notify the Director of Finance & Corporate Services of outstanding expenditure relating to the previous financial year as soon as possible after 31<sup>st</sup> March in line with the timetable determined by the Director of Finance & Corporate Services.
- 7.21 With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Director of Finance & Corporate Services 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 sub-contractors' tax status.
- 7.22 To notify the Director of Finance & Corporate Services immediately of any expenditure to be incurred as a result of statute, a court order, or other legal requirement but where there is no budgetary provision.
- 7.23 To ensure that all appropriate payment records are retained and stored for the defined period in accordance with the "Guidelines on the Destruction of Documents" at Appendix 2.
- 7.24 To ensure that all IT equipment is sourced via the Council's IT Partner and with the approval of the relevant departmental commissioning agent. Heads of Service should familiarise themselves with the provisions of the contract relating to the acquisition of IT equipment as payment for many items is made as part of the ongoing monthly payment to the partner rather than by an individual invoice. The departmental commissioning agent must keep a separate record of all purchases made, recording the date and the identification / property marking. This record must be made readily available to the Head of IT upon request.

## **8. INCOME**

- 8.1 To annually review, within the framework of corporate policies, the charging policy for the supply of goods or services, including the appropriate charging of VAT, and , where necessary, seek Cabinet approval for revised charges.
- 8.2 To supply the Director of Finance & Corporate Services with details relating to work done, goods supplied or services rendered or other amounts due, to enable the Director of Finance & Corporate Services to record correctly the sums due to the Council and to ensure accounts are sent out promptly. Heads of Service have a responsibility to assist the Director of Finance & Corporate Services in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf, including providing evidence in legal proceedings
- 8.3 To ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details should be recorded on to paying-in slips to provide an audit trail.
- 8.4 To ensure that an appropriate official receipt is issued and signed by the collecting officer for all income received.

- 8.5 To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.
- 8.6 To ensure that at least two employees are present when post is opened in departments where income is regularly received so that money received by post is properly identified and recorded
- 8.7 To establish and ensure appropriate recovery procedures are undertaken, including legal action where necessary, for debts which are not paid promptly.
- 8.8 To issue official reports or maintain other documentation for income collection.
- 8.9 To ensure receipts, tickets and other records of income are held securely for the appropriate period.
- 8.10 To ensure adequate security arrangements are in operation to safeguard all income against loss or theft, and to ensure the security of cash handling.
- 8.11 To ensure income is not used to cash personal cheques or other payments.
- 8.12 To maintain a record of every transfer of official money between employees of the Council. The receiving officer must sign for the transfer and the transferor must retain a copy.
- 8.13 To write off all debts up to a value of £250 and accurately record all action taken using the standard write-off form (available from Accountancy Section) 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.
- 8.14 To obtain the appropriate level of approval and notify the Director of Finance & Corporate Services, prior to writing off debts in excess of £250 as per the guidelines at Appendix 1.
- 8.15 To ensure that appropriate accounting adjustments are made following write off action.
- 8.16 To notify the Director of Finance & Corporate Services of all outstanding income relating to the previous year as soon as possible after 31<sup>st</sup> March in line with the timetable determined by the Director of Finance & Corporate Services and not later than 30th April.
- 8.17 The Head of Environmental and Operational Services is authorised to cancel Penalty Charge Notices where he is satisfied that a genuine error has occurred. as per the procedures agreed with Internal Audit and held within the Parking Section

## **9. BANKING ARRANGEMENTS AND CHEQUES**

- 9.1 To agree with the Director of Finance & Corporate Services all arrangements for the opening or closing of all bank accounts relating to the Council's business.

- 9.2 To ensure that adequate arrangements are made for the security of cheques.
- 9.3 To ensure that bank accounts do not become overdrawn and regular reconciliations take place.

## **10. PAYMENTS TO EMPLOYEES AND MEMBERS**

- 10.1 To ensure that appointments are made in accordance with the requirements of the Council in respect of approved establishments, grades, scales of pay and to ensure adequate budget provision.
- 10.2 To notify the Director of Finance & Corporate Services of all appointments, terminations, or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Director of Finance & Corporate Services and the Head of Personnel.
- 10.3 To ensure that adequate and effective systems and procedures are operated for personnel and payroll aspects, 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;
  - there is an effective system of checking and certifying payroll documents.
- 10.4 To ensure that all timesheets or other pay documents are signed by the employee and authorised by an approved member of staff.
- 10.5 To provide an up-to-date list of the names of officers authorised to sign records to the Director of Finance & Corporate Services, together with specimen signatures.
- 10.6 To ensure that payroll transactions are processed only through the payroll system.
- 10.7 To give careful consideration to the employment status of individuals employed on a "self employed consultant or sub contract" basis. Such individuals must complete a status fact finder form (available from the Head of Payroll and Pensions) prior to appointment. Where appropriate, such individuals may then be paid via the Council's financial system (SAP) rather than the payroll. Customs and Revenue applies a tight definition for employee status and in cases of doubt, advice should be sought from the Director of Finance & Corporate Services.
- 10.8 To approve and certify travel and subsistence claims and other allowances, and ensure that claims are submitted promptly. Certification is taken to mean

that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost effective use of travel arrangements is achieved. Due consideration should be given to tax implications when approving claims.

- 10.9 To ensure that the details of any employee benefits in kind are notified to the Director of Finance & Corporate Services to enable full and complete reporting within the Income Tax Self-Assessment system.
- 10.10 To ensure that absence from duty due to sickness or other reason is properly and promptly recorded in an approve format.
- 10.11 To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the “ Guidelines on the Destruction of Records” at Appendix 2.

## **11. INVENTORIES AND SECURITY OF ASSETS**

- 11.1 To maintain an inventory of all attractive and readily portable items and those with a purchase value of £250 or more with an estimated life in excess of 12 months. The inventory should record details as follows:
  - Description of item
  - Value of item
  - Date of purchase
  - Security tag number
  - Make and model
  - Serial number.
- 11.2 To ensure that all items with a value in excess of £250 are marked as Council property.
- 11.3 To carry out an annual check of all items on the inventory in order 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 as belonging to the Council, with security markings
- 11.4 Heads of Service shall maintain a database, in a format approved by the Director of Finance & Corporate Services for all properties, plant and machinery and moveable assets currently owned or used by the Council. Where there is no contractual obligation, expenditure on rented property shall be subject to consultation by the Director of Finance & Corporate Services.
- 11.5 Any use of property by a department or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- 11.6 To ensure that licencees, lessees and other prospective occupiers of Council owned land are not allowed to take possession or enter the land until a licence, lease or agreement, in a form approved by the Head of Legal Services, has been established in writing.

- 11.7 To ensure that proper security arrangements are in place in respect of all buildings and other assets belonging to the Council and within their control.
- 11.8 Where land or buildings are surplus to requirements, to prepare a joint report with the appropriate property services client officer, in consultation with the Director of Finance & Corporate Services, recommending the disposal of the land or building to the Executive.
- 11.9 Where the use of buildings or land is subject to appropriation between services, to refer the appropriation for approval by the relevant Executive Member, taking into account the alternative possible uses of the land.
- 11.10 To pass title deeds to the Head of Legal Services, who is responsible for custody of all title deeds.
- 11.11 To ensure that no Council asset is subject to personal use by an employee without proper authority.
- 11.12 To ensure that the department maintains a register of moveable assets in accordance with standards set by the Director of Finance & Corporate Services.
- 11.13 To ensure assets are identified, their location recorded and that they are appropriately marked and insured as appropriate.
- 11.14 To consult the Director of Finance & Corporate Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 11.15 To notify immediately the Police and Internal Audit of any break in, burglary or criminal damage.
- 11.16 To ensure that the holding of cash on premises are kept to a minimum and in any event never exceeds the insurance limit as specified by the Director of Finance and Corporate Services.
- 11.17 To ensure that keys to safes, strong rooms and strongboxes are kept secure at all times and that their loss is immediately reported to the Internal Audit.
- 11.18 To ensure that all pre printed cheques ,stock certificates, bonds, controlled stationery and any other financial documents are securely stored.
- 11.19 To record all disposals of assets and ensure compliance with the guidelines on the disposal of assets as detailed at Appendix 3.
- 11.20 To arrange for the valuation of assets for accounting purposes to meet the standards set by the Director of Finance & Corporate Services.
- 11.21 To ensure that all their 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 or loss to the Council.

## **12. DISPOSAL OF ASSETS**

- 12.1 To ensure that income received for the disposal of assets is properly banked and coded appropriately.
- 12.2 To ensure the proper procedures are followed for all asset disposals.

## **13. STOCKS AND STORES**

- 13.1 To make secure arrangements for the care and custody of stocks and stores in the department.
- 13.2 To ensure stocks are maintained at reasonable levels and subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion.
- 13.3 To write-off discrepancies in respect of stocks and stores where the cumulative current value is less than £250. To submit for approval recommendations to write-off stocks or stores with a cumulative value in excess of £250, as per the guidelines set out at Appendix 3.

## **14. PETTY CASH/IMPREST ACCOUNTS**

- 14.1 To ensure that permission is sought in writing from the Director of Finance and Corporate Services prior to opening or closing a petty cash or imprest account.
- 14.2 To ensure that employees operating an imprest account:
  - Do not allow the account to go overdrawn
  - obtain and retain vouchers to support each payment from the imprest account. Where appropriate an official receipted VAT invoice must be obtained;
  - make adequate arrangements in their office for the safe custody of the account;
  - produce upon demand by the Director of Finance & Corporate Services, cash and all vouchers to the total value of the imprest amount;
  - record transactions promptly;
  - do not pay income into the account;
  - do not make payments exceeding £100 unless approval is given by Internal Audit;
  - reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the imprest holder;

- provide the Director of Finance & Corporate Services with a certificate of the value of the account held at 31 March each year;
- ensure that the float is never used to cash personal cheques or to make personal loans and that payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made;
- on leaving the Council's employment or otherwise ceasing to be entitled to hold an imprest advance, an employee shall account to the Head of Service / Assistant Director for the amount advanced to him/her.

Guidance on the operation of imprest/prett cash accounts in contained in Appendix 4.

## **15. UNOFFICIAL FUNDS**

- 15.1 To notify the Director of Finance & Corporate Services and seek agreement for the setting up of all new "Unofficial Funds".
- 15.2 To ensure that all "Unofficial Funds" are funds where the income and expenditure is independent of the Council's accounts.
- 15.3 To ensure that all "Unofficial Funds" are controlled by an officer who is employed by the Council or a semi autonomous authority.
- 15.4 To ensure that records are maintained for every "Unofficial Fund" showing all income and expenditure.
- 15.5 To ensure that receipts are obtained for all expenditure and receipts are issued for all income received into an "Unofficial Fund".
- 15.6 To arrange for all "Unofficial Funds" to be properly accounted for and subject to an independent annual audit.

## **16. INFORMATION SYSTEMS**

- 16.1 To ensure that advice is obtained from the Head of I.T. and the Director of Finance & Corporate Services on any new I.T. project.
- 16.2 To ensure compliance with the Council's overall ICT strategy.
- 16.3 To ensure compliance with various Acts of Parliament covering Data Protection and Computer Security, and to ensure all officers are made aware of their responsibilities. To ensure that Officers are made aware of and comply with the Council's e-mail, Intranet and World Wide Web policies.
- 16.4 To ensure that all purchases of computer hardware/ software, excluding consumables, are requested via the corporate I.T. Department.
- 16.5 To ensure that there are no conflicts concerning staff conducting private work.

16.6 The Head of I.T. shall inform Heads of Service of their obligations under the Data Protection Act and Computer

## **17. CLAIMS FOR EXPENSES AND ALLOWANCES**

17.1 To ensure that all claims for expenses are incurred while undertaking official Council duties and approval has been granted in advance whenever possible.

17.2 To ensure that the most cost effective expenses are claimed.

17.3 To ensure that all payments in excess of £100 are paid through the Council's creditors system.

17.4 To ensure that Payments less than £100 claimed through Central Cashiers or Departmental Finance Sections use the approved form, attaching receipts where appropriate. The form should contain:

- date of claim;
- cost code;
- signature of the claimant;
- budget holder/authorised officer signature
- details of expenditure incurred

17.5 To ensure that all claims are authorised by the budget holder prior to submission and are coded to the correct accountancy (ACCY) code. VAT should be reclaimed where appropriate.

17.6 To ensure that receipts are obtained whenever possible for all expenditure.

17.7 To ensure that records are retained of all payments whether by cash or through the Council's creditors system.

## **18. RISK MANAGEMENT AND INSURANCE**

18.1 To take responsibility for risk management having regard to advice from the Director of Finance & Corporate Services and other specialist officers (e.g. Crime Prevention, Fire Prevention, Health and Safety and Legal Services).

18.2 To promote risk management procedures throughout the organisation.

18.3 To notify the Director of Finance & Corporate Services immediately of any loss, liability or damage which may lead to a claim against the Council, together with any information or explanation required by the Director of Finance & Corporate Services or the Council's insurers.

18.4 To notify the Director of Finance & Corporate Services promptly of all new risks, properties or vehicles which require insurance and of any alterations affecting existing insurance's.

- 18.5 To consult the Director of Finance & Corporate Services and the Head of Legal Services on the terms of any indemnity which the Council is requested to provide.
- 18.6 To ensure that Council employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation which may prejudice the assessment of liability in respect of any insurance claim.
- 18.7 To ensure that there are regular reviews of risk within their departments.

