



# CONSTITUTION 2022/2023

CRAVEN DISTRICT COUNCIL

## **CONTENTS**

### **Part 1 Summary and Explanation**

### **Part 2 Articles of the Constitution**

- Article 1 – The Constitution
- Article 2 – Members of the Council
- Article 3 – The Public and the Council
- Article 4 – The Council
- Article 5 – Chairing the Council
- Article 6 – Select Committee (Overview and Scrutiny)
- Article 7 – Policy and Other Committees
- Article 8 – The Standards Committee
- Article 9 – Area Committees
- Article 10 – Joint Arrangements
- Article 11 – Employees
- Article 12 – Decision Making
- Article 13 – Finance, Contracts and Legal Matters
- Article 14 – Review and Revision of the Constitution
- Article 15 – Suspension, Interpretation and Publication of the Constitution
- Schedule 1 – Description of Alternative Arrangements

### **Part 3 Responsibility for Functions**

- Responsibilities of Committees
- Scheme of Delegation to Officers
- Planning Scheme of Delegation
- Development Control Protocol
- Proper Officer Designations

### **Part 4 Rules of Procedure**

- Council Procedure Rules
- Public Participation Scheme
- Access to Information Procedure Rules
- Budget and Policy Framework Procedure Rules
- Select Committee (Overview and Scrutiny) Procedure Rules
- Financial Procedure Rules
- Contract Procedure Rules
- Officer Employment Procedure Rules

### **Part 5 Codes and Protocols**

- Councillors' Code of Conduct
- Officers' Code of Conduct
- Member Officer Protocol
- Whistleblowing Protocol

### **Part 6 Members' Allowances Scheme**

- Members' Allowances Scheme

### **Part 7 Management Structure**

- Management Structure

## Summary and Explanation

### The Introduction

Craven District Council exists to serve the public and governs on their behalf. We recognise the importance of the public's involvement in the decisions we take. To comply with legal requirements we operate political management arrangements that are referred to as the "Committee System". These arrangements were reviewed in July 2012 and it was decided to continue with them.

The committee system allows Councillors to spend more time in the community listening to people's views and concerns, and acting as community leaders to promote a better quality of life for those who live and work in the District.

The system operates with one policy committee. It includes a form of overview and scrutiny (select committee) to ensure that there are adequate checks and balances on those who take the decisions.

The objectives of this system are:

- Efficiency - enabling decisions to be made more quickly than before;
- Transparency - so that people can see who is responsible for decisions and are able to access meetings and information; and
- Accountability - whereby people and Members of the Council have the ability to review and scrutinise decisions taken.

In order to achieve these objectives the Council has processes in place. The law sets down some of these processes, while others are decided by the Council.

The Constitution is divided into 15 Articles, which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are provided in separate rules and protocols in Parts 3, 4 and 5 of the Constitution.

### What is in the Constitution?

The Constitution is made up of the following articles, which summarise what the Constitution is about:

- The Constitution (Article 1)
- Members of the Council (Article 2)
- The Public and the Council (Article 3)
- The Council (Article 4)
- Chairing the Council (Article 5)
- Select Committee (Overview and Scrutiny) (Article 6)
- Policy and Other Committees (Article 7)
- The Standards Committee (Article 8)
- Area Committees (Article 9)
- Joint arrangements (Article 10)
- Employees (Article 11)
- Decision-Making (Article 12)
- Finance, Contracts and Legal Matters (Article 13)
- Review and Revision of the Constitution (Article 14)
- Suspension, Interpretation and Publication of the Constitution (Article 15)

## **How does the Council operate?**

The Council is comprised of 30 Councillors with approximately one-third elected in each of three years out of every four. (County Councillors are elected in the fourth year) Councillors' overriding duty is to the whole community, but they have a special duty to all their constituents, to whom they are democratically accountable.

The Council is committed to transparency, particularly in terms of conduct, and Councillors have agreed to follow a Code of Conduct to ensure high standards in the way they carry out their duties. The Monitoring Officer ensures training and advice is provided on the Members' Code of Conduct and also has responsibility for the conduct of Members of Parish / Town Councils in the District.

All Council and other Member meetings are open to the public, except when exempt matters are being discussed. The Council appoints and holds to account its committees, sub-committees, panels and groups, and also determines the policy and budget framework.

The Council is responsible for all of the Authority's functions and services, and delegates much of its powers and duties to committees, sub-committees and officers. These delegations are set out in Part 3 of the Constitution.

## **How are decisions made?**

### **The Policy Committee**

The Policy Committee and its sub-committees make decisions on matters within its terms of reference that are not delegated to officers or the regulatory committees, or reserved to the Council Meeting, as detailed in Part 3 (Responsibility for Functions - Responsibilities of Committees).

The Audit and Governance, Licensing, Planning and Standards Committees and their sub-committees are responsible for a number of regulatory functions relating to audit-related matters, licensing and planning applications, and the conduct of Members. These too are detailed in Part 3.

Meetings of all the Council's committees are open to the public, except when personal or confidential matters are being discussed.

### **Select Committee (Overview and Scrutiny)**

The overview and scrutiny function supports the work of the Policy Committee in particular, other committees and the Council as a whole. At Craven this work is carried out by the Select Committee, members of which look at issues of local concern and encourages the public to be more involved. Members of the public are invited to give their points of view. This can lead to reports and recommendations to the Policy Committee and other committees, or, exceptionally, the Council Meeting on its policies, budget and service delivery. Policy Committee should consult Select Committee when developing new policy or reviewing existing policy.

### **The Council's Employees**

The Council has people working for it (called 'employees' or 'staff'). They implement decisions, give advice and manage the day-to-day delivery of its services. The Council must act within the law and use its resources wisely. Some employees have a specific duty to ensure that happens. A code of practice governs the relationships between employees and

Members of the Council. This can be found in Part 5 (Member / Employee Protocol). Employees are also subject to a Code of Conduct and a copy of this can be found in Part 5.

### **The Public's Rights**

Members of the public have a number of rights in their dealings with the Council. These are set out in more detail in Article 3. Some of these are legal rights, whilst others depend on the Council's own processes. The local Citizens' Advice Bureau can advise on individuals' legal rights. Where members of the public use specific Council services, for example an applicant for planning permission or benefits, they have additional rights. These are not covered in this Constitution.

Members of the public have many rights, the main of which are to:

- Vote at elections if they are registered;
- Contact their local Councillor about any matters of concern to them;
- Request that information held by the Council is given to them;
- Inspect or obtain a copy of the Constitution;
- Attend meetings of the Council, its committees etc., except where the business under discussion is exempt, that is personal or confidential matters are being discussed;
- Petition for a referendum on a mayoral form of decision-making;
- Speak at Council and other meetings under the Council's Public Participation Scheme;
- Submit a public petition on any matters for which the Council has responsibility, or which affect the District;
- Make a complaint to the Council if they feel that they have suffered an injustice because we have done something badly / in the wrong way / not at all, or treated someone unfairly;
- Complain to the Local Government Ombudsman if they think we have not dealt with their complaint properly through the Council's own Complaints' Procedure;
- Complain to the Council's Monitoring Officer if they can show that a councillor has not followed the Members' Code of Conduct; and
- Inspect the Council's accounts and make their views known to the external auditor.

The Council welcomes participation by the public in its work. There are rights for members of the public to attend meetings of the Council and other meetings, and have access to reports. These rights are to be found under the Access to Information Rules in Part 4 of the Constitution and have been enhanced by rights under the Freedom of Information Act and the Environmental Information Regulations. We have a well-established Public Participation Scheme, so that members of the public can address Council and other meetings. There are special provisions relating to the Planning Committee and the Licensing Committee. Members of the public may also petition Members at some meetings.

For further information on your rights as a member of the public, please contact the Democratic Services Team on (01756) 706226.

## ARTICLE 1 – THE CONSTITUTION

1.1 The Powers and Duties of the Council are exercised in accordance with the law and the provisions of this Constitution.

1.2 The Constitution consists of this document, and all its appendices, which represent the Constitution of Craven District Council.

### 1.3 **Craven District Council's Vision**

The Council's vision is for Craven to be an increasingly prosperous place with strong, vibrant communities that celebrate their unique rural and urban settings, and where all residents enjoy a good quality of life.

To deliver this vision we will strengthen our relationship with the County and District Councils, our Parishes and other partners; and seek greater influence through our membership of the Local Enterprise Partnerships for 'York, North Yorkshire and the East Riding' and the 'Leeds City Region.'

We will work together to develop and grow the local economy and strengthen our communities whilst conserving and enhancing our unique rural environment; ensuring sustainable towns and villages with access to suitable housing and excellent local services.

1.4 The Purpose of the Constitution is to enable the Council to provide clear leadership to the community in partnership with the public, businesses and other organisations by:

- supporting active public involvement in our decision-making processes;
- helping councillors represent their constituents more effectively;
- enabling decisions to be taken efficiently and effectively;
- creating a powerful and effective means of holding decision-makers to account;
- ensuring that anyone directly involved in a decision cannot review or scrutinise it;
- ensuring that people responsible for decision-making can be clearly identified to the public and that, as required, they give reasons for decisions; and
- providing a means of improving the delivery of services to the community.