## **19. TREASURY MANAGEMENT**

- 19.1 To follow the guidance on banking issued by the Director of Finance & Corporate Services in the authority's 'Treasury Manual'.
- 19.2 To ensure that no loans are made to third parties and no interests are acquired in companies, joint ventures, or other enterprises without consulting the Director of Finance & Corporate Services and obtaining approval from the Executive.

## **20. ACCOUNTING POLICIES**

- 20.1 To adhere to the accounting policies approved by the Director of Finance & Corporate Services.

## **21. ACCOUNTING RECORDS AND RETURNS**

- 21.1 To adhere to any instructions issued by the Director of Finance and Corporate Services in respect of accounting records and procedures.
- 21.2 To consult and obtain the approval of the Director of Finance & Corporate Services before making any changes to accounting records and procedures.
- 21.3 To comply with the principles outlined in Financial Regulations when allocating accounting duties.
- 21.4 To maintain adequate records to provide an audit trail leading from the source of income / expenditure through to the accounting statements.
- 21.5 To supply information required to enable the Statement of Accounts to be completed, in accordance with guidelines issued by the Director of Finance & Corporate Services.

## **22. FORMAT OF THE BUDGET/ACCOUNTS**

- 22.1 To comply with accounting guidance provided by the Director of Finance & Corporate Services.

## **23. PERFORMANCE PLAN**

- 23.1 To contribute to the development of performance plans in line with statutory requirements.
- 23.2 To contribute to the development of corporate and service targets, objectives and performance indicators
- 23.3 To ensure that all relevant plans are consistent with each other and any corporate policies/plans.
- 23.4 To ensure regular monitoring of performance indicators etc contained within the plans.

## **24. CONTRACTS AND CAPITAL MONITORING**

- 24.1 To ensure that all contracts are procured in accordance with the Council's Contract Standing Orders.
- 24.2 To ensure that sufficient resources to make payments under the contract are available in all financial years covered by the contract.
- 24.3 To maintain records of all interim payments made under contracts for works or services.
- 24.4 To identify and report any projected over or under-spends on contracts for works or services as soon as they are identified, in accordance with the procedures set out in Appendix 6. Where the cost of a scheme increases in stages it must be reported at each stage with reference made to all previous increases.
- 24.5 To ensure that all payments under such contracts shall be made on a certificate signed by the appropriate Head of Service / Assistant Director, or Officer so delegated. The certificate shall be dated and contain the total contract sum together with the estimated value of works to date and any retentions/liquidated damages withheld.
- 24.6 To ensure that where contracts of the Council are supervised and managed by persons other than officers of the Council, agreement is obtained from that person to provide to the Council, on request, for inspection by its officers or auditors, all relevant vouchers and documents.
- 24.7 To refer to the Head of Legal Services all claims from contractors in respect of matters not clearly within the terms of any existing contracts before a settlement is reached.

## **25. TREATMENT OF YEAR END BALANCES AND RESERVES**

- 25.1 To identify any underspent budgets against which there is an existing or desired commitment which could not be met without carry forward of the budget. To prepare a report on such to the Director of Finance & Corporate Services no later than one month after the financial year end.

- 25.2 All internal business unit surpluses shall be retained for the benefit of the Council and their application shall require the approval of the Executive unless otherwise authorised by the Director of Finance & Corporate Services.

## **26. TAXATION**

- 26.1 To ensure that the correct VAT liability is attached to all income and that all VAT recoverable on purchases complies with HM Customs and Excise regulations.
- 26.2 To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary CITDS requirements.
- 26.3 To ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments.
- 26.4 To ensure, prior to appointment, that individuals who wish to be recognised as self employed and have payments made to them without the deduction of tax and National insurance have completed the status fact finder form (available from the Head of Payroll and Pensions) and that the Head of Payroll and Pensions has confirmed that direct payments can be made via the Council's financial system (SAP). Where no such confirmation exists, no payments will be processed through the Council's financial system (SAP).
- 26.5 To follow the guidance on taxation matters issued from time to time by the Director of Finance & Corporate Services.

## **27. GIFTS AND HOSPITALITY**

- 27.1 To comply with corporate guidelines and the Members' Code of Conduct on gifts, hospitality and personal interests. In addition guidance from local authority associations and other bodies must be followed in appropriate cases.
- 27.2 To declare any direct or indirect interest or any personal connection whatsoever that they may have in or with any organisation with which they are dealing on behalf of the Council in the 'Members' Register of Interests'.

## **28. GRANT INCOME AND CLAIMS**

- 28.1 To seek approval from the appropriate Director and Executive Member prior to submitting a grant claim, and agree a timetable with the Director of Finance & Corporate Services.
- 28.2 To advise the Director of Finance & Corporate Services of any new grant claim for inclusion in the Grants Register, and the Executive as part of the budget monitoring process.
- 28.3 To ensure that, if the grant claim supports the employment of staff, that those staff are employed on a fixed term contract that corresponds to the period of the grant.

- 28.4 To nominate a responsible officer for the grant claim, who will ensure compliance with these regulations.
- 28.5 To ensure all expenditure is in accordance with the terms and conditions attached to the grant by the grant giving body, and with Financial Regulations & Contract Standing Orders.
- 28.6 To keep proper records of expenditure to allow verification of amounts claimed by the grant giving body, or the Council's auditors.
- 28.7 To ensure all grant claims are certified by the Director of Finance & Corporate Services, within the agreed timetable.
- 28.8 To report any shortfall in grant income to the Director of Finance & Corporate Services as soon as it becomes apparent. Normally, the Head of service / Assistant Director will be required to identify savings from other budgets to cover the shortfall in grant income.

## **29. INTERNAL AUDIT**

- 29.1 To ensure that internal and external auditors are given access at all reasonable times to premises, personnel, documents and assets which the auditors consider necessary for the purposes of their work.
- 29.2 To ensure that auditors are provided with any information and explanations which they seek in the course of their work.
- 29.3 To consider and respond promptly to recommendations in audit reports.
- 29.4 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- 29.5 To notify the Director of Finance & Corporate Services immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources. Pending investigation and reporting, the Head of Service / Assistant Director should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- 29.6 To ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are agreed with the Director of Finance & Corporate Services, prior to implementation.
- 29.7 To ensure that appropriate clauses are entered in contracts for services which oblige contractors and consultants to make available all records which may be required for audit purposes.

## **30. EXTERNAL AUDIT**

- 30.1 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.

- 30.2 To ensure that all paperwork and systems are up to date and available for inspection
- 30.3 To respond to recommendations and reports from external audit and take appropriate action.

**31. PARTNERING ARRANGEMENTS**

- 31.1 To ensure partnering arrangements comply with the Council's Contract Standing Orders, Financial Regulations and Risk Management Strategy as far is relevant and appropriate.
- 31.2 To notify the Director of Finance & Corporate Services and Head of Legal Services of any partnering arrangement being considered / planned and to action their advice and guidance accordingly.
- 31.3 To ensure respective roles and responsibilities are clearly identified, agreed and documented.
- 31.4 To ensure the accounting, budget and audit arrangements have been agreed with the Director of Finance and Corporate Services.
- 31.5 To ensure all processes and procedures are documented and all financial transactions are supported by adequate evidence to provide an audit trail.

### 1. WRITE OFF PROCEDURES FOR GENERAL BAD DEBTS

- 1.1 It is essential that the Council bills and collects all income due and that only following appropriate and cost effective recovery action should writing off be considered. The Council collects many types of income and it is appropriate that in certain cases separate write off procedures should apply to specific forms of debt. These are set out at the end of the following section which applies to all other forms of debt.
- 1.2 Where write off is considered appropriate for general debts the following procedure and limits should be followed:
- (a) In all cases of write off the reason must be documented and authorised by the appropriate person;
  - (b) It must also be made clear what recovery action has been followed and why it is not now considered cost effective to pursue further recovery action;
  - (c) The authorisation limits and approval required for writing off of debt are as follows:

#### Authorisation Limits for Approval to Write-Off General Debts.

Value	Report to Executive Required	Director of Finance & Corporate Services Notification	Approval Required From
Up to £500	No	Yes	Head of Service / Assistant Director (may be delegated by HoS to other officers)
£501 - £1,000	No	Yes	Head of Service / Assistant Director and in consultation with the Relevant Director.
£1,001 - £10,000	No	Yes	As above and with the Director of Finance & Corporate Service's approval
£10,001+	Yes	Yes	Executive

- 1.1 Debts written off in this way will normally be charged to the originating department. Only in exceptional circumstances will the Director of Finance & Corporate Services authorise the write-off directly against the Council's general bad debt provision.

## Appendix 1

- 1.2 Where a Head of Service / Assistant Director chooses to authorise another manager to exercise these powers, this must be clearly set out within a documented internal scheme together with the limits of their authorisation and guidance on the reasons for which a debt may be written off.
- 1.3 The standard write off form, available from Accountancy, should be used to document the relevant information.

### **2. WRITE OFF PROCEDURES FOR NNDR (National Non- Domestic Rates) and Ctax (Council Tax) and BENE (Housing Benefits)**

- 2.1 The following table provides the authorisation limits which must be observed when writing off debts relating to NNDR and Council Tax. The Head of Revenues and Benefits must be satisfied that all tracing procedures, as detailed within the departments internal guidelines have been exhausted.
- 2.2 In all cases the reason for the write-off must be fully documented and a record of the recovery action taken should be held together with a statement which considers why further pursuit of the debt is not cost-effective.
- 2.3 Notification of the cumulative write-offs must be provided to the Director of Finance & Corporate Services on at least a quarterly basis.

#### ***Authorisation Limits for Approval to Write-Off NNDR Debts***

<b>Value</b>	<b>Report to Executive Required</b>	<b>Director of Finance &amp; Corporate Services Notification</b>	<b>Approval Required From</b>
Up to £5000	No	Yes	Head of Revenues and Benefits
£5001 +	Yes	Yes	Executive

## Appendix 1

### **Authorisation Limits for Approval to Write-Off Council Tax and Housing Benefit Debts**

<b>Value</b>	<b>Report to Executive Required</b>	<b>Director of Finance &amp; Corporate Services Notification</b>	<b>Approval Required From</b>
Up to £500	No	Yes	Head of Revenues and Benefits.
£500 - £5,000	No	Yes	Head of Revenues and Benefits with the Director of Finance & Corporate Service's approval
£5,000+	Yes	Yes	Executive

2.4 Where a Head of Service / Assistant Director chooses to authorise another manager to exercise these powers, this must be clearly set out within a documented internal scheme together with the limits of their authorisation and guidance on the reasons for which a debt may be written off;

2.5 A separate bad debt provision shall be maintained for Council Tax and this will be utilised to meet any write-offs agreed

### **3 WRITE-OFF PROCEDURES FOR ROAD TRAFFIC ACT BAD DEBTS**

3.1 The following procedures must be observed when writing off debts relating to Road Traffic Act i.e. parking enforcement income. The Head of Environmental and Operational Services must be satisfied that all procedures relating to the collection of income and the tracing of people/organisations, as detailed within the department's internal guidelines have been exhausted.

3.2 Reason for action to write off income –

- (i) Notice to Owner (NtO) cannot be issued as the time that has elapsed since the date of the issue of the penalty charge notice (PCN) is in excess of the time limit set in the London Local Authorities Act 2000.
- (ii) The registered keeper of the vehicle cannot be traced.
- (iii) Documents relating to the case are incomplete making it impossible to pursue the debt further.

- (iv) Instructions to the bailiff to collect the debt are revoked and the costs incurred by the bailiff prior to the revocation cannot be recovered.

### 3.3 ACTION TO BE TAKEN -

- (i) PCN to be written off by Director of Environment
- (ii) – (iv) PCN to be written off by Head of Environmental and Operational Services or Head of Operations or Parking Enforcement Manager
- (i) – (iv) The Director of Finance and Corporate Services to be notified monthly in arrears of the action taken under each category including the numbers of PCNs and the total amount written off.

The action taken under each category to be summarised on a quarterly basis and reported to the Cabinet Member for Traffic, Transport & Parking.

The action taken under each category to be summarised and included in the annual Performance Review Report and reported to the Environment Overview and Scrutiny Committee.

### GUIDANCE ON THE DESTRUCTION OF DOCUMENTS

These requirements apply to all documents and records in whatever format including electronic form.

RECORD	MINIMUM RETENTION PERIOD (YEARS)
<b>Accountancy/ costing documents &amp; Tabulations</b>	
Abstract of accounts	6
Budgetary control records	6
Costing records	6
Estimate working papers	2 + current year
Financial ledgers	6
Grant claim records	6
Investment records	2 + Current year
Journals, etc.	6
Leasing records	2 + current year
Record re closing ledgers	6
School fund records	6 + current year
Telephone call records	6
VAT claims	6
VAT records	3
Voluntary fund accounts	6
Inter dept account transfers	6
Rechargeable work orders	6
Job orders	6
Year end costing and financial tabulations	6
Detailed Expenditure	6
<b>Bank Related Records</b>	
Bank paying-in books/slips	6
Bank reconciliation	6
Bank statements	6
Cancelled cheques	2 + current year
Cheque books and counterfoils	6
Cheque lists (creditors/payrolls)	2 + current year
Loan records and correspondence	2 + current year
Paid cheques	4
Returned cheque records	2 + current year
Bank pass book sheets	3
Receivership records	3

## Appendix 2

RECORD	RETENTION PERIOD (YEARS)
<b>Contracts</b>	
Contract documentation for DETR schemes	25
Final accounts of contracts executed under hand	6
Final accounts of contracts executed under seal	12
Successful tenders	3 years after final payment
Record of Tenders and Quotations	12
Contract documents (where the contract is under seal)	12 years from the date of issue of final certificate
Unsuccessful Tenders	12 months after issue of final certificate
Contracts register	Indefinitely
<b>Payment of Creditors</b>	
Copy orders	2 + current year
Credit notes	6
Creditor invoices	6
Delivery notes	2 + current year
Imprest documentation (e.g. petty cash)	2 + current year
Periodic payment records	6
Paid accounts (invoices)	6
Petty cash vouchers	6
Requisitions for supplies/works	2 years/12 months after accounts audited
Delivery Notes	3 years/12 months after audit
<b>Income/ Cash Records</b>	
Cash books	6
Correspondence (income)	2 + current year
Debtor accounts (records non-current)	2 + current year
Income posting slips and tabulations	2 + current year
Periodic income records	2 + current year
Receipt books	2 + current year
Record of receipt books issued	2 + current year
Registrar's quarterly returns	2 + current year
Sales records	2 + current year
Collection and Deposit book	Indefinitely
Petty cash Imprest account	6
Post dated cheques register	5
RD cheques register	5
Deceased persons effects register	7

## Appendix 2

RECORD	RETENTION PERIOD (YEARS)
Records of patients' property handed for safe custody and property held under section 48	25
Receipting procedures (cheque lists, cashiers totals, etc)	3
Parking collection records	3
Cashiers stubs	6
Bank statements	6
Tape statements	6
Output records	6
Daily cash output	6
Debit/credit output	6
Acct system data	6
Periodical Income register (dead cases)	3
Cash history file (Microfiche)	Indefinitely
Property file (Microfiche)	5
Primary debtors records	6
Sundry debtors accounts	6
Supporting documents to PIR and SD accounts	3
Supporting documents to PIR and SD accounts	3
Income returns from departments	3
<b>Insurance Records</b>	
Expired insurance contracts	Indefinitely
Insurance claims (fire)	4 years after settlement
Insurance claims (motor vehicles)	4 years after settlement
Insurance claims (public/employer's liability)	6 years after settlement
Insurance policy documentation	Indefinitely
Insurance register	Indefinitely
Register of Insurances	Indefinitely
Liability Insurance Policies	Indefinitely
Employer's third party	Indefinitely
Insurance policies	Indefinitely
Other policies	Indefinitely
<b>Miscellaneous records</b>	
Capital works tabulations	2 + current year
Car leasing and mileage records	3

## Appendix 2

RECORD	RETENTION PERIOD (YEARS)
<b>Car loans</b>	6 years from end of lease or repayment
Computer system documentation	2 + current year
Inland revenue documentation	6
Internal requisition (e.g. printing)	1
Inventory records	6
Land searches	3
Member allowances (statutory registers)	2 + current year
Minutes of Committees	Indefinitely
Postal remittance registers	2 + current year
Road fund license records	2 + current year
School meals records	2 + current year
Smallholdings records	2 + current year
Stock lists	2 + current year
Travel Claims	6
Vehicle logs	2 + current year
Register of holdings bought and sales notes	4
Register of bonds/mortgages	Indefinitely
Copy bond certificates	6
Temporary loans register	6
Cheque (blank) register	6
Controlled stationary	6
Completed receipt books and similar documents	3
Cash register till rolls	3
Housing Act Advances	6 years after the mortgage has been redeemed.
Car loans repayments	2 years after the end of repayments
Unified Housing Benefits records	2 years after the end of repayments
Application forms	2 years after claim is signed off
DSS Certified Cases	2 years after claim is signed off
Assessment records	2 years after claim is signed off
Dead cases	Indefinitely
General Income assessments	2 years after claim is signed off
<b>Payroll</b>	
BACS amendments and output	3
Building society tabulations	3
Copy payslips	6
Correspondence	6
FE Claims	6

## Appendix 2

RECORD	RETENTION PERIOD (YEARS)
Kalamazoo manual records (non-current staff)	6
Life certificates (pensions)	2 + current year
Monthly BACS listings	3
NI file cashbook	3
NI number changes	3
Payroll adjustment documentation	6
Part-time employees' claim forms	6
SSP records	4
SSP variations	3
Staff transfer records	6
Starters forms	2
Tax and NI records	6
Tax code notifications	2 + current year
Teachers' pension records	Retain indefinitely
Timesheets	6
Weekly BACS listings	3
Hard copy payrolls	3
Microfiche copy payrolls	Indefinitely
P6 and bulk coding list	3
Control summaries	3
Control totals and Oncost reports	3
WAG 34, voluntary deductions	3
GNI listing and cheque lists	3
Employee record form	3
Claim forms	3
Quinquennial valuations	3
Life certificates	3
Annual tabulations of employees' pay and contributions (hard copy)	3
Individual pensioners files	Indefinitely
<b>Personnel</b>	
Personnel files (non-current)	3 + current year from end of service
Staff contracts (non-current)	6
Unsuccessful applicants' employment forms	1 + current year
<b>Income records held in Depts. and Establishments.</b>	
Completed receipt books	3
Subsidiary Income records	3
Collecting/Deposit books	3
Bank paying in books	3

## Appendix 2

RECORD	RETENTION PERIOD (YEARS)
Tickets issued by schools for free schools meals and full cost of meals	½ term
<b>Records kept in Social Services Establishments.</b>	
Residents' property	Indefinitely
Personal Fund Ledgers	Indefinitely
Subsidiary Records withdrawal through the advance account	3
Completed receipt books	3
Residents' property forms	Indefinitely
Negotiable security receipt books	Indefinitely
Welfare funds	3
Income Vouchers	3
Copy orders	3

### GUIDELINES ON DISPOSALS OF ASSETS

#### 1. General Overview

- 1.1 The Council has an obligation to dispose of surplus or redundant equipment in a manner that both conforms to Financial Regulations and is environmentally sound.

#### 2. Disposal of I.T. Equipment

**2.1 All disposals of IT equipment must be via the Council' IT Partner and with the approval of the relevant departmental commissioning agent.**

- 2.2 Disposals of I T equipment can either be of items that are:

- (a) **surplus** to a user's requirements, i.e. equipment that is functioning but is no longer required for operational purposes by the owning department; in these cases, the Council's IT Partner should be notified and they will determine whether or not any items can be recycled to other users; or
- (b) **redundant** i.e. equipment that is not functioning, and is not deemed worth repairing, or is obsolete.

Each item or main component must be considered separately. For example, a monitor or screen should be considered separately from the processing unit to which it has been attached.

The relevant departmental commissioning agent must keep a separate record of all items of equipment that are disposed of, recording the date and identification / property marking. This record must be made readily available to the Head of IT upon request.

- 2.4 Surplus and redundant items must be dealt with promptly and not stored in offices for long periods.

All LBR identifications and property marking should be removed if possible before being removed from Council properties.

All items that have hard disks or other forms of memory must be cleared of software and data, and re-initialised. If assistance is needed to ensure this is done properly, then contact the relevant departmental commissioning agent.

#### 3. Financial limits

If the inventory value of items being disposed of is:  
between £5,000 and £25,000, there should be a report to the Cabinet Member for Strategy & Finance for approval to the write-off  
over £25000, there should be a report to the Executive for approval to the write-off.

### **4. Disposal of Stocks and Stores**

- 4.1 The determination of whether stocks and stores are surplus or redundant must be made by a senior officer who has a working knowledge of the items to be disposed of. The Corporate Procurement Unit must be contacted to agree the manner in which the items should be disposed of. Procedures for disposal of stocks and stores should be by competitive quotations or auction.
- 4.2 Where the Corporate Procurement Manager deems there to be no market for the stocks and stores then alternative methods of disposal may be considered after consultation with Internal Audit.
- 4.3 The appropriate Head of Service / Assistant Director is authorised to write off surplus or redundant stocks and stores up to a value of £250. The appropriate Director is authorised to write off obsolete or redundant stocks and stores up to a value of £5,000. Any stocks and stores with a value between £5,000 and £25,000 require authorisation by the Cabinet Member for Strategy & Finance, and those with a value of more than £25,000 require authorisation by the Executive.
- 4.4 A record of the disposal, including the date, individual authorising the disposal, method of disposal, and income received must be kept.
- 4.5 Stores ledgers are to be updated with the amount and value of stock disposed of and the appropriate authorisation obtained from the Head of Service / Assistant Director for the adjustment to the stores ledger or stock records.
- 4.6 Appropriate adjustments are to be made to the accounting records of the service in accordance with the accounting policies of the Authority as determined by the Director of Finance & Corporate Services.

### **5 Disposal of Items of Equipment, Fixtures and Fittings.**

- 5.1 The determination of whether items of equipment, fixtures and fittings are surplus or redundant must be made by a senior officer who has a working knowledge of the items to be disposed of. The Corporate Procurement Unit must be contacted to agree the manner in which the items should be disposed of. Procedures for disposal of items of equipment, fixtures and fittings should be by competitive quotations or auction.
- 5.2 Where the Corporate Procurement Manager deems there to be no market for the items then alternative methods of disposal may be considered after consultation with Internal Audit.
- 5.3 The appropriate Head of Service / Assistant Director is authorised to write off surplus or redundant items of equipment, fixtures and fittings up to a value of £250. The appropriate Director is authorised to write off obsolete or redundant items of equipment, fixtures and fittings up to a value of £5,000. Any items of equipment, fixtures and fittings with a value between £5,000 and £25,000 require authorisation by the Cabinet Member for Strategy & Finance and

## Appendix 3

those with a value of more than £25,000 require the authorisation of the Executive.

- 5.4 A record of the disposal, including the date, individual authorising the disposal, method of disposal, and income received must be kept.
- 5.5 Where items of equipment are in excess of de-minimis values as determined by the Director of Finance & Corporate Services from time to time, the appropriate fixed asset registers are to be updated with the disposal value of the items and date of disposal.
- 5.6 Appropriate adjustments are to be made to the accounting records of the service in accordance with the accounting policies of the Authority as determined by the Director of Finance & Corporate Services. Where items fall below the de-minimis values as determined by the Director of Finance & Corporate Services, the appropriate inventories are to be updated.
- 5.7 Where items of equipment are leased, the appropriate leased asset registers are to be updated with the disposal. All disposals are to be in accordance with the terms and conditions of the lease agreement held with the lessor and any disposal income correctly accounted for.
- 5.8 Appropriate adjustments are to be made to the accounting records of the service in accordance with the leased asset accounting policies of the Authority as determined by the Director of Finance & Corporate Services.

### GUIDELINES FOR PETTY CASH/IMPREST ACCOUNTS

#### 1 Introduction

Although it is normal practice for invoices to be paid directly to a supplier through the COPS system, in some instances certain expenses are more conveniently paid at the place at which they are incurred, e.g. purchases of small value, postage, local food purchases etc. A convenient way of controlling this type of expenditure is by means of the Imprest system or Advance Account.

#### 2 Extracts from Financial Regulations

- (a) Payments shall be limited to minor items of expenditure not exceeding £100 unless the Director of Finance & Corporate Services gives approval for exceptional payments in excess of this figure.
- (b) The imprest holder shall be responsible for the control and operation of the imprest account in accordance with instructions issued by the Director of Finance & Corporate Services.
- (c) No income other than the original advance and reimbursement shall be treated as creditable to an imprest account.
- (d) It shall be the duty of Heads of Departments to notify the Director of Finance & Corporate Services sufficiently in advance of the impending resignation or departure of any officer to whom an imprest has been issued.

#### 3 Operation of Bank Account

- 3.1 The Corporate Accountancy Section is responsible for setting up all advance accounts, usually at the branch of Barclays Bank closest to the account holder concerned.
- 3.2 The Corporate Accountancy Section will agree the imprest level with the spending department. This amount will be kept to the minimum level possible.
- 3.3 All bank accounts shall bear the official title and in no circumstances shall an account be opened in the name of an individual.
- 3.4 In no circumstances shall an account become overdrawn, nor loans to and from other funds be made.
- 3.5 The balance of the account should be reconciled to the bank statement at least once a month.
- 3.6 Accounts should be paid by cheque where possible and the level of cash be kept to a minimum.
- 3.7 All payments by cash and cheque should be supported by relevant documentation.

## Appendix 4

- 3.8 Income received (other than official reimbursements and must not be paid into any imprest account.
- 3.9 A signature should be obtained from any claimants indicating the amount actually received for all expenses payments.
- 3.10 Payments should only be made through the imprest system when purchase through the official order system is impractical.
- 3.11 Two signatures are required on all cheques issued from imprest accounts.

### **4 Limitations of Use**

- 4.1 The following must not be paid from the Imprest Account:-
  - (a) car mileage claims;
  - (b) fees and expense claims in respect of Post Entry Training, Conferences, Courses and Seminars;
  - (c) subsistence allowances for early morning or evening activities in lieu of overtime;
  - (d) removal expenses;
  - (e) telephone rental / charges reimbursement;
  - (f) wages for Casual Staff.

### **5 Reimbursements**

- 5.1 Claims may be made at any time, however a period of 3 weeks should be allowed for clearance.
- 5.2 The cash book should be totalled, balanced and fully reconciled to the bank statement at the year end. At the 31<sup>st</sup> March each year a signed certificate for production to the Director of Finance & Corporate Services will be required from the imprest holder.
- 5.3 VAT vouchers should be retained for 6 years, other vouchers for at least 3 years.