1.5 **The Council's Priorities for 2020 onwards** are set out below:

#### **Carbon Neutral Craven**

- Facilitating economic growth in a low carbon Craven

#### **Supporting the Wellbeing of our Communities**

- Developing vibrant, connected and healthy communities

#### **Attracting and Retaining Younger People**

- Creating a district that attracts people of working age to live and work

#### **Financial Sustainability**

- Ensuring a self-sustainable Council

1.6 **The Council's Values** – The Council has developed the following values and they will underpin all that we do:

- **Treat everyone with respect**
- **Act with integrity and honesty**
- **Show commitment and flexibility**
- **Strive for improvement and excellence**

1.7 **Interpretation and Review of the Constitution** – Where the Constitution permits the Council to choose between different courses of action, it will always choose the option that it thinks is closest to the values stated in paragraph 1.6.

The operation of the Constitution will be monitored and evaluated as set out in Article 14.

## ARTICLE 2 – MEMBERS OF THE COUNCIL

2.1 (a) Composition – The Council comprises 30 Members, otherwise called Councillors. There are 19 Wards within the District that the Councillors represent. Some Wards elect two Members and others one. Details of your Councillors can be obtained from Democratic Services: 01756 706226 or the Council's website [www.cravendc.gov.uk](http://www.cravendc.gov.uk).

(b) Wards and Number of Members per Ward:

Ward	Number of Councillors	Parishes
Aire Valley with Lothersdale	2	Bradleys Both Cononley Farnhill Kildwick Lothersdale
Barden Fell	1	Appletreewick Barden Beamsley Bolton Abbey Burnsall Cracoe Draughton Hazlewood-with-Storiths Halton East Hetton-cum-Bordley Rylstone Thorpe
Bentham	2	Bentham Burton-in-Lonsdale
Cowling	1	
Embsay-with-Eastby	1	
Gargrave and Malhamdale	2	Airton Bank Newton Calton Coniston Cold Eshton Flasby-with-Winterburn Gargrave Hanlith Kirkby Malham Malham Malham Moor Otterburn Scosthrop Stirton-with-Thorlby
Glusburn	2	
Grassington	1	Grassington Hebden Hartlington Linton
Hellfield and Long Preston	1	Hellfield Long Preston



Ingleton and Clapham	2	Austwick Clapham-cum-Newby Ingleton Lawkland Thornton-in-Lonsdale
Penyghent	1	Giggleswick Horton-in-Ribblesdale Stainforth
Settle and Ribblebanks	2	Halton West Langcliffe Rathmell Settle Wigglesworth
Skipton East	2	
Skipton North	2	
Skipton South	2	
Skipton West	2	
Sutton-in-Craven	2	
Upper Wharfedale	1	Arncliffe Buckden Conistone-with-Kilnsey Halton Gill Hawkswick Kettlewell-with-Starbotton Litton Threshfield
West Craven	1	Broughton Carleton Elslack Martons Both Thornton-in-Craven

(c) Eligibility – Only registered voters of the District or those living or working in the District will be eligible to hold the office of councillor. For further details you need to check the detailed qualifications and disqualifications set out in section 79-81 of the Local Government Act 1972.

2.2 **Election and Terms of Office** – The ordinary election of around a third of all councillors takes place on the first Thursday in May in each year, except that, in 2021, and every fourth year after that, the elections to North Yorkshire County Council will be held on that date. The terms of office of councillors are four years, starting on the fourth day after being elected and finishing on the fourth day after the term of office ends, unless they are re-elected.

2.3 **Roles and Functions of all Councillors**

- (a) Key Roles – All Councillors are:
- collectively the policy-makers and are involved in some strategic and corporate management functions;
  - representatives of their communities and bring the views of those communities into the decision-making process, that is they are advocates of, and for, their communities;

- involved in dealing with individual casework and act as advocates for constituents in resolving particular concerns or grievances;
  - expected to balance the different interests identified within their individual Wards and represent their Ward as a whole;
  - involved in decision-making;
  - available to represent the Council on other bodies; and
  - expected to maintain the highest standards of conduct and ethics.
- (b) Rights and Duties – All Councillors will:
- have rights of access to such documents, information, land and buildings of the Council as is permitted under the law and which are necessary for the proper discharge of their duties; and
  - act in accordance with the Members' Code of Conduct and will not make public information which is confidential or exempt without the consent of the Council or divulge information given in confidence to anyone other than a Councillor or Officer entitled to know it.

For these purposes, " exempt" information is defined in the Access to Information Rules in Part 4 of this Constitution.

#### 2.4 Roles and Functions of:

**Lead Members** – They are appointed at Annual Council to take the lead in ensuring delivery of the relevant Corporate Priority (see Section 1.5 above):

**Member Champions** are appointed at Annual Council for cross-cutting or time-limited areas.

The roles of the Lead Members and the Member Champions are set out in the Guide to Member Roles and Responsibilities (July 2019) document available on the Council website.

#### 2.5 **Allowances** – Councillors will be entitled to receive allowances in accordance with the Members' Allowances Scheme (Part 6).

## 2.6 Conduct of Members –

**Code** – Councillors will, at all appropriate times, observe the various Codes of Conduct and Protocols set out in this Constitution (Part 5).

**Principles** – In addition, the Council has adopted the seven general principles set out below. These do not form part of the Code of Conduct, but should be observed by all Councillors.

Selflessness	Members should act solely in terms of the public interest
Integrity	Members must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships
Objectivity	Members must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
Accountability	Members are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
Openness	Members should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
Honesty	Members should be truthful.
Leadership	Members should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever

## ARTICLE 3 – THE PUBLIC AND THE COUNCIL

### 3.1 **The Public's Rights** – Members of the public have many rights, including:

- (a) **Voting and Petitions** – Registered electors for the District have the right to;
  - (i) vote at elections and referenda; and
  - (ii) petition for a referendum on a constitution that involves having an elected mayor in place of the present structure of political decision-making.
  
- (b) **Information** – The right to:
  - (i) attend meetings of the Council and its committees, except where exempt information is likely to be disclosed;
  - (ii) see reports and background papers, and records of Council decisions;
  - (iii) inspect the Council's accounts and make their views known to the external auditor; and
  - (iv) request that any information held by the Council is communicated to them under the provisions of the Freedom of Information Act and Environmental Information Regulations.
  
- (c) **Participation** – The right to participate at the Council Meeting and other meetings in accordance with the Council's Public Participation Schemes including the submission of public petitions to some Member meetings.
  
- (d) **Complaints** – The right to complain to:
  - (i) the Council itself under its Complaints' Procedure;
  - (ii) the Local Government Ombudsman after exhausting the Council's Complaints' Procedure; and
  - (iii) the Monitoring Officer about a possible breach of the Councillors' Code of Conduct.

### 3.2 **The Public's Responsibilities** – The Council expects everyone to behave in an appropriate manner and treat each other with courtesy and respect at all times. Violent or challenging behaviour to Councillors or employees will not be tolerated, nor will wilful harm or damage to things owned by the Council, Councillors or employees

### 3.3 **Public Petitions**

- (a) Public Petitions may be presented at any ordinary meeting of the Council during the time set down on the agenda, but not the Annual Meeting. Alternatively, petitions may be presented at a committee, where the public participation scheme relating to that meeting will apply. In the event of any dispute as to which is the more appropriate meeting for the petition to be presented, the Monitoring Officer is authorised to decide.
- (b) Any interested person may, when the relevant item is reached on the agenda, present a petition to the Leader of the Council about any matters for which the Council has a responsibility or which affect the District.
- (c) A petition shall be defined as a document that contains at least 25 signatures from different addresses. A petition from a political organisation, the contents of which relates primarily to the activities or aims of that organisation shall not be accepted and, in the event of any dispute on the interpretation of this section, the Monitoring Officer shall decide if the petition is acceptable. Also a petition shall not be accepted in circumstances where it relates to a matter

where there is a right of appeal to the courts, a tribunal or a government minister.

- (d) Anyone wishing to submit a public petition may do so only if they have given notice and a copy of the petition to Democratic Services at least five working days before the start of the meeting. A maximum of two petitions may be presented at any meeting. In the case of notice being received of more than two petitions to be presented at a meeting, they will be presented in the order in which the notice is received by Democratic Services. Any outstanding petitions will be presented to the next available ordinary meeting of the Council.
- (e) One person may speak, for not more than five minutes, at the time the petition is presented. The petition will be noted in the minutes as being received. No discussion shall take place on any issue arising from the petition.
- (f) The Leader will arrange for the petition to be referred to the appropriate committee or officer for further action. If the matter covered by the petition is referred to a committee, either the person who presented the petition or the person who spoke to it will be entitled to speak on the item at the meeting of the committee where it is considered. If the matter covered by the petition is referred to an officer, either the person who presented the petition or the person who spoke to it will be entitled to speak on the item to the officer before any decision is made.