### **6 Increases / Decreases in imprest levels and changes to bank account signatories.**

- 6.1 Any increases in the level of imprest whether permanent or temporary must be made via the Corporate Accountancy Section. The unit will arrange for a cheque to be drawn and sent to the appropriate bank.
- 6.2 Recovery of temporary increases will be achieved by a reduction from the next reimbursement claim by the spending department.

## Appendix 4

- 6.3 If a change to the authorised signatories is required, the spending department will arrange for a new bank mandate to be drawn up and the S.I.U. will inform the relevant bank of the changes.

### 7. Miscellaneous

- 7.1 Loss or Theft – Should any loss occur full details must be reported immediately to the Chief Internal Auditor as should any suspected misadministration.

- 7.2 VAT – The details which are required on VAT invoices are:-

- a) name, address and VAT registration number.
- b) date of supply.
- c) description of goods / service to enable identification.
- d) amount payable (inclusive of VAT).
- e) division of costs between net cost and VAT.
- f) rate of VAT.

Determination of net cost and hence VAT from total cost, for a tax of 17.5%

$$\text{Net cost} = \frac{\text{Total cost}}{1.175} \qquad \text{VAT cost} = \text{Net cost} \times 1.175$$

If a supplier is not registered for VAT, the receipt / invoice should have this stated on it.

- 7.3 Payments in Advance – Payments in advance must only be made in exceptional circumstances.
- 7.4 ‘Where authorised officers either fail to provide a properly supported certificate of the balance held at 31<sup>st</sup> March (within the deadlines set by the Director of Finance and Corporate Services), or is shown via internal audit (or similar) investigation to be persistently failing to control and reconcile expenditure on a regular basis, the Director of Finance and Corporate Services may suspend or withdraw the facility following notification to the relevant Director and Head of Service / Assistant Director.’

## Appendix 5

### SUMMARY OF SCHEME OF VIREMENT

<b>Value</b>	<b>Report to Executive Required</b>	<b>Director of Finance &amp; Corporate Services Notification</b>	<b>Approval Required From</b>
Under £10,000	No	Yes	Head of Service / Assistant Director
£10,001 - £20,000	No	Yes	Head of Service / Assistant Director and Director of Finance & Corporate Services
£20,001 - £50,000	No	Yes	Head of Service /Assistant Director and Director of Finance & Corporate Services .
£50,001 - £100,000	No	Yes	Director and Director of Finance & Corporate Services and relevant Cabinet Member
Over £100,000	Yes	Yes	Director and Director of Finance & Corporate Services and Executive

**[See also Budget and Policy Framework Procedure Rule 5(b)]**

**PROCEDURE FOR REPORTING OVER/UNDERSPENDS ON  
CONTRACTS/CAPITAL SCHEMES**

For the purposes of these procedures the following limits shall apply:

<b>Approved project budget</b>	<b>Tolerance Limit</b>
Above £500,000	£25,000 or more
£50,001 - £500,000	The greater of £10,000 or 5%
Less than £50,000	£5,000 or more

Formal reporting of overspends, based on the limits above shall be a minimum of:

- (a) Projected overspends within the tolerance limits - shall be reported to the Director of Finance & Corporate Services together with proposals for substituting expenditure on other schemes within the same service. If this is not possible the Director of Finance & Corporate Services will recommend how the scheme is to be funded and such overspend will be clawed back from the same service's programme in the following year;
- (b) Schemes costing £50,000 or less where the projected overspend exceeds the tolerance limit – the overspend shall be reported to the Director of Finance & Corporate Services and the relevant Cabinet Member. The Head of Service / Assistant Director shall agree with the Cabinet Member funding from within other projects controlled by the Service Head. If this is not possible the same rules as (a) shall apply;
- (c) Schemes costing over £50,000 where the projected overspend exceeds the tolerance limits – the overspend shall be reported to the Director of Finance & Corporate Services who shall recommend the action to be taken to the Executive Board. The matter shall also be referred to the appropriate Cabinet Member and a report with the recommended action shall be put to the Executive.

Underspends are to be reported to the Director of Finance and Corporate Services.

In the first instance, any underspends will be applied against overspends on other schemes in the same service area.

Where there are no overspending schemes in the same service area, the Director of Finance and Corporate Services may, having regard to the overall financial situation, agree to additional schemes in the same service area up to a total of £20,000. Additional schemes must be proposed by Directors and supported by the relevant executive member.

Any underspends in excess of £20,000 will revert to corporate capital resource

## CORPORATE POLICY ON FEES AND CHARGING

### Aims and objectives

- 1.1 This policy aims to set a clear, flexible and equitable framework for applying charges to relevant council services.

To achieve the overall aim, there are some corporate objectives that need to be satisfied:

establishing a charging policy that accords with the Community Plan, other statutory plans and the recommendations arising from best value reviews;  
achieving an equitable, open and consistent approach to setting and administering charges;  
recognizing that variations will occur according to the type of service being provided.

### 2.0 Principles for charging

- 2.1 The following principles give guidance on when and how charges should be made, establishing the basis for setting charges and indicating which groups of service-users should be offered concessions.
- 2.2 Charges are often essential in delivering quality services and should be applied positively to optimise benefits to all, maximising income, yet offering concessions to particular categories of user and those in low-income groups.
- 2.3 The Council will make best use of charges to meet corporate policy objectives and priorities; it will not allow services to incur unnecessary costs that could be met through applying reasonable charges.
- 2.4 The Council's financial regulations require that all fees and charges are reviewed, at least annually.
- 2.5 The application of appropriate levels of charges plays a key role in ensuring access, and in meeting the needs of particular social and low-income groups.
- 2.6 Where charges are not currently made for a service, or are not recovering the full cost of its provision, the reasons for this should be reconsidered in the annual review of charges and within any best value review.
- 2.7 The council will protect services that are intended to be free at the point of use, or where the cost of delivery would be outweighed by income, or where operational difficulties prevent charging. Some current examples are:
- those which are used universally and **equally**;
  - those where charging would be **inefficient**, that is, where costs would outweigh income;
  - those where charging would prove **counter-productive**, e.g. where customers would stop using the service or switch to another provider;

those where it is difficult to establish a **beneficiary**.

### **3.0 Concessions**

- 3.1 The treatment of concessions must be consistent. Regular reviews of concessions across the Council services should be carried out, in accordance with best value service reviews, and the annual review of charging should check that policy towards charging continues to be consistently applied.
- 3.2 A list of the categories of concessions across the council services should be presented as part of the annual review on charging. All managers setting charges will acknowledge these categories and be ready to explain how the pricing structure been applied to reflect the needs of people in the categories.

### **4.0 Appeals procedures**

- 4.1 A consistent approach to appeals, where appropriate, will be offered and customers will be informed of the Council's procedures in responding to appeals.

### **5.0 Administration and management of charging**

- 5.1 The "guidance on charging" is to assist managers in taking a consistent approach to charging for their services, which reflects the service and corporate objectives and priorities. This document will itself be regularly reviewed, to ensure that it conforms with the Community Plan and implementation plans of individual best value reviews.
- 5.2 To ensure that cost effectiveness is optimised, decisions on charging will depend upon a balanced assessment of the impact (between groups served, service objectives and priorities) and revenue considerations. Managers will be expected to follow the Council's "guidance on charging".

### **6.0 Implementation**

- 6.1 In implementing this charging policy, care will be taken to achieve consistency in applying and administering charges across the council's services.
- 6.2 Any variation in policy, or amendments to the charges, will strive for a balance between consideration of the likely impact on service users, the local market for particular services, cost and revenue implications.

## **GUIDANCE ON CHARGING FOR SERVICE MANAGERS**

This document is intended to be read in conjunction with the council's "Corporate Policy on Fees and Charging" June 2001.

### **1. Aims**

The aims for managers setting fees or levels of charges for council services are:

- to adopt the principles contained in the "Corporate Policy on Fees and Charging", ensuring that the corporate objectives, set out in the Community and other statutory plans are taken into consideration;
- to make effective use of this guidance note in developing standards and procedures for discretionary fees;
- to use the opportunity of best value reviews to ensure that charges are considered as an integral part of service development, accessibility and improvement;
- to use the annual review of charges as the framework for the effective management of charges.

### **2. Assessment**

When setting and changing charges, it is important that all service managers follow very similar procedures. The flowchart overleaf has been adapted from a version supplied by the district auditor is intended as a 6-step guide.

Please be sure to follow through the steps each time you review or introduce charges. Each of the six steps has an accompanying checklist to guide you through the decision-making at each stage.

**LONDON BOROUGH OF RICHMOND UPON THAMES**

**CONTRACT STANDING ORDERS**

*(Revised Edition Updated July 2006)*

The Local Government Act 1972 (Section 135) requires that Local Authorities make Standing Orders in respect of contracts for the supply of goods, services and materials or the execution of works to ensure competition and regulate the manner in which tenders are invited.

Local Authorities are also allowed by the Act to make Standing Orders for any other contracts.

This section lists those Standing Orders that must be complied with when considering and making contracts on behalf of this Council.

A definition of what is meant by “contract” is contained in Appendix A as well as a glossary of other definitions and these definitions must be applied when using Standing Orders.

*It is a disciplinary offence if any officer fails to comply with these Contract Standing Orders when letting contracts. Employees have a duty to report breaches of Contract Standing Orders to an appropriate senior manager and the Head of Internal Audit and Risk Management.*

If any officer is in any doubt about the appropriate action required, he/she should consult their senior manager in the first instance. Advice can also be sought from the Head of Internal Audit and Risk Management before proceeding.

*The Council adopted these revised contract standing orders on 24 April 2001 for implementation with effect from 22 May 2001. The last update was in March 2004.*

*This update was approved in July 2006.*

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# 1 INTRODUCTION

## 1.1 Key Principles

- (a) Contract Standing Orders set out the framework for the procurement of goods, works and services. They are an essential set of rules and compliance with them will ensure that officers both seek and obtain good value for money, and also that public monies are properly spent and accounted for.
- (b) In any procurement and especially when letting contracts, officers must always apply procedures that allow a fair and non-discriminatory competitive process, and equal treatment of all potential suppliers and contractors.
- (c) In adhering to these Contract Standing Orders, officers will also ensure compliance with all relevant legislation and EU Regulations.
- (d) These regulations also relate to any contracts whereby the Council receives payment and agreements for the sale or disposal of Council, or Council's interest in, land or assets. Officers should also comply with the key controls as set out in Financial Regulations.
- (e) The letting of large contracts may be Key Decisions (for inclusion, wherever practicable, in the Forward Plan of the Executive), in accordance with the criteria for Key Decisions set out in the Access to Information Procedure Rules.
- (f) Additional guidance on procurement is contained within the Procurement Manual that is at the Central Procurement Unit's website at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\)\\_-5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version)_-5.03.doc). Various cross-references are made to that Manual in these Contract Standing Orders.
- (g) It is the responsibility of the relevant Head of Service/Assistant Director for the function provided to ensure that contracts that are in excess of £50,000 in value must be placed on the Council's **Contract Register** via the intranet form at the Procurement Website. This is a key contract management tool for the Council and is key to ensuring overall budgetary control and to ensuring that appropriate time is set aside for the re-tendering of contracts that are coming to an end.
- (h) The Council has adopted a risk-based approach to the management of processes such as its Contract Standing Orders. An appropriate level of risk assessment must be undertaken prior to any new or extended contract being entered into. Further advice on how to undertake an appropriate risk assessment is contained in the Procurement Manual at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\)\\_-5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version)_-5.03.doc)
- (i) Contracts must not be artificially split to avoid the application of the key thresholds contained within these Contract Standing Orders.
- (j) The underlying principles of achieving value for money that are contained within these Contract Standing Orders should be used by any external organisation receiving Council grants for the delivery of goods and services and to all partnering arrangements.
- (k) Officers dealing with procurement for standard or repetitive goods and services should actively consider the use of Framework Agreements by seeking guidance from the Head of Legal Services and/or Head of Procurement.
- (l) For the purposes of the thresholds within these CSOs, the value of a contract must be calculated over the entire length of a contract, and not the annual value. The value must be calculated in pounds sterling exclusive of Value Added Tax.

## **1.2 Definitions**

Definitions of the terminology used in these Contract Standing Orders are set out in Appendix A.

## **1.3 Environment / Sustainability issues**

Officers must seek to avoid, where practicable, using products, substances and services that are known to be, or where there is strong evidence to believe they could be, harmful to the environment or a danger to health (employees, contractors and members of the public). Wherever possible and economically practicable, only materials from sustainable sources must be used, in accordance with the Council's agreed Sustainability Policy.

Detailed guidance on Green Purchasing is set out in the Council's Procurement Manual at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\)\\_-5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version)_-5.03.doc).

## **1.4 Value for Money/Quality Issues**

- (a) When entering into any contracts, officers must adhere to the Council's obligations and commitment to seeking value for money, through the principles laid out by the Value for Money framework and the CPA use of resources guidance.
- (b) In drafting specifications for goods, works and services, officers must ensure they include relevant and robust measures of performance so that contractors' performance can be properly and adequately assessed and monitored.
- (c) Where applicable, contracts must incorporate and comply with all relevant British and European (or equivalent international) quality standards.
- (d) Where applicable contracts must build in mechanisms for continuous improvement and for the generation of non-cashable and/or cashable savings in line with the "Gershon" principles.
- (e) Where applicable contracts should deal comprehensively with staffing and assets issues where roles and responsibilities of current staff are impacted by new contracts, particularly through the proper application of transfer of undertaking (TUPE) legislation. Particular regard must be given to potential redundancy costs and their impact on the value for money of proposed new contracts. Appropriate advice must be sought when this is or might be the case from the Head of Legal Services or the Head of Human Resources. Similar regard should be given to the transfer of assets such as equipment and the transfer of other resources such as accommodation, with appropriate advice sought from the Head of Legal Services and Head of Procurement.
- (f) Contracts and the work on procurement of contracts must place high priority on equalities issues and must reflect the principles contained within the Council's "Guide to "Integrating Equalities and Diversity into Procurement for Contractors and Project Officers" which is at <http://lbrnet/depts/env/Procurement/docs/Richmond%20-%20building%20equalities%20into%20proc%20-%2005.06>.

## **1.5 Providing Goods, Works or Services to parties other than the Council**

- (a) There are legal restrictions on a Council's powers to provide goods, works or services to third parties. Guidance must always be sought from the Head of Legal Services at an

early stage on whether the third party is one which the Council is empowered to contract with. In all cases, the prior approval of an Director must be obtained.

- (b) Where the work is for a third party outside the Borough, a report seeking approval to the submission of any bid must be submitted to the Deputy Leader and Cabinet Member for Resources and the Cabinet Member for the relevant service. The report should include a risk assessment in taking on the work.

## **2 ROLES AND RESPONSIBILITIES**

### **2.1 Directors**

- 2.1.1 Directors have a responsibility to ensure that Heads of Service/Assistant Directors within their Directorate fully understand and comply with these Contract Standing Orders.
- 2.1.2 Directors are authorised to undertake any function identified as a responsibility of a Head of Service/Assistant Director.

### **2.2 Heads of Service/Assistant Directors**

- 2.2.1 It is the responsibility of the Heads of Service/Assistant Directors of the Council [who are chief officers as defined in the Glossary of definitions in Appendix A] to ensure that all Council officers comply with these Contract Standing Orders. The Heads of Service/Assistant Directors are responsible for all contracts tendered and let by their department. They are accountable to the Executive for the performance of their duties in relation to contract letting and management.
- 2.2.2 These duties are as follows:
- (a) to seek and obtain Value for Money in all procurement matters;
  - (b) to ensure compliance with all applicable UK and EU legislation, seeking advice from and involving the Council's Legal Services Department at an early stage in the process; further guidance on legislative requirements can be found in the Procurement Manual.
  - (c) to ensure all staff dealing with procurement for their department are fully aware of these Contract Standing Orders, and related documents such as the Procurement Manual and Financial Regulations, and to arrange adequate training on their operation;
  - (d) to ensure that all staff are aware of the Council's Officer Code of Conduct, in particular the sections 'Purchase of goods and services' and 'Protecting the Council's Competitive Position during Tendering and Purchasing' and also with regard generally to conflicts of interest, financial interest, the undertaking of private works, canvassing and acceptance of gifts, inducements or rewards;
  - (e) to declare to the Council any pecuniary interest they personally have in any contract(s) to be let, in accordance with Section 177 of the Local Government Act 1972. Such declaration must be made in writing to the Director of Finance & Corporate Services, and must include any direct or indirect interest, or any personal connection whatsoever, that they may have with, or in, any organisation with which they are dealing on behalf of the Council. (See Financial Regulations)
  - (f) to ensure all staff comply with Contract Standing Orders, and in the event of any breach, to take immediate action and to report it to the Monitoring Officer and/or the Director of Finance & Corporate Services;

- (g) to ensure every contract has a Named Officer responsible for it;
- (h) to ensure that, where a person other than a Council employee is employed to supervise a contract, he/she complies with these Contract Standing Orders as if he/she were a Head of Service/Assistant Director of the Council;
- (i) to ensure no contract is entered into by their department without there being adequate and agreed budget provision;
- (j) to report, in accordance with Financial Regulations, at the earliest opportunity, on any anticipated budget overspends;
- (k) to keep proper records of all contracts and copies of relevant documentation, to provide a full audit trail of actions taken. These documents must be retained for periods as specified in Financial Regulations and should be stored securely;
- (l) to make arrangements for the obtaining and opening of quotations and tenders, and their secure retention so as to protect the integrity of the tendering process;
- (m) to ensure the Council's seal is affixed to any contract with a total contract value of £50,000 or more and to ensure all other contracts are signed by a Head of Service/Assistant Director or an officer authorised under delegated powers to act on his/her behalf;
- (n) to ensure the Legal Services Department holds the original contracts where sealed in accordance with (m) above and that the Director of Environment is advised immediately of all contracts for inclusion in the Council's Register of Contracts (maintained by the Head of Procurement), in compliance with Financial Regulations. Original copies of contracts under £50,000 are to be kept securely by the originating department (unless sealed);
- (o) to keep a central record of any waivers (or suspensions) of the Contract Standing Orders (see Standing Order 3.3);
- (p) to maintain, and document, effective monitoring of all contracts in their department and to ensure that remedial action is taken promptly in cases where the contractors' performance proves to be failing to meet contractual standards;
- (q) to comply with corporate contracts or corporate guidance where these exist, unless there are exceptional reasons not to do so (such exceptional reasons to be agreed by the Chief Executive or Director of Finance & Corporate Services). For example, any purchase of IT equipment software or hardware (except for consumables) must be via the Council's IT Partner and shall require the approval of the relevant departmental commissioning agent, in accordance with Financial Regulations. If in doubt as to the existence of corporate contracts or guidance appropriate checks should first be made with the Council's Head of Procurement.

2.2.3 For approvals to the purchase, sale or appropriation of land and buildings, and to the letting or taking on of leases or licences of property, Heads of Service / Assistant Directors must refer to the Assistant Director of Environment (Property, Parks and Procurement).

## **2.3 Members**

2.3.1 No member of the Council shall knowingly have, or permit, an interview or communication with any contractor or tenderer who is involved with any proposed contract or tender unless specifically authorised to do so by the Council.

- 2.3.2 Members must declare to the Council any pecuniary interest they personally have in any contract(s) to be let. This must include any direct or indirect interest, or any personal connection whatsoever, that they may have with, or in, any organisation with which they are dealing on behalf of the Council.
- 2.3.3 Members must comply with any other terms contained within the Members' Code of Conduct and Member / Officer Protocol which relate to contracts.

### **3 DO STANDING ORDERS APPLY?**

- 3.1 These Standing Orders **do apply for all contracts** for the supply of goods, services and materials, the provision of services or the execution of works whether to or by the Council or on its behalf:
- 3.1.1 (a) For procurement of up to an estimated total value of £50,000, there are requirements to obtain quotations. (See Standing Order 5)
- (b) For procurement with an estimated total value of over £50,000, formal tendering and contract procedures must be applied. (See Standing Order 6)

***Details of the financial limits and requirements are attached at Appendix B.***

**Please note** again that for the purposes of the thresholds within these CSOs, the value of a contract must be calculated over the entire length of a contract, and not the annual value. The value must be calculated in pounds sterling exclusive of Value Added Tax.

- 3.1.2 There are EU Regulations which require specific categories of contracts to be advertised in the Official Journal of the European Union (OJEU) when over certain values. The regulations are however extremely complex and are rarely static. Also, there are aggregation rules that mean there are some circumstances where EU rules apply at less than these values. **For all of these reasons officers must therefore make contact with the Head of Legal Services and the Head of Procurement for a check on the relevance of EU Regulations for any procurement exercise that is by early estimates in excess of £100,000.**
- 3.1.3 (a) Where the goods, services and works being obtained or provided are covered by the Council's Approved List of Contractors, then subject to 3.2 (a) below, only firms on that list may be used. The list of Categories for which Approved Lists exist is at **Appendix C.**
- (b) Where they are not covered by the Council's Approved List of Contractors, contracts may be let by using either the Open Tendering, Restrictive Tendering or Negotiated Procedures (see Standing Order 6). Please note that the Negotiated Procedure should only be used in exceptional circumstances.
- 3.2 Paragraph 3.1.1(a) and (b) do not apply in the following special circumstances:
- (a) where contracts relating to the supply of goods, services and works have been corporately tendered and managed by means of:
- a public sector purchasing consortium
  - another local authority
  - a government department or purchasing agency
  - a statutory body
- in a manner that has been evidenced to and supported by the Council's Head of Legal Services and Head of Procurement.

In these cases, the Head of Service/Assistant Director must nevertheless obtain the most favourable terms possible for the Council and must be able to demonstrate, and keep supporting evidence, that, in cases where there is more than one provider, a competitive tendering process has been considered.

- (b) in cases of civil or war emergency, natural or any other disaster where the Council needs to obtain goods or supplies or materials and/or carry out any work by contract, in order to save or preserve life or property, or to carry out the discharge of its public responsibilities.

In these circumstances, the Head of Service/Assistant Director may place an order for goods, supplies or work as the circumstances require, either having previously obtained the authority of the Executive if the situation allows; if it does not, then he/she may take action immediately. In this case, a report must be made to the next Executive meeting of the action so taken and the expenditure incurred.

- (c) Contract extensions:
  - (i) where a contract does not have any provision for an extension, one extension, where similar terms and conditions will apply, may be agreed for a maximum period of one year, subject to approval by the Chief Executive;
  - (ii) where a contract does provide for an extension, these extensions may be enacted, subject to approval by the Chief Executive. Extensions of contracts must not be for more than 2 years in total.
  - (iii) if an option to extend has already been applied to a contract in accordance with (c(ii)) above, then the provision in (c(i)) above cannot be applied.
  - (iv) if a contract has already been extended in accordance with (c(i)) or (c(ii)), no further extensions will be approved by the Chief Executive. If a further extension is required, then a report must be made to the Executive to agree the extension and to also agree to waive Contract Standing Orders (CSO 3.3).

The maintenance of the **Contract Register** referred to in the Key Principles section 1 above is an essential tool for seeking to avoid hurried contract extensions that are a result of insufficient time being allowed for re-tendering/marketing exercises. Notwithstanding this corporate requirement, the relevant Heads of Service/Assistant Directors must keep their own records in a manner that ensures reviews are triggered in good time and ideally at least 1 year in advance of end dates.

- (d) where goods and services are only sold by a single supplier. Specifications must not be written in such a way as to exclude suppliers and create a sole supplier.

Documented evidence must be kept to validate these cases.

- (e) for any contract which will develop or pilot a service where there is no market, or where the market is not sufficiently developed, and negotiations are required to develop the market. This may include new partnering arrangements with private and other public sector bodies or individuals, arising, for example, from Service Reviews. In these cases, for contracts that are likely to be in excess of £50,000 in value, the Head of Service/Assistant Director must ensure that the Executive is continually appraised of, and involved with, such arrangements and that they are subject to a separate report. Such arrangements will be subject to a maximum period, as determined by the Executive. For such contracts that are likely to be less than £50,001 in value, the Head of Procurement and Head of Legal Services would need to be involved in and support the proposals and the Waiving requirements described at 3.3 below will need to be applied.

- (f) for PFI Contracts, which are subject to specific legislation. Due to the complex financial and legal requirements pertaining to PFI contracts, the Head of Service/Assistant Director must ensure that he/she fully involves the Director of Finance & Corporate Services and Head of Legal Services.
- (g) with regard to 3.1.3 above, where in the opinion of the Head of Service/Assistant Director it is not reasonably practical to only use those firms on the approved list, or where the legal advice on the procurement concerned is that it would not be legally advisable to limit firms in such a way, or where the Head of Procurement supports a view that using other firms may provide additional opportunity for value for money. In these circumstances, full documentation must be retained, including a reasonable justification in support of the choice of contractor, and all other Contract Standing Orders must be followed, especially with regard to the technical and financial vetting of the potential contractors.
- (h) for Framework Agreements, which are subject to specific rules and legislation, the Head of Service/Assistant Director must ensure that he/she fully involves the Director of Finance & Corporate Services, Head of Legal Services and Head of Procurement at the outset of the procurement process.

### **3.3 Waiving (or Suspending) Standing Orders**

- (a) If a Head of Service/Assistant Director considers that there are special circumstances to waive (or suspend) any section or sections of Contract Standing Orders, then the following approvals must be obtained depending on the contract value:
  - (i) for all contracts up to £25,000, the relevant Director must approve.
  - (ii) between £25,001 and £50,000, the relevant Director must approve in conjunction with the Director of Finance & Corporate Services.
  - (iii) between £50,001 and £100,000, the relevant Director must approve in conjunction with the Executive Member for that service and the Director of Finance & Corporate Services. A formal, publishable Executive Member report is required, subject to call-in in the usual way.
  - (iv) £100,001 and over a report must be made to the Executive for approval.

A standard exemption form is to be used (attached at **Appendix D**) and retained by the Head of Service/Assistant Director.

Waiving or suspension of section 4.4.4 below, (the reporting requirements to the Executive where a contract is still sought despite unsatisfactory financial checks) is not permitted in any circumstances.