## ARTICLE 4 – THE COUNCIL

### 4.1 Meanings

- (a) **Policy Framework** means the following plans and strategies:
- Council Plan 2020 and Beyond (updated September 2021)
  - Climate Emergency Strategic Plan
  - Capital Strategy (2022-2026)
  - Risk Management Strategy (2021)
  - Medium Term Financial Plan (2022/23 – 2025/26)
  - People Strategy (2016-2020)
  - Craven Local Plan 2012-2032
  - Acquisition, Regeneration and Investment Strategy (2016)
  - Safeguarding Policy
  - Anti-Fraud and Corruption Policy Statement and Strategy
  - Cultural Strategy for Craven (2021 – 2022)
  - Car Parking Strategy (2021 – 2026)
  - Municipal Waste Management Strategy for the City of York and North Yorkshire (2006–2026)
  - Community Safety Partnership Plan
  - Sport and Leisure Facilities Strategy (2016-2030)
  - Craven Playing Pitch Strategy (2016-2030)
  - Treasury Management Statement, Minimum Revenue Provision Statement & Annual Investment Strategy (2022/23)
  - Asset Management Plan
  - Communications and Engagement Strategy
  - ICT Strategy (2018–2022)
  - Information Management and Governance Strategy (2019-2022)
  - Digital Strategy (2018-2022)
  - North Yorkshire Housing Strategy (2015-2021)
  - Craven Homelessness & Rough Sleeping Strategy (-2020-2025)
  - Empty Homes Strategy (2019-2024)
  - Craven Housing Renewal Policy (2020-2023)
  - York, North Yorkshire and East Riding Housing Strategy (2015-2021)
  - Temporary Accommodation Placement Policy
  - Statement of Licensing Policy (2021 – 2026)
  - Gambling Act 2005: Statement of Principles (2018-2024)
  - Craven Barnfield Regeneration Limited Business Plan (2017-2020)
  - Applications to the Government for consent to certain disposals of land
  - any other plans, policies and strategies which have a significant corporate impact on the Council or its resources.
- (b) **Budget Framework** – The budget relates to decisions that involve:
- the allocation of financial resources to different services and projects;
  - proposed contingency funds;
  - setting the Council Tax base;
  - setting the level of the Council Tax;
  - decisions relating to the control of the Council's borrowing requirement;
  - the control of capital expenditure;
  - the setting of limits for transferring funds (virement); and
  - Setting the Non Domestic Rate Base.

- (c) **Housing Land Transfer** means the approval or adoption of applications (whether in draft form or not) to the Secretary of State for approval of a programme of disposal of 500 or more properties to a person under the Leasehold Reform, Housing and Urban Development Act 1993 or to dispose of land used for residential purposes where approval is required under Sections 32 or 43 of the Housing Act 1985.

#### 4.2 **The Council Meeting – Functions**

Only the Council Meeting will exercise the following functions;

- (a) Adopting and changing the constitutional arrangements; including terms of reference of committees, deciding their composition and appointing them;
- (b) Approving or adapting the policy and budget frameworks, and any application to the Secretary of State in respect of any housing land transfer;
- (c) Appointing representatives to outside bodies at the Annual Meeting; with appointments between Annual Meetings being dealt with by the Policy Committee;
- (d) Adopting a Members' allowances scheme under Article 2.5;
- (e) Changing the name of the area, conferring the title of honorary alderman or granting the freedom of the District;
- (f) Confirming the appointment of the Head of Paid Service (Chief Executive);
- (g) Making, amending, revoking, re-enacting or adopting bylaws and promoting or opposing the making of local legislation or personal Bills, and
- (h) All other matters which by law must be reserved to Council.

#### 4.3 **Council Meetings**

There are three types of Council Meeting:

- (a) Annual
- (b) Ordinary
- (c) Extraordinary

and they will be conducted in accordance with the Council's Procedure Rules set out in Part 4 of this Constitution.

## **ARTICLE 5 – CHAIRING THE COUNCIL**

### **5. Role and function of the Chairman**

- 5.1 The Chairman and Vice-Chairman of the Council are elected at the Annual Council Meeting.
- 5.2 The person chairing the Council Meeting has the following responsibilities:
  - (a) To uphold and promote the purposes of the Constitution, and to interpret the Constitution when necessary;
  - (b) To preside over meetings of the Council, so that its business can be carried out efficiently and with regard to the interests of the community and the rights of Councillors;
  - (c) To ensure that the Council Meeting is a forum for the debate of matters of concern to the local community and the place at which all Members, who do not sit on Policy Committee or hold committee chairs, are able to hold the members of the Policy Committee and other chairmen to account;
  - (d) To promote public involvement in the Council's activities;
  - (e) To be the conscience of the Council; and
  - (f) To attend such civic and ceremonial functions as the Council and (s)he determines appropriate.



## **ARTICLE 6 – SELECT COMMITTEE (OVERVIEW AND SCRUTINY): ROLES AND FUNCTION**

### **6.1 Terms of Reference**

The Council will appoint a Select Committee to discharge the functions conferred by the Localism Act 2011 and section 119 of the Local Government and Public Involvement in Health Act 2007. The membership of the Select Committee is set out in the Select Committee Procedure Rules contained in Part 4 of the Constitution, while the terms of reference are contained in Part 3.

The Select Committee will deal with matters under the Call-In Procedure Protocol, contained in the Select Rules in Part 4.

The Select Committee may establish ad hoc working groups to assist it in reviewing policy areas, services, or the contribution of other bodies to the well-being of the District. Details of the operation of working groups are included in the Select Committee Procedure Rules and the Terms of Reference.

The Select Committee will act as the Crime and Disorder Committee.

### **6.2 General Role**

Within their terms of reference and the procedure rules set out in Part 4, the Select Committee will:

- (a) review and scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions;
- (b) have a strong and effective role in policy development and review, including putting forward policy options to the appropriate body;
- (c) consider any matter affecting the area or its inhabitants; and
- (d) exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the Policy Committee and Sub-Committees, and, exceptionally, a regulatory committee.
- (e) seek to resolve issues raised by Members under Councillor Call for Action in accordance with the procedures set out in Part 4 (Select Committee Procedure Rules) of this Constitution

### **6.3 Specific Functions**

- (a) **Policy Development and Review** – The Select Committee may:
  - i) assist the Council in developing the policy and budget frameworks by analysing policy issues;
  - ii) carry out research, community and other consultation in analysing policy issues and possible options;
  - iii) encourage and enable community participation in the development of policy options;
  - iv) question members of other Committees and senior officers about issues and proposals affecting the area; and
  - v) liaise with other organisations operating in the area, whether national, regional or local, to review their contribution to the well-being of the District and to ensure that the interests of local people are enhanced by collaborative working.

- (b) **Scrutiny – The Select Committee** may:
- i) review and scrutinise decisions and performance of committees in relation to individual decisions and over a period;
  - ii) review and scrutinise the performance of the Council in relation to its objectives, performance targets and particular service areas;
  - iii) question members of committees and chief officers about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects;
  - iv) make recommendations to the appropriate committee or, exceptionally, Council;
  - v) review and scrutinise the performance of other public bodies in the area and invite them and local people to attend meetings of the Select Committee or a working group to discuss their activities and performance; and
  - vi) question and gather evidence from any person (with their consent).
- (c) **Call-In** – The Select Committee may call-in the decisions of some Committees, but not the decisions of officers. Any call-in will be in accordance with the Call-In Procedure Rules set out in Part 4 of this Constitution.
- (d) **Finance** – The Select Committee will exercise overall responsibility for any finances made available to the function.
- (e) **Work Programme** – The Select Committee must agree a work programme annually.
- (f) **The Select Committee** is designated as the Council’s Crime and Disorder committee and will meet in that role at least once each municipal year. It will be guided by the approach to the scrutiny of crime and disorder as set out at Minute CL.516/09-10, with authority for the Select Committee to vary this as it consider appropriate.

#### 6.4 Proceedings of Select Committee and Working Groups

The Select Committee and its working groups will conduct their proceedings in accordance with the Select Procedure Rules set out in Part 4 of this Constitution.

#### Select Committee – General Principles

- 1 Select Committee has a key part to play in good decision making by the Council. The Council is one body and it is in the interests of all Members and the public that the Council makes the right decision first time. This implies a constructive role for Select Committee as it would be perverse to wait until the point of decision-making, or after, to raise concerns.
- 2 The Select Committee and its working groups can best assure the public that it is performing its role effectively by carrying out as much of its business as possible in public.
- 3 Select Committee and its working groups should adopt an evidence based approach. This means that it should consider carefully all submissions made

and ensure that it hears from all those who may have a contribution to make on the matter under consideration, both from within and outside the Council.

- 4 Select Committee should operate in a non-partisan way. This means that the Committee and its working groups should not be subject to the party whip. The party whip means any instruction given by or on behalf of a political group or party to any Member who is a member of that group or party, as to how that Member shall speak or vote on any matter before any Select body, or the application of, or threat to apply any sanction by the group or party in respect of that Member, should s/he speak or vote in a particular manner.
- 5 Select Committee and its working groups are encouraged to develop less formal approaches to meetings that support the reflection required by the overview and scrutiny role. This may mean, on occasion; meeting in different venues; visiting other organisations; structuring meetings in different ways; and using a variety of media for reporting.
- 6 Members of the public should all have an equal opportunity to contribute to Select Committee deliberations. To help this happen, Select Committee and its working groups should consider –
  - publicising their meetings through the local media;
  - setting the times and venues of meetings to enable maximum participation;
  - ensuring meeting rooms are accessible and have facilities for people with visual and hearing impairments when appropriate; whether it needs to take into account that some residents do not have English as a first language.

## **ARTICLE 7 – POLICY AND OTHER COMMITTEES**

7.1 The Council will appoint the committees, etc. shown in the diagram contained in Schedule 1 to these Articles.

(Note: The ad-hoc working groups shown will be specific task groups, so will vary from year to year depending upon the select committee work programme.)

7.2 The terms of reference of the committees and sub-committees are contained within Part 3 – Responsibility for Functions – Responsibilities of Committees

## ARTICLE 8 – THE STANDARDS COMMITTEE

- 8.1 **Standards Committee** – The Council has established a Standards Committee as required by the Local Government Act 2000 and revised under the Localism Act 2011.
- 8.2 **Composition** –
- (a) **Membership** – The Standards Committee is composed of:
    - Five Craven District Councillors; and
    - Seven appointed members, namely
      - Three external (independent) persons, who are not councillors or employees of the Council or any other body with a Standards Committee; and
      - Four members of a Parish Council wholly in the District (parish members).
  - (b) **External (independent) Members** – External (Independent) Members are not entitled to vote at meetings. They will be appointed in accordance with agreed protocols.
  - (c) **Parish Members** – The Parish Members are present when matters relating to Parish / Town Councils or their Members are being considered. These members are not entitled to vote at meetings. They will be appointed in accordance with agreed protocols.
  - (d) **The Chairman** – The Chairman of the Standards Committee will be selected from amongst its Members.
- 8.3 **Role and Function** – The Standards Committee will have the following roles and functions:
- a) To review, at least every two years, the Council's Member / Employee Protocol and Codes of Conduct, the Planning Protocol, and any other local codes and protocols, and to recommend changes to the Council Meeting
  - b) To consider other areas where there may be a need for local codes or protocols and make appropriate recommendations to the Council
  - c) To monitor the operation of the codes and protocols and to advise Members individually (as requested) and as a whole on the codes and protocols
  - d) To grant dispensations to Members as provided for by the Localism Act 2011 and regulations made thereunder
  - e) To deal with complaints relating to a breach of the Members Code of Conduct and to appoint sub-committees, as required on an ad hoc basis to hear complaints following investigation.
  - f) To advise the Parish Councils on the adoption or revision of their Codes of Conduct, to monitor their operation and to advise on matters relating to their Codes
  - g) To ensure the provision of effective training on Members' interests and Code of Conduct issues for Members of the District Council and the Parish Councils in the Craven District
  - h) To receive and deal with reports resulting from Ombudsman complaints
  - i) To be consulted when reviews are carried out on elements of the Constitution that relate to the Ethical Framework

The terms of reference of the Standards Committee are contained in Part 3 – Responsibility for Functions – Responsibilities of Committees.

## **ARTICLE 9 – AREA COMMITTEES**

### **9.1 Area Committees**

The Council does not have any area committees, but it can appoint them if it sees fit. It must be satisfied that to do so will ensure improved service delivery, and more efficient, effective, transparent and accountable decision-making.

The Council will consult with relevant parish councils and the chairmen of relevant parish meetings as it considers whether and how to establish area committees.

## **ARTICLE 10 – JOINT ARRANGEMENTS**

Craven District Council enters into joint arrangements when the following criteria are satisfied

- In order to promote the economic, social or environmental well-being of its area, the Council may:
  - enter into arrangements or agreements with any person or body;
  - co-operate with, or facilitate or co-ordinate the activities of, any person or body; and / or
  - exercise on behalf of that person or body any functions of that person or body.
- The Council may establish joint arrangements with one or more local authorities and / or their executives to exercise functions in any of the participating authorities, or advise the Council. Such arrangements may involve the appointment of a joint committee with these other local authorities.
- The Council may enter into joint-arrangements with North Yorkshire County Council, which undertakes the function, and / or other District Councils in the County of North Yorkshire to carry out the health service scrutiny function.

If the Council considers it appropriate to undertake any other type of joint arrangements, it will first consult, as appropriate.

## ARTICLE 11 – EMPLOYEES

The use of the word "employee" means all persons engaged by the Council to carry out its functions. (Note: In this context "employee" covers those engaged under short term or agency arrangements, or who are in other non-employed situations.)

### 11.1 Management Structure

- a) General – The Council can engage employees as it considers necessary to carry out its functions.
- b) Chief Officers – The Council will engage persons for the following posts, who will be the Council's Chief Officers:

Post	Functions and areas of responsibility
Chief Executive	<ul style="list-style-type: none"> <li>• Overall corporate management and operational responsibility, including overall management responsibility for all employees.</li> <li>• Provision of professional advice to all parties in the decision-making process.</li> <li>• Implementation of the Council's Policies.</li> <li>• Act as Head of Paid Service with authority over all other employees to ensure efficient management and the carrying out of the Council's functions.</li> <li>• The right to attend and speak at the Council Meeting and all Council-related meetings (or his/her nominee).</li> <li>• The Council's principal advisor on overall policy.</li> <li>• Deal with all matters not specifically the responsibility of any other chief officer.</li> <li>• Represent the Council on partnerships and external bodies (or his/her nominee).</li> <li>• Overall management responsibility for the policies and strategies associated with and the effective provision of services through the following               <ul style="list-style-type: none"> <li>❖ Electoral Services</li> <li>❖ Communications and Partnerships</li> <li>❖ Human Resources</li> <li>❖ Business Support Services</li> <li>❖ Community Safety</li> <li>❖ Customer Services</li> </ul> </li> </ul>
Director of Services	<ul style="list-style-type: none"> <li>• Overall management responsibility for the policies and strategies associated with and the effective provision of services through the following               <ul style="list-style-type: none"> <li>❖ Cultural Services</li> <li>❖ Environmental Health</li> <li>❖ Strategic Housing</li> <li>❖ Planning Services</li> <li>❖ Waste Management</li> <li>❖ Economic Development</li> <li>❖ Assets and Commercial Services including Asset and Facilities Management, Bereavement Services, Leisure Services and Car Parking</li> <li>❖ ICT including Data Protection and Information Governance.</li> </ul> </li> <li>• Contribute to the effective delivery of the Council Plan</li> </ul>



<p>Chief Finance Officer (section 151 Officer)</p>	<ul style="list-style-type: none"> <li>• Overall management responsibility for the policies and strategies associated with and the effective provision of corporate services through the following <ul style="list-style-type: none"> <li>❖ Financial Management including Internal Audit (shared service with Harrogate Borough Council); Procurement; Payroll/Exchequer Services and Performance/Insurance/Risk</li> <li>❖ Revenue and Benefits</li> </ul> </li> <li>• To ensure the highest standards of corporate governance and effective use of resources.</li> <li>• To develop and monitor major capital projects as assigned within the overall capital strategy.</li> <li>• To be the Council's Statutory Section 151 Officer pursuant to the Local Government 1972.</li> <li>• To develop and implement the Council Plan</li> <li>• To develop and implement the performance management framework for the Council.</li> <li>• To develop and implement the Council's revenue and capital budget strategy to deliver the Council Plan, and Medium Term Financial Plan and Strategy.</li> <li>• To devise maintain and review the corporate framework for the management and control of Council's finances, including monitoring of the overall performance of the Council's budgets.</li> </ul>
<p>Solicitor to the Council (Monitoring Officer)</p>	<ul style="list-style-type: none"> <li>• Overall management responsibility for the policies and strategies associated with, and the effective provision of, services through the following: <ul style="list-style-type: none"> <li>❖ Legal Services</li> <li>❖ Democratic Services</li> <li>❖ Licensing</li> <li>❖ To be the Council's Statutory Monitoring Officer pursuant to the Local Government and Housing Act 1985</li> </ul> </li> </ul>

These chief officers make up the principal members of the Council Leadership Team. This Team is chaired by the Chief Executive and drives the corporate and strategic management of the Council. The Chief Executive may change the functions allocated to each chief officer and strategic manager.

- a) **Structure.** The Head of Paid Service will decide upon and publicise the overall management structure of the Council and this is shown in Part 7 of this Constitution.
- b) **Proper Officer Functions.** This is where the Council allocates or designates a specific employee, usually among the senior management posts shown in the overall management structure, as being responsible for carrying out a particular task. These designations are separate from specific decision-making powers as set out in the Scheme of Delegation to Officers in Part 3 of the Constitution. Within reasonable limits, officers may delegate some of their responsibilities to other employees.

### 11.2 Head of Paid Service, Monitoring Officer and Chief Financial Officer

The Council is required to designate posts as responsible for the duties attached to a number of statutory offices. These include a head of paid service, a monitoring

officer and a chief financial (or section 151) officer. Craven District Council has designated the posts listed below to undertake the duties of those statutory offices and the holders of those posts have, in turn, designated the deputies shown:

Statutory Office	Designated Post	Deputy
Head of Paid Service	Chief Executive	Designated by the Chief Executive as required
Monitoring Officer	Solicitor to the Council and Monitoring Officer	Solicitor to the Council and Deputy Monitoring Officer
Chief Finance (S.151) Officer	Chief Finance Officer (s151 Officer)	Senior Accountant

The designated posts will undertake the responsibilities described in Part 5 (5).

- 11.3 **Providing Resources to the Head of Paid Service, Monitoring Officer and Chief Finance (S.151) Officer** – The Council will provide the Head of Paid Service, Monitoring Officer and Chief Finance Officer with such officers, accommodation and other resources as are, in their opinion, sufficient to allow their duties to be performed.
- 11.4 **Conduct** – Employees will comply with the Officers’ Code of Conduct and the Member / Employee Protocol set out in Part 5 of this Constitution.
- 11.5 **Employment** – The recruitment, selection and dismissal of employees will comply with the Officer Employment Procedure Rules set out in Part 4 of this Constitution.
- 11.6 **Politically Restricted Posts** – The Local Government and Housing Act 1989 requires that some (mainly senior) posts are politically restricted in order to prevent the people occupying those posts from having any active political role either in or outside the work place. In practice, this will prevent certain postholders from standing for office as local councillors, Members of Parliament or Members of the European Parliament.

These employees are also barred from canvassing on behalf of a political party or a person who is, or seeks to be, a candidate, and speaking to the public or publishing material that could give the impression that they are advocating support for a political party.

Details of the posts to which these restrictions apply and further information can be obtained from the Human Resources on 01756 706209.