- (b) For contracts over £50,000, if an urgent decision is required before the next meeting of the Executive, then the Director must obtain approval from the Executive Member for that service and then seek retrospective approval from the next meeting of the Executive. Retrospective approval from the Executive may only be sought in cases of genuine urgency.
- (c) The Head of Service/Assistant Director must keep a record of all cases where Contract Standing Orders have been waived (or suspended), recording the reasons for waiver and approvals obtained. Copies of these records should be held centrally within the Service.

**4.1 Estimate of contract value:**

- (a) Before the inviting tenders or quotations, for the execution of any works, or the provision of any goods or services, where costs will likely exceed £25,000 the Head of Service/Assistant Director must ensure that an estimate of the anticipated cost is prepared and recorded in writing. This estimate should not be obtained more than three months before the invitation of tenders. The estimate is to be exclusive of VAT.
- (b) The Head of Service/Assistant Director must ensure that adequate and relevant budget provision has been agreed.
- (c) The Head of Service/Assistant Director must ensure compliance with any relevant EU legislation.
- (d) For all non- building contracts with an estimated value of:
  - (i) £50,000 - £100,000, a report to the relevant Director
  - (ii) between £100,000 and £250,000, a report to the relevant Cabinet Member
  - (iii) over £250,000, a report to the Executive must be made before proceeding to invite tenders, and to agree the most appropriate method of tendering that includes appropriate advice from the Head of Legal Services
- (e) For all building contracts over £100,000, a report must be made to the Cabinet Member for Resources before proceeding to invite tenders in order to agree the most appropriate method of tendering.
- (f) For capital projects contained within an agreed programme, and where funding has been approved and is available, implementation of these projects must be authorised by the relevant Cabinet Member for Resources
- (g) To approve the submission of in-house trading unit tenders with a value of greater than £50,000, a report must be made to the Cabinet Member for Strategy & Finance.
- (h) Contracts must not be artificially split to avoid the application of these Contract Standing Orders or relevant EU or other legislation.

4.2 Under Section 117 of the Local Government Act 1972, an officer must declare to the Council any pecuniary interest they have in a contract(s) to be let. Any such declaration must be made to the Director of Finance & Corporate Services in writing.

4.3 Officers involved in letting contracts must have regard to the provisions of the Council's Officer Code of Conduct, particularly those relating to the undertaking of private works, canvassing and acceptance of gifts, inducements or rewards.

**4.4 Financial & Technical Vetting of Potential Contractors**

4.4.1 For all contracts, potential contractors must be financially and technically vetted as part of the evaluation process and prior to the acceptance of a tender or quotation. Further guidance is again contained within the Procurement Manual at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\) - 5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version) - 5.03.doc).

4.4.2 Where potential contractors are included in the Council's Approved List of Contractors, then the technical and financial vetting will have been carried out by the Council's authorised supplier/manager of the approved list.

- 4.4.3 Where the Approved List of Contractors does not include the relevant category, or when the Open or Restricted Tendering, or Negotiated Procedure routes are used, then the Head of Procurement must be contacted to arrange for the financial and technical vetting to be carried out by the Council's authorised supplier/manager of the approved list.
- 4.4.4 Where for whatever reason the financial vetting process yields an unsatisfactory result but the relevant Head of Service/Assistant Director still wishes to award the contract to that company, then a report to the Executive is required. The report should set out the financial risks involved together with any other relevant information which might mitigate those risks, so that the Executive can determine whether or not to award the contract to the party concerned. The waiving of this section of standing orders is not permitted.
- 4.5 A risk assessment must be made for all contracts and subject to 4.5 (c) below, every contract must include an appropriate provision to protect the Council against all potential downside risks. Ways of protecting the Council's interests include the following, and at least one of these measures must be applied in all contracts:
- performance bond
  - parent company guarantee
  - ensuring goods / services are to a satisfactory standard before payment
  - use of manufacturer's guarantees or insurance cover
  - liquidated damages
  - deposit of funds
- (a) For contracts which exceed £500,000 in total value, security for the due execution of the contract must be by means of a performance bond or by a parent company guarantee of a form that has been approved by the Head of Legal Services. Such bonds/guarantees shall be released upon completion of the contract unless otherwise determined by the relevant Head of Service/Assistant Director in light of the risk assessment, and in consultation with and with the agreement of the Director of Finance & Corporate Services. The decision as to which of the two methods of security is acceptable is to be made in consultation with and with the agreement of the Director of Finance & Corporate Services and Head of Legal Services.
- (b) For contracts of less than £500,000 in total value , performance bonds or parent company guarantees will not necessarily be required unless the risk assessment so indicates. In some cases it may be preferable for the Council to accept the risk and that the measures referred to above are not required, The choice of measure to be applied to each contract must be determined by the relevant Head of Service/Assistant Director in light of the risk assessment, and in consultation with and with the agreement of the Director of Finance & Corporate Services.
- (c) Further guidance on this is available in the Procurement Manual at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\)\\_5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version)_5.03.doc).

## **5 PROCUREMENT UNDER £50,000 - OBTAINING & ACCEPTANCE OF QUOTATIONS**

- 5.1 Where any procurement has an estimated value of less than £50,000, the required number of quotations must be sought in accordance with the financial limits and procedures as set out in Appendix B. Further guidance on obtaining quotes is included in the Procurement Handbook.
- 5.2 Where considered appropriate, and whilst the use of quotations is possible, a formal tender exercise may be carried out for values of under £50,000; in which case the procedures as set out in CSO 6 should be applied. Tenders should be received and opened as per the procedure detailed at Appendices E & F, with approval by the Head of Service /Assistant Director.

- 5.3 The Head of Service/Assistant Director is responsible for ensuring that the selection of companies, from whom quotations are sought, is fair and open. Where a service is covered by a category on the Council's Approved List of Contractors, then quotations must be sought from companies included on that list. Where the Approved List of Contractors has insufficient companies listed from whom to obtain the required number of quotations, then other companies not on the List may be used.
- 5.4 All quotations over £10,000 are to be received in writing only. Up to £10,000, quotes via e-mail and fax are acceptable, provided that, in the case of e-mail, a printed copy must be kept on file.
- 5.5 For the procurement of goods, works and / or services with a value that is likely to be between £25,001 and £50,000, an estimate must be prepared before obtaining quotes. If the lowest quotation received exceeds this estimate by 10% or more, then the relevant Director shall determine whether or not the quotation may be accepted.
- 5.6 In all cases where less than the required number of quotes is obtainable or actually received, then;
- (i) for quotations up to £25,000, then the Head of Service/Assistant Director can accept a quotation.
  - (ii) for quotations between £25,001 and up to £50,000, approval to accept a quotation must be obtained from an Director.

In all cases, full documentation must be kept recording the reasons why less than the required numbers were obtainable or received, the persons / companies invited to quote together with the results and the selected quotation. A copy of this information must be notified to Internal Audit immediately after acceptance of the quotation.

- 5.7 If a quotation other than the lowest is to be accepted, then this must be with the approval of the relevant Head of Service / Assistant Director. Full supporting documentation must be kept to evidence why the lowest quotation was not accepted.

## 6 CONTRACTS OVER £50,000 - TENDERING PROCEDURES

- 6.1 For all contracts over £50,000, formal tenders must be obtained. These tenders can be obtained by means of one of the following methods:
- (a) **Selective Tendering using an Approved List of Contractors** (where tenderers are selected from the Approved List of Contractors);
  - (b) **Open Tendering** (where any person or body wishing to submit a bid must be allowed to do so);
  - (c) **Restrictive Tendering** (where only a certain number of bidders are allowed to tender, usually after a pre-assessment stage);
  - (d) **Negotiated Procedure** (where the Council consults with potential service providers of its choice and negotiates with one or more of them). This method should only be used in exceptional circumstances following consultation with the Head of Legal Services.

**It is reminded here that paragraph 3.1.2 above states that officers dealing with contracts must make contact with the Head of Legal Services and the Head of Procurement for a check on the relevance of EU Regulations for any procurement exercise that is by early estimates in excess of £100,000 total contract value**

## **6.2 Selective Tendering using the Approved List of Contractors**

- (a) This method of tendering is where invitations to tender are limited to those persons or bodies whose names are included in the Council's Approved List of Contractors. The categories covered by this Approved List of Contractors are attached at Appendix C.
- (a) The Council's Approved List of Contractors is compiled and maintained by the Council's authorised supplier/manager through the Head of Procurement and includes:
  - (i) all the names of all persons and bodies who wish to be included and who have demonstrated acceptable and appropriate financial and technical competence;
  - (ii) the categories of contract and the values of contract, and amounts in respect of those categories, for which approval has been given;
  - (iii) an adequate number of names in each category so as to meet the minimum tendering requirements of the Council.
- (c) The list is regularly reviewed by the Council's authorised supplier. Where a Head of Service/Assistant Director has concerns about the conduct or performance of a contractor whose name is included in the Approved List of Contractors, which may, if substantiated, be sufficient for that contractor's removal from the Approved List of Contractors, then he/she must report these concerns, in writing, together with any documentary evidence to the Head of Procurement.

## **6.3 Open Tendering**

- (a) Where the Approved List of Contractors does not provide a category for the type of work, goods or services required, then invitations to tender may be made by means of a public advertisement.
- (b) In these cases, a public advertisement must be placed in at least one local newspaper and one or more trade newspapers or journals circulating among such persons or bodies who undertake such contracts, to be agreed by the appropriate Head of Service/Assistant Director.
- (c) This public notice must:
  - (i) specify the details of the contract which the Council wishes to enter into;
  - (ii) state where tender documents may be obtained and the last date when tenders will be received;
  - (iii) at least 14 days should be allowed between the published date of any public notice and the last date for the receipt of tenders.

## **6.4 Restricted Tendering**

- (a) Where a Head of Service/Assistant Director uses a short listing process, limiting invitations to tender to persons responding to a public advert, then they must apply this regulation.
- (b) Before inviting tenders, the Head of Service/Assistant Director must publish a public notice in at least one local newspaper, and in one or more trade newspapers or journals circulating among such persons or bodies who undertake such contracts, to be agreed by the appropriate Head of Service/Assistant Director.

This public advertisement must give details of:

- (i) the particulars of the contract; and
- (ii) how interested parties may apply for permission to tender.

The notice must allow at least 14 days between the published date of any public notice and the deadline for expression of interest.

- (c) Prior to the publication of the notice referred to in (b) above, the evaluation criteria for selecting those to be invited to tender must be determined and approved by the Head of Service.
- (d) After the expiry of the date specified in the public notice, invitations to tender shall be sent to:
  - (i) not less than four persons or bodies who applied for permission to tender meeting the evaluation criteria set in accordance with (c) above or
  - (ii) where less than four persons or bodies have applied or are considered suitable, those persons or bodies which the Director and Head of Service consider suitable.

## **6.5 Negotiated Procedure**

- 6.5.1 Under this the Council consults with potential service providers of its choice and negotiates with one or more of them, the conditions under which work, goods and services will be provided.
- 6.5.2 The Negotiated Procedure should only be used in exceptional circumstances, such as:
  - (a) irregular or unacceptable tenders being received on a restricted or open tendering exercise; or
  - (b) where the nature of the services or the risks involved do not permit prior overall pricing or incorporation of contingencies and render straightforward price comparison impossible; or
  - (c) contract conditions cannot be specified with precision e.g. contract specifications cannot be established with sufficient detail to enable fixed pricing or tenders in accordance with open or restricted procedures.

Further details for all of these routes can be obtained from the Procurement Manual at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\)\\_-5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version)_-5.03.doc) and it is strongly advised that contact be made with the Head of Legal Services and Head of Procurement where there is any doubt.

***It is essential*** that prior legal advice is obtained from the Head of Legal Services in any case where the use of negotiated procedures is proposed. There are other procedures that can be followed, principally relating to the EU Regulation processes and for which contact will in any case have needed to be made with Head of Legal Services and the Head of Procurement per 3.1.2.

## **6.6 Preparation of specification and tender documents**

Prior to inviting tenders for works or services, the Head of Service/Assistant Director must draft a specification for the works or services required. Guidance on what to include is contained in the Procurement Manual at [http://lbrnet/depts/env/procurement/docs/Handbook\\_Update\\_\(web%20version\)\\_-5.03.doc](http://lbrnet/depts/env/procurement/docs/Handbook_Update_(web%20version)_-5.03.doc)

## **6.7 Instructions for Tendering**

- (a) Every invitation to tender shall state that tenders must be received in a plain envelope which shall bear the word "Tender" followed by the subject to which it relates, and the date and time for opening. It must not bear any name or mark indicating the sender.
- (b) All tenders must be directed to the Chief Executive's office for opening by the relevant Director and one witness. This function may be delegated to a Head of Service / Assistant Director, but such delegation must be included in individual

department's Scheme of Delegation. The relevant office must be warned of the impending receipt/opening requirements at least two weeks prior to tender deadlines.

- (c) The potential use of electronic tendering systems is currently under review. At this stage any officer seeking to use such systems will need to obtain the support of the Head of Legal Services, Head of Procurement and Director of Finance and Corporate Services.