## ARTICLE 12 – DECISION-MAKING

- 12.1 **Responsibility for Decision-Making** – The Council will issue and keep an up-to-date record of what part of the Council or individual has responsibility for particular types of decisions, or decisions relating to particular areas or functions. This record is set out in Part 3 of this Constitution.
- 12.2 **Principles of Decision Making** – All decisions, whether through Members of the Council or by an employee under delegated powers, will be made in accordance with the following principles:
- a) proportionality (i.e. the action must be proportionate to the desired outcome);
  - b) having due regard to consultation and taking professional advice from officers;
  - c) respect for human rights (see below for further details);
  - d) a presumption in favour of openness;
  - e) clarity of aims and desired outcomes; and
  - f) in accordance with the rules of natural justice, where applicable.
- 12.3 **Decision-Making by the Council Meeting** – Subject to Article 12.6 below, the Council Meeting will follow the Council Procedure Rules set out in Part 4 of this Constitution when considering any matter.
- 12.4 **Decision-Making by the Select Committee** – The Select Committee will follow their Procedures Rules as set out in Part 4 of this Constitution.
- 12.5 **Decision-Making by Other Committees and Sub-Committees** – Subject to Article 12.6 below, other committees and sub-committees will follow the relevant parts of the Council Procedure Rules set out in Part 4 of this Constitution.
- 12.6 **Decision-Making by Council Bodies Acting as Tribunals** – The Articles of the European Convention on Human Rights apply to the Council, its committees or sub-committees or to an employee when acting as a tribunal or in a quasi-judicial manner or determining or considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility of any person.
- 12.7 **Proper Procedures**, which accord with the requirements of natural justice and the right to a fair trial, are prepared on a service specific basis, for example, taxi licensing applications, applications for personal and premises' licenses and housing benefit matters. These procedures will be applied and copies can be obtained, on request, from the Democratic Services team on 01756 706266.

## **ARTICLE 13 – FINANCE, CONTRACTS AND LEGAL MATTERS**

**Financial Management** – The management of the Council’s financial affairs will be conducted in accordance with the Financial Procedure Rules set out in Part 4 of this Constitution.

**Contracts** – Every contract made by the Council will comply with the Contract Procedure Rules set out in Part 4 of this Constitution.

**Legal Proceedings** – The Solicitor to the Council is authorised to institute, defend or participate in any legal proceedings in any case where action is necessary to give effect to decisions of the Council or in any case where the Solicitor to the Council considers that such action is necessary to protect the Council’s interests. This is subject to the Scheme of Delegation to Officers contained in Part 3 of the Constitution.

**Authentication of Documents** – Where any document is necessary to any legal procedure or proceedings on behalf of the Council, it will be signed by the Solicitor to the Council or other person authorised by him / her, unless any enactment otherwise authorises or requires, or the Council has given authority to some other person.

**Common Seal of the Council** – The Common Seal of the Council will be kept in a safe place in the custody of the Solicitor to the Council. A decision of the Council, or of any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal will be affixed to documents that, in the opinion of the Solicitor to the Council, should be sealed and in accordance with the Contract Procedure Rules set out in Part 4. The officer of the Council to whom the responsibility is delegated under the Scheme of Delegation to Officers (Part 3 of the Constitution) will attest the Common Seal.

## **ARTICLE 14 – REVIEW AND REVISION OF THE CONSTITUTION**

**14.1 Duty to Monitor and Review the Constitution** – The Audit and Governance Committee, reporting to Council as necessary, will monitor and review the operation of aspects of the Constitution to ensure that its aims and principles are given full effect. The Standards Committee will be a consultee where codes and protocols which relate to the ethical framework are being monitored or reviewed.

**14.2 Protocol for Monitoring and Review of Constitution** – A key role for the Audit and Governance Committee and the Solicitor to the Council is to be aware of the strengths and weaknesses of the Constitution adopted by the Council, and to make recommendations for ways in which it could be amended in order better to achieve the purposes set out in Article 1. In undertaking this task the Solicitor to the Council may:

- a) observe meetings of different parts of the Member and employee structure;
- b) undertake an audit trail of a sample of decisions;
- c) record and analyse issues raised with him / her by Members, employees, the public and other relevant stakeholders; and
- d) compare practices in this authority with those in other comparable authorities, or national examples of best practice.

The Solicitor to the Council will also maintain the Constitution under review and update it, when appropriate, to reflect the decisions of Council and its Committees.

### **14.3 Changes to the Constitution**

- a) **Approval** – Any fundamental changes to the Council's Constitution will only be approved by the Council Meeting after consideration of a proposal by the Audit and Governance Committee, or from the Solicitor to the Council
- b) **Change to / from a Mayoral Form of Executive** – Each year the Council advertises the number of electors required to submit a petition on a proposal to change to a mayoral form of executive. Such petition is binding upon the Council to hold a binding referendum.
- c) **Change from Alternative Arrangements to an Executive** – The Council must take reasonable steps to consult with local electors and other interested parties in the area when drawing up proposals to change from the alternative arrangements (modernised committee system) of political decision-making arrangements to an executive.

## **ARTICLE 15 – SUSPENSION, INTERPRETATION AND PUBLICATION OF THE CONSTITUTION**

### **15.1 Suspension of the Constitution**

- a) Limit to Suspension – The Articles of this Constitution may not be suspended. The Rules specified in(c) below may be suspended to the extent permitted within those Rules and the law.
- b) Procedure to Suspend – A motion to suspend any Rules will not be moved without notice unless at least one half of the whole number of councillors on that body are present. The extent and duration of the suspension will be proportionate to the result to be achieved, taking account of the purposes of the Constitution set out in Article 1.
- c) Rules which may be Suspended – The following Rules may be suspended in accordance with this Article, except where they are required by law:
  - a. Council Procedure Rules;
  - b. Budget and Policy Framework Procedures Rules;
  - c. Select Committee Procedure Rules;
  - d. Financial Procedure Rules;
  - e. Contract Procedure Rules; and
  - f. Officer Employment Procedure Rules.

### **15.2 Interpretation**

The ruling of the Chairman of the Council as to the construction or application of this Constitution, or as to any proceedings of the Council, shall not be challenged at any meeting of the Council. Such interpretation will have regard to the purposes of this Constitution contained in Article 1.

### **15.3 Publication**

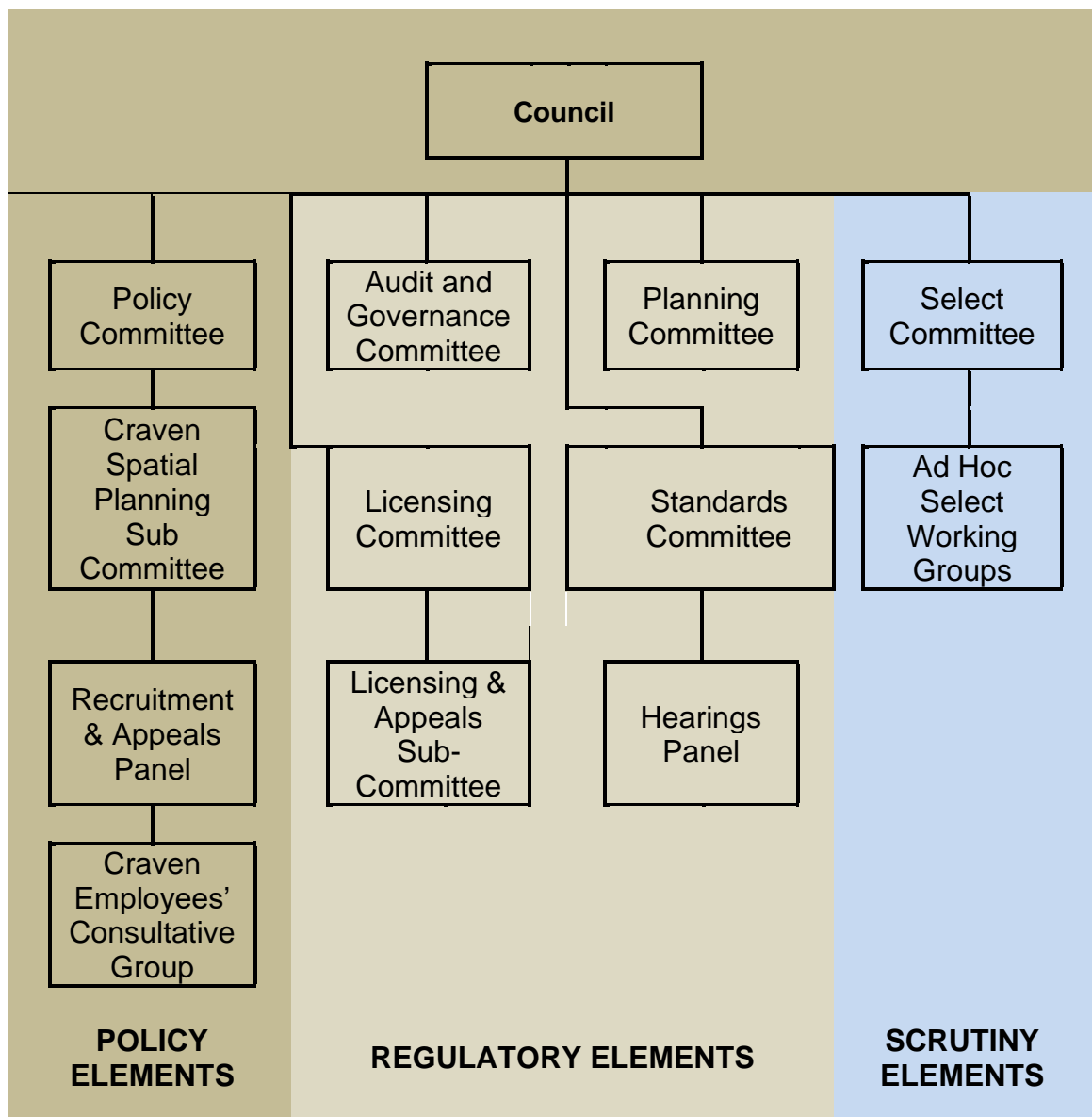
- a) The Solicitor to the Council will provide a printed or electronic copy of this Constitution to each Member of the Council upon delivery to him / her of that individual's Declaration of Acceptance of Office when that Member is elected or re-elected to the Council.
- b) The Solicitor to the Council will ensure that copies are available for inspection at Council Offices and other appropriate locations, and can be purchased by members of the public on payment of a reasonable fee.

## Schedule 1: Description of Alternative Arrangements

The following parts of the Constitution constitute the alternative arrangements

- Article 6 (Select Committee) and the Select Committee Procedure Rules
- Article 7 (Policy and Other Committees)
- Article 12 (Decision Making) and the Access to Information Procedure Rules (Part 4)
- Part 3 (Responsibility for Functions) including the terms of reference for the committees, sub-committees, groups etc.

The following diagram shows the committees, sub-committees, panels and groups of the Council.



## Responsibilities of Committees

### GENERAL PRINCIPLES AND INTRODUCTION

1. These terms of reference apply to the following bodies which have been appointed on the basis of the principles set out in other parts Council's Constitution:
  - The Council Meeting which consists of all Members of the Council and is the ultimate decision making body in terms of the Council's policy framework and budget.
  - The Policy Committee, with 15 Elected Members. This Committee has delegated authority to take decisions within the policy and budget framework.
  - The Select Committee with 12 Elected Members. This body can appoint up to two Working Groups and is responsible for discharging the Council's responsibilities within the overview and scrutiny function. Overall, these responsibilities are concerned with Members involvement in developing and reviewing policy, holding decision-makers to account and looking at other issues that affect the residents of the District.
  - The Planning Committee and the Licensing Committee with 12 Elected Members are regulatory committees. They deal respectively with some planning and various licensing matters. The Licensing and Appeals Sub-Committee with a membership of 3 Members. This deals with certain types of licensing application and various appeals such as employee matters.
  - The Audit and Governance Committee with 9 Elected Members plus one Independent (external) Member, is another regulatory committee. It has responsibilities for internal and external audit activities, the corporate regulatory framework and financial statements / accounts.
  - The Standards Committee with 5 Elected Members, plus 4 Independent (external) Members and 3 Parish Members. This has responsibility for this Council's (and the Parish/Town Councils') ethical framework.
  - Various sub-committees, some of which are task-related and mainly time-limited, and deal with matters delegated to them by the Policy Committee.
2. The Constitution allows a number of Elected Members to require that a decision of the Policy Committee, and exceptionally the Licensing and Planning Committees, is not implemented until it has been further considered by the Select Committee, and dealt with in accordance with the procedures set down in the Call-In Protocol.
3. If at any time the Monitoring Officer or S.151 Officer have concerns about whether a decision of one of the policy committees or the Licensing and Planning Committees falls within the policy and budget framework, the decision will not be implemented until the Council has considered a report from the Monitoring Officer or S.151 Officer.
4. Only the Policy Committee, the Planning Committee, the Licensing Committee and its Sub-Committee, the Audit and Governance Committee, the Standards Committee, and sub-committees appointed by the Policy Committee, can exercise delegated powers on behalf of the Council.

### 5. MEMBER TRAINING

#### Planning Committee

- Any new Member (or Substitute Member) appointed to Planning Committee shall, **before their first attendance at the Committee**, attend as a minimum,



an in-house Planning Committee training course. Failure to do so will automatically disbar the Member from taking any part in the decision-making process of the Committee until the Member has attended the required training.

- Continued membership of the Planning Committee will require refresher training to be undertaken by all members of that Committee **every twelve months**. This refresher training will cover new developments in development control practice, procedure, guidance, case law and conduct. Failure to attend the refresher training will disbar the Member from participating in any debate and/or decisions by the Planning Committee until the refresher training has been undertaken.

### **Licensing Committee**

- Any new Member (or Substitute Member) appointed to Licensing Committee shall, within **three months** of joining the Committee, attend a Licensing Committee training course. Failure to do so will automatically disbar the Member from taking part in any meeting of the Licensing and Appeals Sub-Committee until the Member has attended the required training.
- Continued membership of the Licensing Committee will require refresher training to be undertaken by all members of that Committee every **two years**. This refresher training will cover new developments in licensing practice and conduct. Failure to attend the refresher training will disbar the Member from taking part in any debate and/or decisions by the Licensing and Appeals Sub-Committee until the refresher training has been undertaken.

Member training will be open to all members irrespective of whether they are appointed to the Planning Committee or Licensing Committee.

COMMITTEE	<b><u>COUNCIL MEETING</u></b>
MEMBERSHIP	All 30 Members of the Council
LEAD OFFICER	Solicitor to the Council and Democratic Services and Scrutiny Manager
OFFICERS/UNITS PRIMARILY REPORTING	Chief Executive and Democratic Services, with others as required
<p>TERMS OF REFERENCE</p> <p>The Council Meeting will deal with the following matters:</p> <p>a) The adoption of and any fundamental changes to the Council's Constitution.</p> <p>b) Make appointments to -</p> <ul style="list-style-type: none"> <li>• all committees, some sub-committees, the Overview and Scrutiny Committee and approve the delegation / allocation of functions to them; and</li> <li>• outside bodies and joint committees. (The Policy Committee (or its successor) to deal with changes in representation between Annual Councils and new appointments / nominations to be made during the municipal year.)</li> </ul> <p>c) Determine the Budget Strategy in terms of the total revenue and capital budgets each year for the General Fund, and Direct Service Organisation.</p> <p>d) Determine the amount of Council Tax to be levied.</p> <p>e) Adopt a Code of Conduct for Members and employees.</p> <p>f) Approve or adopt the following applications, plans, schemes and strategies:</p> <ul style="list-style-type: none"> <li>• Council Plan 2020 and Beyond</li> <li>• Climate Emergency Strategic Plan</li> <li>• Capital Strategy (2020-2024)</li> <li>• Risk Management Strategy (2015)</li> <li>• Longer Term Financial Strategy (2019/2020 – 2025/2026)</li> <li>• Medium Term Financial Plan (2020/2021-2023/2024)</li> <li>• People Strategy (2016-2020)</li> <li>• Craven Local Plan 2012-2032</li> <li>• Acquisition, Regeneration and Investment Strategy (2016)</li> <li>• Safeguarding Policy</li> <li>• Anti-Fraud and Corruption Policy Statement and Strategy</li> <li>• Cultural Strategy</li> <li>• Car Parking Strategy (2014-2019)</li> <li>• Municipal Waste Management Strategy for the City of York and North Yorkshire (2006–2026)</li> <li>• Community Safety Partnership Plan</li> <li>• Sport and Leisure Facilities Strategy (2016-2030)</li> <li>• Craven Playing Pitch Strategy (2016-2030)</li> <li>• Treasury Management Statement, Minimum Revenue Provision Statement &amp; Annual Investment Strategy (2020-2021)</li> <li>• Asset Management Plan</li> <li>• Communications and Engagement Strategy</li> <li>• ICT Strategy (2018–2022)</li> <li>• Information Management and Governance Strategy (2019-2022)</li> <li>• Digital Strategy (2018-2022)</li> <li>• North Yorkshire Housing Strategy (2015-2021)</li> <li>• Craven Homelessness &amp; Rough Sleeping Strategy (-2020-2025)</li> </ul>	

- Empty Homes Strategy (2019-2024)
  - Craven Housing Renewal Policy (2020-2023)
  - York, North Yorkshire and East Riding Housing Strategy (2015-2021)
  - Temporary Accommodation Placement Policy
  - Statement of Licensing Policy (2016-2021)
  - Gambling Act 2005: Statement of Principles (2018-2024)
  - Craven Barnfield Regeneration Limited Business Plan (2017-2020)
  - Applications to the Government for consent to certain disposals of land
  - any other plans, policies and strategies which have a significant corporate impact on the Council or its resources.
- g) Applications to the Government for consent to certain disposals of land
- h) Approve or adopt any other plans, policies or strategies which have a significant corporate impact on the Council or which have a significant impact on the Council's resources.
- i) Confirm the appointment of the Chief Executive.