## **7 CONTRACT DOCUMENTATION AND STANDARD CONTRACT CONDITIONS**

- 7.1 In applying these Contract Standing Orders, if there is any conflict between them and any statute or regulation, or with any directives of the European Union, then the statute, regulation or directive shall take precedence.
- 7.2 All contracts must comply with applicable EU Directives. The details are set out in Appendix C.
- 7.3 (a) Every contract over £50,000 in value:
- (i) must be entered into in writing and confirmed in a sealed contract that has been prepared by or in consultation with the Head of Legal Services.
  - (ii) the contract must specify the goods, materials or services to be supplied and the work to be carried out; the prices or rates to be paid, together with the statement as to the amount of any discounts or other deductions; the period over which the contract is to be performed, and such other conditions and terms as may be required.
  - (iii) The Head of Legal Services shall retain the original signed contract, with a copy held by the Head of Service / Assistant Director.
- (b) Every contract for the purchase of land, or acquisition of any interest in land, must be in writing and sealed by the Head of Legal Services (or in his/her absence the Assistant Head) or signed by the Head of Legal Services (or in his/her absence the Assistant Head) and an Director, Head of Service/Assistant Director.
- 7.4 Every contract must include contract terms and conditions appropriate to the contract concerned, using standard conditions wherever possible, in particular those set out in this section. There is a range of contract conditions that apply to various types of contracts and these should be obtained from the Head of Legal Services.
- 7.5 Every contract must require that all goods and materials used or supplied, and all the workmanship, must be at least of the standard required by the appropriate British Standards Specification or Code of Practice as issued by the British Standards Institution or European (or international) equivalent.
- 7.6 The Council's requirements on environmental and sustainability policy issues as explained in the Procurement Manual must be complied with when making contracts.
- 7.7 Every contract must include a clause requiring the contractor not to practice any form of unlawful discrimination in the performance of the contract.
- 7.8 Every contract that involves the contractor processing personal information as part of the service provided to the Council, or potentially accessing personal information held by the Council, must include an appropriate data protection clause including in respect of Freedom of Information Act legislation. Guidance can be obtained from the Council's Freedom of Information Officer.

- 7.9 Where the Transfer of Undertakings (Protection of Employment) Regulations 1981 may apply on the reletting of a contract, the contract must require the contractor to supply the Council with all relevant staffing information reasonably required. Advice and guidance must be sought from Head of Human Resources and/or Head of Legal Services.
- 7.10 Every contract must include a clause which empowers the Council to cancel the contract, and to recover from the contractor, the amount of any loss incurred as a result of cancellation if the contractor (or any person employed by the contractor or acting on his behalf, either with or without the knowledge of the contractor) has:
- (a) offered, paid or given, or agreed to give directly or indirectly, to any person, a gift or consideration or any kind as an inducement or reward for doing, not doing, or having done or not done, any action connected with obtaining or executing any contract with the Council;
  - (b) committed any offence under the Prevention of Corruption Acts 1889 - 1916, or paid or offered any fee or reward contrary to Section 117(2) of the Local Government Act 1972.
- 7.11 Every contract must oblige the contractor(s) to adopt safe methods of working in order to protect not only the health and safety of its own employees, but also that of Council employees and members of the public. The contractor must permit access by appropriate Council employees to locations at which Council employees are / will be working and must comply with any instruction or recommendations given by those officers on Health and Safety matters in situations involving immediate risk.
- 7.12 Every contract for goods, works and services must require the contractor to obtain appropriate public liability and employer's liability insurance. The contractor must provide reasonable proof of this before work is commenced, as well as evidence of any renewals of insurance as required throughout the period of the contract.
- 7.13 Every contract for must name the Supervising or Nominated Officer.
- 7.14 Every contract must include a provision enabling audit inspection of the contractor's documentation, as and when necessary.
- 7.15 Where appropriate contracts should include provisions that allow other organisations, for example other Councils, to enter into joint working arrangements through the contract.
- 7.16 For every contract containing index linked cost inflation, at the outset, the Director of Finance and Corporate Services must be informed in order to assist in medium term financial planning.

## **8 SUB-CONTRACTING AND NOVATION**

- 8.1 Where a sub-contractor or supplier is to be nominated or novated to a main contractor, in the absence of statutory requirements setting out different procedures, all tenders must be invited by the Council in accordance with the relevant tendering procedure. The Council's Code of Procedure and Instructions for Receipt, Custody and Opening of Tenders must also be applied (see **Appendix E & F**).
- 8.2 The terms of the invitation must require an undertaking by the tenderer that, if selected, they will be willing to enter into a contract with the main contractor on terms which indemnify the main contractor against their own obligations under the main contract, in relation to the work or goods included in the sub-contract.

## **9 APPROVAL & ACCEPTANCE OF TENDERS - PROCEDURES**

- 9.1 All tenders invited by the Council must be subject to the following acceptance and approval procedures.
- 9.2 All tenders for works, services or the supply of goods or materials shall be dealt with in accordance with the Code of Procedure and Instructions for Receipt, Custody and Opening of Tenders as set out in **Appendices E and F**.
- 9.3 The evaluation process, and / or the options appraisal, of the tenders received must be clearly documented and shall include confirmation that all technical and financial vetting of the potential contractors has been carried out.
- 9.4 In accordance with the Council's aspirations for achieving value for money, the evaluation process must take account of both cost and quality aspects of the tenders received. Guidance on evaluation models can be sought from the Council's Business Consultancy Unit.
- 9.5 Where only one tender is received, then the Head of Service/Assistant Director must refer this to an Director for a decision on the appropriate action.
- 9.6 For all contracts where the tender price, together with all associated fees and other relevant costs have an estimated value of £50,001- £100,000: (**except for consultants - refer to CSO 13.2**)
- (a) The Head of Service/Assistant Director concerned can accept the lowest acceptable tender provided that it is not more than £10,000, or 10% in excess of the estimated value, whichever is the greater (or if this is exceeded, if it can be contained within the overall project estimate). Acceptance of a tender is to be in conjunction with an Director.
  - (b) Where the lowest acceptable tender exceeds the estimated contract value and the project estimate by more than £10,000 or 10%, whichever is the greater, the Head of Service/Assistant Director must obtain approval to acceptance from an Director and the Director of Finance & Corporate Services.
  - (c) Where the Head of Service/Assistant Director wishes to accept other than the lowest acceptable tender, the Head of Service/Assistant Director must obtain approval from an Director and the Director of Finance & Corporate Services. Full supporting documentation must be kept to evidence why the lowest acceptable tender was not accepted.
- 9.7 For all contracts where the tender price, together with all associated fees and other relevant costs have an estimated value of over £100,000 - £250,000
- (a) The Head of Service/Assistant Director in consultation with an Director can accept the lowest acceptable tender provided that it is not more than £10,000 or 10% in excess of the estimated value, whichever is the greater, or if this is exceeded, if it can be contained within the overall project estimate. Acceptance of a tender is to be reported to the Executive for information.
  - (b) Where the lowest acceptable tender exceeds the estimated contract value and the project estimate by more than 10%, the Head of Service/Assistant Director in consultation with an Director must report to the relevant Cabinet Member for a decision.
  - (c) Where the Head of Service/Assistant Director wishes to accept other than the lowest acceptable tender, the Head of Service/Assistant Director in consultation with an Director must report to the Executive for a decision. Full supporting documentation must be kept to evidence why the lowest acceptable tender was not accepted.

- 9.8 For all contracts where the tender price, together with all associated fees and other relevant costs have an estimated value of between £250,000 and £500,000
- (a) the acceptance of the lowest acceptable tender must be carried out by the relevant Cabinet Member upon a report by the Head of Service/Assistant Director in consultation with an Director, provided that it is not more than 10% in excess of the estimated value.
  - (b) Where the lowest acceptable tender exceeds the estimated contract value and the project estimate by more than 10%, the acceptance of the tender must be carried out by the Executive upon a report by the Head of Service / Assistant Director in consultation with an Director.
  - (c) Where the Head of Service / Assistant Director wishes to accept other than the lowest acceptable tender, the Head of Service / Assistant Director in consultation with an Director must report to the Executive for a decision. Full supporting documentation must be kept to evidence why the lowest acceptable tender was not accepted.
- 9.9 For all contracts where the tender price, together with all associated fees and other relevant costs have an estimated value of over £500,000, the acceptance of the tender must be carried out by the Executive upon a report by the Head of Service/Assistant Director in consultation with an Director.
- 9.10 Certificates regarding insurance requirements, in a form approved by the Director of Finance & Corporate Services, must be obtained from successful tenderers before any works are undertaken in a contract (this does not apply to contracts for the supply of goods and/or materials only). Where applicable during the course of a contract, evidence must be obtained from the contractor that such insurance policies have been renewed as applicable.

## 10 POST- TENDER 'DISCUSSION' & 'NEGOTIATIONS'

- 10.1 EU Directives, where applicable, require that post-tender negotiation is only available in extremely limited circumstances, although post-tender discussion may be required to determine or clarify the exact details of a particular tender. **The Head of Legal Services and Head of Procurement must be consulted, in advance, in all such cases per paragraph 3.1.2 above.**
- 10.2 Where EU requirements *do not* apply, post tender discussions may be used in the following circumstances and the rules followed:
- (a) Post tender negotiations may begin when the estimate for the contract is exceeded by the tenders most likely to succeed, or where the appropriate officer has knowledge of the market at the time, and believes that such discussions could offer a significant advantage to the Council from increased value for money or better trading terms. The procedures are as follows:
    - (i) Where consideration is being given to changes in respect of price, prior approval to proceed must be obtained in advance from the Head of Legal Services and Head of Procurement. In other cases prior approval to proceed must be obtained in advance from the relevant Head of Service/Assistant Director.
    - (ii) no post tender discussions shall be conducted by a single officer; all discussions must include at least two officers of different disciplines.
    - (iii) all tenderers must be invited to amend their tender in those areas where the Council is seeking movement (e.g. unit price, delivery, and discounts). These invitations must be in writing and must not place any of the tenderers at a disadvantage, nor distort the competitive process.

- (iv) a written record of post tender discussions, including any notes of meetings and names of individuals present, must be kept on file and made available to the Head of Service/Assistant Director responsible for awarding the contract.
- (b) Where tenders have been submitted that are based on priced bills of quantities or schedule of rates, and the tender appears to the Head of Service/Assistant Director to include errors in totalling, extensions or calculations, or other errors and omissions, the details will be notified to the tenderer who will be given the opportunity to either:
- (i) confirm the offer at the original amount; or
  - (ii) withdraw the offer; or
  - (iii) amend the offer to correct genuine errors and omissions.
- All communication from the tenderer should only be in writing and not accepted until a written version is received.
- (c) Negotiation of a reduction in prices should not result in those items, which are subsequently omitted, being re-tendered separately at a later date, unless expressly authorised by the Executive.
- (d) Where tenders are submitted that have errors that are a result of the tender forms themselves being incorrect then all tenderers must be advised of the mistakes and corrections and be given equal opportunity to make appropriate adjustments to their tender submissions.

## **11 CONTRACT MONITORING and NON COMPLIANCE**

- 11.1 Once a contract is in place, the Head of Service/Assistant Director must ensure that an appropriate officer(s) carry out regular reviews of the contractor's performance against standards and/or targets as specified in the contract; these reviews should be clearly documented.
- 11.2 Where the contractor's performance fails to meet the standards and / or targets as specified in the contract, the Head of Service/Assistant Director must take timely and appropriate action to redress any non-compliance.
- 11.3 Heads of Service/Assistant Directors must ensure that appropriate training and development measures are in place for all officers involved in contract management.
- 11.4 Where any non-compliance with the contract conditions fails to be redressed to the Head of Service/Assistant Director's satisfaction, then, in liaison with the Director of Finance & Corporate Services and Head of Legal Services, consideration must be given to terminating the contract.
- 11.5 If a contract under seal is terminated, then a report must be made to the Executive at the earliest opportunity, to advise of the implications and remedial action required or taken.

## **12 ANTICIPATED ACTUAL OVERSPENDS**

- 12.1 As soon as it becomes evident that the final cost to the Council of the whole contract will exceed the estimated value, (by other than increases due to the operation of price fluctuation clauses which may be contained within the contract), the Head of Service/Assistant Director concerned must take the action specified in Financial Regulations, Appendix 7.

## **13 CONSULTANTS**

- 13.1 All appointments of consultants must be dealt with in accordance with the Code of Practice for the Engagement of Consultants. This Code shall replace the provisions of Contract Standing Orders 5, 6 and 9 but all the remaining provisions shall still apply to the appointment of consultants. The definition of a Consultant as compared with a Contractor is contained within the Glossary of Terms at Appendix A. The Head of Procurement's advice should be sought wherever circumstances as to which applies are such that issue is unclear.
- 13.2 For all appointments of consultants over £50,000, at least four competitive tenders must be sought. Tender acceptance will be;
- (a) For £50,000 to £100,000, by the Head of Service and Director, provided it is within 10% of the budget estimate. If the estimate is exceeded by more than 10%, then the Head of Service and Director must seek approval from the Director of Finance & Corporate Services.
  - (b) For over £100,000, by the Executive.

## **14 DISPOSAL OF ASSETS**

- 14.1 In disposing of Council assets, including land and interest in property, the Head of Service/Assistant Director must seek to obtain the best value reasonably obtainable for the Council, using a suitable process and ensuring compliance with all relevant legislation and Council policies. For approvals required for the sale of land and property, Heads of Service / Assistant Directors must refer to the Assistant Director of Environment (Property, Parks and Procurement).
- 14.2 The Code of Procedure and Instructions for Receipt, Custody and Opening of Tenders as set down in Appendices E and F shall be applied to tenders where payment is to be received by the Council.
- 14.3 The highest tender may be approved and accepted by the Head of Service/Assistant Director concerned. Any tender other than the highest shall not be accepted except as authorised by the relevant Director for tenders up to £50,000, by the Cabinet Member for Resources for tenders between £50,001 and £100,000 and by the Executive for amounts above £100,001, each having considered a written report by the appropriate Head of Service/Assistant Director or other authorised person.
- 14.4 With regard to the disposal of assets, this shall be in accordance with Financial Regulations, Section 11 and Appendix 4. All disposals of IT equipment must be via the Council's IT Partner and with the approval of the relevant departmental commissioning agent.