COMMITTEE	<b><u>APPOINTMENT OF HONORARY TITLES</u></b>
MEMBERSHIP	Chairman, Leader, Deputy Leader and Group Leaders
LEAD OFFICERS	Chief Executive, Democratic Services and Scrutiny Manager
PARENT COMMITTEE	Council Will be constituted following the Annual General Meeting each year
<p>TERMS OF REFERENCE (Minute CL.684)</p> <p>To make recommendations to the Council from time to time as to individuals or groups who they consider should be granted the office of Honorary Freeman, Honorary Freewoman, Honorary Alderman or Honorary Alderwoman of the Craven District.</p>	

COMMITTEE	<b><u>POLICY COMMITTEE</u></b>
MEMBERSHIP	15 Members of the Council (The Chairman and Vice-Chairman to be the Leader and Deputy Leader of the Council)
LEAD OFFICERS	Chief Executive and Director of Services
SERVICE PLANNING RESPONSIBILITIES	All Services
<p><b>TERMS OF REFERENCE</b></p> <p>The Policy Committee will exercise the Council's powers in relation to the following, subject to its recommending policy for those areas that fall outside the policy or budget framework, which will be submitted to the Council Meeting for approval or adoption.</p> <p>a) Within the Council's budget and overall policy framework, to exercise the Council's powers in making decisions on all of its non-regulatory functions, with particular attention to the Corporate Priorities.</p> <p>b) To review and make recommendations to the Council Meeting on its budget framework and all, except the regulatory element, of its overall policy framework, which are reserved to the Council.</p> <p>c) To refer to the Council Meeting any plans, policies or strategies that have a significant corporate impact on the Council, or which have a significant impact on the Council's resources, for approval and adoption.</p> <p>d) To have oversight of the discharge of functions in relation to established joint ventures and arms-length companies.</p> <p>Notes:</p> <p>(1) The Policy Committee may appoint decision-making 'specific task' sub-committees, providing they do not impinge on the work of overview and scrutiny. The following criteria are to be used for the appointment of these sub-committees:</p> <ul style="list-style-type: none"> <li>• The Policy Committee will state clear terms of reference, which will set out the powers of the sub-committee;</li> <li>• The Sub-Committee's powers must involve decision-making, including recommendations, on the subject specified; and</li> <li>• Tasks for sub-committees shall not impinge on the primary work of Overview and Scrutiny that is policy / strategy development and review.</li> </ul> <p>(2) The membership of specific task sub-committees is limited to seven and a sub-committee's members shall be drawn from across the Council to ensure that the most appropriate members are able to serve on those sub-committees.</p>	

COMMITTEE	<b><u>SELECT COMMITTEE</u></b>
MEMBERSHIP	12 Members of the Council. The Chairman of the Council and members of Policy Committee may not sit on the Select Committee
LEAD OFFICER	Democratic Services and Scrutiny Manager
TERMS OF REFERENCE	
<p>a) To prepare and agree a work programme annually, taking account of items put forward by Members and the Corporate Leadership Team, ensuring that those items that relate to the Council's functions fall, primarily, within the Council's Priorities.</p> <p>b) To co-ordinate and monitor the select committee work programme</p> <p>c) To appoint the chair and members of working groups to undertake tasks within the work programme, where appropriate; to establish the terms of reference for working groups, together with reporting arrangements; and co-ordinate and monitor the work of those working groups.</p> <p>d) To review and scrutinise decisions "called-in" under the Council's Call-In procedure and:</p> <ul style="list-style-type: none"> <li>• Decide to take no further action; or</li> <li>• Report to the relevant Committee with any recommendations, with reasons; or</li> <li>• Recommend, with reasons, that the Council Meeting should consider whether that body should reconsider the decision.</li> <li>• To recommend to the Council the detailed arrangements for the discharge of the overview and scrutiny function.</li> </ul> <p>e) To prepare and present an Annual Report to Council.</p> <p>f) To review experience, identify good practice and develop learning in relation to the overview and scrutiny role.</p> <p>g) To have a strong and effective role in policy development and review, including proposing policy options to the Policy Committee or a sub-committee, chief officers and Strategic Managers, or exceptionally to the Council Meeting.</p> <p>h) To have a strong and effective role in assessing performance.</p> <p>i) To conduct as much of its business as possible in public.</p> <p>j) To seek to resolve issues raised by Members under the Councillor Call for Action in line with Part 4 (Select Committee Procedure Rules) of this Constitution</p> <p>k) To receive reports and other evidence from organisations and individuals which the Committee or a working group considers relevant to the work.</p> <p>l) To take a lead on specific improvement objectives and on the overall monitoring and review of the Council's performance.</p> <p>m) To review or scrutinise decisions made or other action taken or proposed in connection with the discharge of any functions of the Council and to present reports and/or recommendations either with respect to the discharge of any functions of the Council or on matters which affect the Council's area or the inhabitants of the area as follows:</p> <ul style="list-style-type: none"> <li>• to the Council or,</li> <li>• to any committee or sub-committee of the Council or</li> <li>• to any joint committee on which the Council is represented or any sub-committee of such a committee</li> </ul> <p>n) When acting as the Crime and Disorder Committee, to undertake the Council's crime and disorder functions as follows:</p> <ul style="list-style-type: none"> <li>• review or scrutinise decisions made, or other action taken, in connection with crime and disorder functions;</li> </ul>	

- consider (crime and disorder related) Councillor Calls for Action (CCfA) that arise through the Council’s existing CCfA process;
  - consider actions taken by the responsible authorities on the community safety partnership;
  - make reports or recommendations to the local authority with regard to those functions. (In practice, the nature of the committee and its work should mean that recommendations will be directed to responsible partners as well); and
  - issue a standing invitation to North Yorkshire Police Authority to send a representative to attend meetings as an expert adviser.
- o) To review annually the effectiveness of any Public Spaces Protection Orders made by the Council under the Anti-Social Behaviour Crime and Policing Act 2014.

COMMITTEE	<b><u>SELECT COMMITTEE WORKING GROUPS</u></b>
MEMBERSHIP	<ul style="list-style-type: none"> <li>• The Select Committee will appoint a maximum of two working groups at any one time.</li> <li>• The Select Committee may co-opt or authorise the co-option of members to working groups when it considers that representation from other bodies will assist that working group</li> <li>• Any member of Council may attend Working Group meetings as an observer, except where a working group meets to formulate recommendations.</li> </ul>
<p><b>TERMS OF REFERENCE</b></p> <p>To be determined by the Select Committee and working groups will bear the following in mind when carrying out their work:</p> <ul style="list-style-type: none"> <li>• Encourage and enable community participation in their work;</li> <li>• Hold at least one meeting in public</li> <li>• Hold at least one meeting with the chief officer (or representative) responsible for the service or policy area under consideration</li> <li>• Produce a written report of its conclusions for Select Committee</li> </ul> <p>May meet alone, or with an officer from Democratic Services, to formulate recommendations.</p>	



COMMITTEE	<b><u>AUDIT and GOVERNANCE COMMITTEE</u></b>
MEMBERSHIP	9 Members of the Council, with the Chairman being independent of the Policy Element of the committee structure, plus 1 Independent Person (non-voting)
LEAD OFFICER	Chief Finance Officer (s151 Officer)
<p><b>TERMS OF REFERENCE</b></p> <p>(a) In relation to internal and external audit activities, to:</p> <ul style="list-style-type: none"> <li>• draw together the key components of corporate governance in relation to audit; promoting internal control, focusing audit resources and monitoring the management and performance of the providers of Internal Audit Services;</li> <li>• consider the Annual Report and Opinion from Internal Audit, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements;</li> <li>• consider summaries of specific internal audit reports focusing on those areas that receive 'limited assurance';</li> <li>• consider a report from Internal Audit on the implementation status of agreed recommendations;</li> <li>• consider the External Auditor's Annual Letter, relevant reports, plans, and report to those charged with governance;</li> <li>• consider specific reports as agreed with the External Auditor;</li> <li>• comment on the scope and depth of External Audit work and to ensure it gives value for money;</li> <li>• liaise with the Audit Commission over the appointment of the Council's External Auditor; and</li> <li>• approve the annual work programmes for Internal and External Audit and, in exceptional cases, to have the ability to commission work directly from audit providers.</li> </ul> <p>(b) In relation to the Council's regulatory framework, to:</p> <ul style="list-style-type: none"> <li>• ensure the effective development and operation of corporate governance within the Council and to maintain the Council's Constitution: the Standards Committee to be consulted on the review of any codes and protocols that relate to the ethical framework;</li> <li>• review issues referred to it by the Chief Executive, Director or any Council body;</li> <li>• approve the corporate risk management framework in accordance with the Risk Management Strategy and Policy Statement; and monitor the effective development and operation of the risk management process: make any necessary changes to the process, including any recommendations for changes to the Strategy and Policy Statement;</li> <li>• monitor Council policies on 'Whistle-blowing' and the Anti-fraud and Anti-corruption strategy;</li> <li>• monitor progress on implementation of Internal Audit recommendations;</li> <li>• oversee the production of the authority's Statement on Internal Control and to recommend its adoption to the Policy Committee / Council;</li> <li>• consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice; and</li> <li>• consider the Council's compliance with its own and other published standards and controls;</li> <li>• to monitor the use of the Regulation of Investigatory Powers Act 2000.</li> </ul> <p>(c) In relation to the Council's Financial Statements / Accounts, to:</p>	

- review and approve the annual Statement of Accounts, including whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Policy Committee / Council
- consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.

(d) Under Part 4 (Parishes), Chapter 3 (Reorganisation) of the Local Government and Public Health Act 2007 (and any amending legislation):

- to be responsible for conducting community governance reviews within the District.