## **15 CONCESSIONS & SPONSORSHIPS**

- 15.1 On occasions, the Council may seek suppliers who are willing to pay the Council for the right to provide services in council premises e.g. vending rights. For the purposes of Contract Standing Orders, this still involves a procurement process and these Contract Standing Orders apply in full and the contract value must offer the best value reasonably obtainable by the Council and should be construed accordingly.
- 15.2 Directors, Assistant Directors and Heads of Service must ensure any sponsorship arrangements comply with the Council's Policy & Guidelines for Developing Sponsorship (details are included in the Procurement Handbook).



**DEFINITION OF TERMS**

To be used in conjunction with Standing Orders and Financial Regulations relating to Contracts.

<b>Approved List of Contractors for Selective Tendering</b>	A list of firms and organisations that have been financially and technically vetted by the Council's authorised supplier, as being suitable for the categories of work they are included for, up to the financial limit given.
<b>Consultant</b>	A consultant (or consultancy organisation) is defined as a person or company (or group of people) who will provide advice and /or undertake work for a specific time limited task.
<b>Contract</b>	A bargain agreed, (even if, exceptionally, not in writing) between the Council and a Contractor or Consultant for the execution or provision of goods, works or services or other such bargain as the Council may require, including all documents to which reference may properly be made in order to ascertain the rights and obligations of the parties to that bargain. This includes contracts where (i) the Council is acting on behalf of a third party and (ii) the goods, works or services are funded from external sources.
<b>Contract Value</b>	The estimated total cost of the works, goods or services which are the subject of a specific tender or quotation (i.e. per contract, not per annum).
<b>Contractor</b>	A firm or consortium with which the Council has entered into a contract. A firm includes a person or persons and any body corporate.
<b>Council</b>	The London Borough of Richmond upon Thames.
<b>Deed</b>	A written document that is executed and delivered as a deed, usually under seal. If it is a contractual document, it is referred to as a contract under seal. A promise contained in a deed is called a covenant.
<b>Estimate</b>	The estimated total cost of the works, goods or services which are the subject of a specific tender or quotation (i.e. per contract, not per annum). This is distinct from a project estimate, which means the overall estimated cost of a scheme, which will include the above estimate and the estimated cost of all other ancillary and associated works. Value Added Tax should be excluded from all estimates.
<b>Euro</b>	Currency unit of the European Monetary Union Zone.
<b>Executive</b>	The Executive consists of the Executive Leader together with Councillors appointed by the Council i.e. the Cabinet
<b>Head of Service/Assistant Director</b>	A Head of Service/Assistant Director of the Council who reports directly to the Chief Executive or to an Director. There are various "Heads of" functions within the Council reporting, for example, to Assistant Directors, to whom this definition does not apply.
<b>Quotation</b>	See "Tender" below.
<b>Standing Orders</b>	Rules governing the proceedings and business of the Council as part of its Constitution.
<b>Tender</b>	An offer made in writing which was invited and treated as such under the formal tendering procedure outlined in these Standing Orders and the Code of Procedure for Receipt, Custody and Opening of Tenders. Any tender not so sought shall be deemed a Quotation.

## FINANCIAL LIMITS AND PROCEDURES

To assist officers in determining the appropriate action to take in individual circumstances, the financial limits, which apply to both quotations and formal tenders are summarised below:

<b>No.</b>	<b>Estimated Value</b>	<b>Quotations</b>	<b>Tenders</b>	<b>Requirements</b>
1	Up to £1000	No specific number of quotations		<ul style="list-style-type: none"> <li>◆ Use of official order is required</li> </ul>
2	£1001 - £10,000	3 written quotations		<ul style="list-style-type: none"> <li>◆ Quotations to be received and opened in the relevant department</li> </ul>
3	£10,001 - £25,000	4 written quotations		<ul style="list-style-type: none"> <li>◆ The selection of companies to be approached to be agreed by two officers at an appropriate level (unless from the Approved List of Contractors)</li> <li>◆ Quotations to be received and opened in the relevant department</li> </ul>
4	£25,001 - £50,000	4 written quotations		<ul style="list-style-type: none"> <li>◆ The selection of companies to be approached to be agreed by two officers at an appropriate level (unless from the Approved List of Contractors)</li> <li>◆ Estimate to be prepared</li> <li>◆ Quotations to be received in sealed envelopes in the relevant department and opened by the appropriate Director (or his / her Head of Service / Assistant Director with power delegated to do so) and one witness</li> <li>◆ If quotations received exceed the prepared estimate by 10% or more, then the Director to determine whether or not to accept quotation</li> <li>◆ Head of Service to keep a record of all quotations received and reason supporting which quotation was selected</li> </ul>
5	Over £50,000		At least 4 tenders (5 if EU Regs apply)	<ul style="list-style-type: none"> <li>◆ Tenders to be received in the Chief Executive's office, opened in a formal manner by an Director or his/her Head of Service / Assistant Director with power delegated to do so, and one witness</li> </ul>

**NOTES:** Contracts should not be deliberately divided into a number of constituent parts to avoid compliance with the above

**These limits apply to the total cost of the goods, works and services to be obtained – i.e. the contract sum, not a per annum value.**

**APPROVED LIST OF CONTRACTORS - CATEGORIES**

**Agriculture and Gardening**

Arboricultural services, Fencing works, Landscape Maintenance, Landscape Services and Play Services (Outdoor)

**Air Conditioning**

Air Conditioning and Ventilation Installers and Supplies

**Central Heating**

Services and Supplies, Commercial Installers

**Construction**

Asbestos analyst services, Asbestos stripping, Brick & masonry cleaning, Bricklaying, Carpenters & joiners, Construction & repair of buildings, Damp proofing, Double glazing service & repairs, double glazing supply & install, Electrical contractors - industrial, Fencing works, Flooring services, General builders, Graffiti removal, Lift maintenance, Painters & decorators, Plasterers, Plumbers, Roofing services, Scaffolding, Stone & aggregate supplies, Water treatment

**Electrical**

Industrial, Installation & repairs

**Equipment**

Plant & equipment

**Glass**

Double glazing supply & installation, service & repairs, Glaziers

**Health, Safety, Welfare & Clothing**

Specialist consultants (Soil, Environmental & Water Testing)

**Highway**

Anti-skid surfacing, Carriageway works, Civil engineering works contracts, Proprietary surface treatments, Roadmarkings, Supply only of Asphalt & Macadam materials

**Historical & listed building refurbishment**

Historic building and refurbishment

**Leisure and Tourism**

Play services (Outdoor)

**Professional Services**

Civil engineering

**Security**

Security equipment, systems & services

**Sewage & Water**

Specialist drain services

**APPENDIX D**

**STANDARD FORM FOR APPROVALS TO WAIVING ( or suspending) CONTRACT  
STANDING ORDERS**

Contract description	
Contract Value	
Contract Duration	
Section of Standing Orders for which Dispensation is sought	
Reason for Dispensation	
List of supporting documents	

Requested by	
Signature	
Date	

<b>For contracts valued up to £25,000</b>	
Approval by Director	
Signature	
Date	

<b>For contracts valued between £25,001 and £50,000</b>	
Approval by Director	
Signature	
Date	
Director to confirm here that the proposal is supported by the Director of Finance & Corporate Services (copy to be sent to the latter)	

<b>For contracts valued between £50,001 and £100,000</b>	
Supported by Director	
Signature	
Date	
Director to confirm here that the proposal is supported by the Director of Finance & Corporate Services	
Report to Cabinet Member prepared	
Cabinet Member approval obtained	
Date	

<b>For contracts valued over £100,001</b>	
Report to Cabinet prepared	
Cabinet approval obtained	
Date	

## Appendix E

### **CODE OF PROCEDURE FOR THE RECEIPT, CUSTODY AND OPENING OF COMPETITIVE TENDERS OVER £50,000**

Tenders submitted in competition must be received, stored and opened in accordance with the arrangements set out below.

#### **1 RECEIPT**

- 1.1 The Head of Service/Assistant Director inviting the submission of tenders shall inform the relevant Director's PA in advance of receipt in writing of the names of the firms invited to tender, the estimate of the cost, and the time and date for opening. This information should be copied to the Corporate Procurement Manager, Legal Services and the Special Investigation Unit (Internal Audit). Any revision to the tendering period and/or contractors invited shall similarly be notified to all interested parties.
- 1.2 All tender envelopes delivered to the Council shall be clearly marked with the time and date of receipt and the signature of the officer receiving them. Any form of identification of the contractor appended by third parties i.e. couriers, should be removed from the envelope. Where it is not possible, the envelope should be placed inside another until the time of opening.
- 1.3 At the given time and date for the receipt of tender, the officer in charge shall ensure that all possible delivery points have been checked (i.e. customer services, personnel and post box/delivery room). All tenders should be addressed and submitted to the Chief Executive's office for opening.
- 1.4 Those members of staff who open tenders MUST not have been involved in any other detailed stage of the tendering process.
- 1.5 Tenders received in facsimile form should not be accepted in any circumstances, and prices submitted in this fashion should be disqualified.
- 1.6 No tender received after the time and date specified in the invitation shall be accepted.  
Any tender received after the time and date for receipt shall be endorsed "LATE TENDER" together with the time and date of receipt.  
In the event of queries arising, these should be addressed to the Special Investigations Unit for confirmation on how to proceed.

#### **2 CUSTODY**

- 2.1 All tenders received prior to the time and date for opening shall be kept under lock and key in a fireproof receptacle.

#### **3 OPENING**

- 3.1 Tenders estimated to be in excess of £50,000 shall be opened at one time and in the presence of at least two persons, one of whom shall be an Director or the Director of Finance & Corporate Services. An Director may delegate the function of opening tenders to his/her Head of Service / Assistant Director. Authorisation to open tenders cannot be delegated to levels lower than Head of Service/ Assistant Director.

- 3.2 Tenders should be opened as soon as possible after the designated time for receipt.  
(Instructions for the opening and recording of tenders are attached at Appendix F).
- 3.3 Once Tenders have been recorded, the inviting department can be contacted to arrange for their collection from the officer in charge of receipt.





# Officer Employment Procedure Rules

## 1. Recruitment and appointment

### (a) Declarations

i) The Council will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the relation of an existing Councillor or any officer of the Council who may be in a position to influence the appointment; or of the partner of such persons.

ii) No candidate so related to a Councillor or an officer will be appointed without independent authority of an appropriate chief officer.

### (b) Seeking support for appointment.

i) The Council will disqualify any applicant who does not disclose a relationship specified in 1 (a) i or who directly or indirectly seeks to gain an advantage and/or support from any person who may influence appointment to posts within the Council. The content of this paragraph will be included in any recruitment information.

ii) No Councillor will canvas support for any person who is seeking appointment to a post with the Council.

## 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 staff, 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 1 (a) i to be sent to any prospective candidates together with any recruitment information including details within paragraph 1 (b) i .

## 3. Appointment of Head of Paid Service

(a) The full Council will approve the appointment of the Head of Paid Service following the recommendation of such an appointment by a Committee or Sub-Committee of the Council. That Committee or Sub-Committee must include at least one Member of the Executive.

(b) The full Council may only make or approve the appointment of the Head of Paid Service where no well-founded objection has been made by any Member of the Executive.

#### **4. Appointment of chief officers (i.e. those posts listed in the Annex to this Rule)**

(a) A Committee or Sub-Committee of the Council will appoint chief officers and deputy chief officers. That Committee or Sub-Committee must include at least one Member of the Executive.

(b) An offer of employment as a chief officer shall only be made where no well-founded objection from any Member of the Executive has been received.

#### **5. Other appointments**

(a) **Officers below chief officer.** Appointment of officers below chief officer (other than assistants to political groups) is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Councillors.

(b) **Assistants to political groups.** If applicable appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

#### **6. Disciplinary action**

(a) **Suspension.** The Head of Paid Service, Monitoring Officer and Chief Finance Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on normal pay and last no longer than two months.

(b) **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.

(c) Councillors will not be involved in the disciplinary action against any officer below deputy chief officer.

#### **7. Dismissal**

Councillors will not be involved in the dismissal of any officer below deputy chief officer.

## **Annex to Officer Employment Procedure Rule 4**

### **Chief Officers and Deputy Chief Officers**

Chief Executive  
Corporate Head of Human Resources  
Head of Democratic Services  
Director of Finance and Corporate Services  
Assistant Director Finance & Corporate  
Assistant Director Finance & Corporate  
Head of Legal & Electoral  
Director of Education, Children's and Cultural Services  
Deputy Director of Education, Children's and Cultural Services  
Assistant Director Protective and Preventative Services  
Assistant Director School Effectiveness  
Head of Culture  
Head of Commissioning, Delivery & Service Improvement  
Director of Adult and Community Services  
Assistant Director Commissioning Care Services  
Assistant Director Commissioning Corporate Policy and Strategy  
Assistant Director Community Service Operations  
Director of Environment  
Assistant Director Traffic and Transport  
Assistant Director Development and Street Scene  
Assistant Director Property, Parks and Sustainability