COMMITTEE	<b><u>LICENSING COMMITTEE</u></b>
MEMBERSHIP	12 Members of the Council
LEAD OFFICER	Legal Practice Manager
SUB-COMMITTEE	Licensing and Appeals Sub-Committee
<p><b>TERMS OF REFERENCE</b></p> <p>The Licensing Committee will exercise all the Council's powers relating to the discharge by the Council of its licensing functions, subject to its recommending policy for those areas that fall outside the budget or framework policy which will be submitted to the Council Meeting for approval or adoption.</p> <p>For the avoidance of doubt, the Licensing Committee will recommend fees to the Council Meeting for approval or adoption for all the Council's licensing functions.</p> <p>The Licensing Committee will (save as set out above) exercise all the Council's licensing and registration functions including relating to:</p> <ul style="list-style-type: none"> <li>(a) licensing under the Licensing Act 2003</li> <li>(b) gambling or gaming under the Gaming Act 1968 and the Gambling Act 2005</li> <li>(c) decisions upon applications under Schedule 1 part B of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000</li> <li>(d) the control of sex establishments pursuant to Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 as amended by Section 27 of the Policing and Crime Act 2009</li> <li>(e) licensing under the Scrap Metal Dealers Act 2013</li> </ul> <p>The Licensing Committee will set the parameters within which licensing applications will be dealt with by this Committee or the Licensing Sub Committee or under the Scheme of Delegation to Officers.</p>	

COMMITTEE	<b><u>LICENSING AND APPEALS SUB-COMMITTEE</u></b>
MEMBERSHIP	3 Members of the Licensing Committee
LEAD OFFICER	Legal Practice Manager
SERVICE PLANNING RESPONSIBILITIES	Licensing Committee
<p>TERMS OF REFERENCE</p> <p>To determine matters relating to the discharge by the Council of its licensing and gambling related functions under the Licensing Act 2003, the Gaming Act 1968 and Gambling Act 2005, and the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 namely:</p> <p>(a) Licensing Act 2003 To discharge any function exercisable by the full committee in respect of any application licence, permit or consent subject to any direction given by the full committee</p> <p>(b) Gambling Act 2005 To discharge any function exercisable by the full committee in respect of any application, licence, permit or consent subject to any direction given by the full committee. In particular, the Licensing and Appeals Sub Committee shall determination new premise licence applications under the Gambling Act.</p> <p>(c) Local Authorities (Functions and Responsibilities) (England) Regulations 2000 To discharge any function exercisable by the full committee subject to any direction given by the full committee and to act as an Appeals Panel from Officer decisions upon applications under part B of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000.</p> <p>(d) all other applications and appeals relating to the Council's licensing functions, which are not delegated to officers.</p> <p>In respect of Hackney Carriage and Private Hire licences the Licensing and Appeals Sub-Committee will determine matters where an Officer is minded to refuse an application or revoke a licence.</p>	

COMMITTEE	<b><u>PLANNING COMMITTEE</u></b>
MEMBERSHIP	12 Members of the Council
LEAD OFFICER	Strategic Manager Planning and Regeneration
SUB-COMMITTEES	None
TERMS OF REFERENCE	
<p>a) Planning applications, except where the decision on an application is covered by the provisions of the Town and Country Planning (Development Plans and Consultation) Directions 1992 (or successor legislation), in which case the Committee will refer the matter to the Council Meeting.</p> <p>b) Enforcement</p> <p>c) Trees and footpaths</p> <p>d) Other operational, planning and building control matters which require a decision by Members.</p>	

COMMITTEE	<b><u>STANDARDS COMMITTEE</u></b>
MEMBERSHIP	5 District Councillors, 4 parish representatives (non-voting) and 3 independent persons (non-voting) (12 in total)
LEAD OFFICERS	Solicitor to the Council and Monitoring Officer
SUB-COMMITTEES	Will be constituted on an ad hoc basis to deal with hearings in relation to member conduct
<p><b>TERMS OF REFERENCE</b></p> <ul style="list-style-type: none"> <li>• To review, at least every two years, the Council's Member / Employee Protocol and Codes of Conduct, the Planning Protocol, and any other local codes and protocols, and to recommend changes to the Council Meeting</li> <li>• To consider other areas where there may be a need for local codes or protocols and make appropriate recommendations to the Council</li> <li>• To monitor the operation of the codes and protocols and to advise Members individually (as requested) and as a whole on the codes and protocols</li> <li>• To grant dispensations to Members as provided for by the Localism Act 2011 and regulations made thereunder</li> <li>• To deal with complaints relating to a breach of the Members Code of Conduct and to appoint sub-committees, as required on an ad hoc basis to hear complaints following investigation.</li> <li>• To advise the Parish Councils on the adoption or revision of their Codes of Conduct, to monitor their operation and to advise on matters relating to their Codes</li> <li>• To ensure the provision of effective training on Members' interests and Code of Conduct issues for Members of the District Council and the Parish Councils in the Craven District</li> <li>• To receive and deal with reports resulting from Ombudsman complaints</li> <li>• To be consulted when reviews are carried out of elements of the Council's Constitution that relate to the ethical framework</li> </ul>	

COMMITTEE	<b><u>CRAVEN EMPLOYEES' CONSULTATIVE GROUP</u></b>
MEMBERSHIP	6 Members of the Council and representatives of the employees
LEAD OFFICER	Human Resources Manager
SUB-COMMITTEES	Policy Committee
TERMS OF REFERENCE	
<ul style="list-style-type: none"><li>• To act as a direct channel of communication between the employees and the Council</li><li>• To consider any problems or matters relating to the employees of the Council, but excluding individual cases to which the Council's disciplinary / grievance procedure or other appeals' procedure may apply</li></ul>	

COMMITTEE	<b><u>Craven Spatial Planning Sub-Committee</u></b>
MEMBERSHIP	7 Members of the Council
LEAD OFFICER	Strategic Manager Planning and Regeneration
PARENT COMMITTEE	Policy Committee
<p><b>TERMS OF REFERENCE</b></p> <ul style="list-style-type: none"> <li>• To deal with all aspects of preparation of Local Development Plan documents up to the key decision stages set out below: <ul style="list-style-type: none"> <li>○ Development Plan Document – up to but not including final approval of the Publication Document (published for formal consultation before submission to the Secretary of State for examination in public) as defined in Regulation 25 of the Town and Country Planning (Local Development) Regulations 2004 (as amended in 2008) or as defined in any successor regulations.</li> <li>○ Supplementary Planning Document – up to and including approval of a draft for public participation.</li> </ul> </li> <li>• To act as an initial reference point to provide feedback and input into emerging documents up to Publication stage.</li> <li>• To receive and accept evidence base reports for the Local Development Framework as they are completed.</li> <li>• To consider and approve Planning Guidance for Development Control purposes.</li> <li>• To provide an arena for discussion and response to regional and sub-regional initiatives which have implications for spatial planning in Craven.</li> <li>• Community Infrastructure Levy – To deal with all aspects of preparation of the Community Infrastructure Levy Charging Schedule up to, but not including final approval of the Publication Charging Schedule for formal consultation prior to examination as defined in Regulation 16 of the Community Infrastructure Levy Regulations 2010 (as amended in 2011).</li> <li>• Neighbourhood Planning – To designate neighbourhood plan areas under the Neighbourhood Planning (General) Regulations 2012 and public the same for consultation.</li> <li>• To grant delegated authority to the Strategic Manager for Planning and Regeneration to determine valid neighbourhood area applications where no comments are received during the publication period.</li> <li>• To grant delegated authority to the Strategic Manager for Planning and Regeneration to determine and designate neighbourhood area applications, in consultation with the Chair of this Sub-Committee and relevant Ward Members where comments are received during the publication period.</li> <li>• To consider any issues arising out of the above in the event that there is not consensus between the Chair, Ward Members and Officers.</li> <li>• To undertake any other function of the LPA as may be required in connection with production, submission and publication of Neighbourhood Plans under the Neighbourhood Planning (General) Regulations 2012 and the Neighbourhood Planning Act 2017 or any regulations made thereunder.</li> </ul>	



COMMITTEE	<b><u>RECRUITMENT AND APPEALS PANEL</u></b>
MEMBERSHIP	<p>3 Members of the Council, with two substitutes, selected from a pool of 10 by the Democratic Services and Scrutiny Manager, in consultation with Political Group Leaders, or, in their absence, Deputy Group Leaders.</p> <p>(Note: In agreeing the membership for each meeting of the Recruitment and Appeals Panel, the Democratic Services and Scrutiny Manager to apply political proportionality, where possible.</p>
LEAD OFFICER	Human Resources Manager
PARENT COMMITTEE	Policy Committee
<p><b>TERMS OF REFERENCE</b></p> <ul style="list-style-type: none"> <li>• To deal with the matters relating to the recruitment and appointment of chief officers and senior management posts where the Council's Constitution require a Member Panel to make the appointment.</li> <li>• To determine appeals relating to employee matters, such as discipline and grievance, and other kinds of appeals including discretionary housing payments as necessary, where Member involvement is required.</li> </ul> <p>(Note: All Members who sit on this Panel are to have undergone appropriate training.)</p>	

COMMITTEE	<b><u>STATUTORY AND SENIOR OFFICERS' EMPLOYMENT COMMITTEE</u></b>
MEMBERSHIP	5 elected members of the Council and for the purposes of 4. Below, at least two Relevant Independent Persons appointed under section 28(7) of the Localism Act 2011 and paragraphs 3-6 of schedule 3 to the Local Authorities (Standing Orders) (England) Regulations, as amended
LEAD OFFICERS	Solicitor to the Council
PARENT COMMITTEE	This is not a standing committee of the Council but will be constituted as a politically proportionate committee when the terms and conditions of service of chief or deputy chief officers are under consideration.
<p><b>TERMS OF REFERENCE –</b></p> <ol style="list-style-type: none"> <li>1. to consider and recommend to Council in the case of a vacancy of a chief or deputy chief officer post: <ol style="list-style-type: none"> <li>(i) whether the post is necessary (in the case of a post not required to be filled by statute) and</li> <li>(ii) the terms and conditions of the post;</li> </ol> </li> <li>2. without prejudice to the duties of the Head of Paid Service under section 4(2) of the Local Government and Housing Act 1989, to review and make recommendations to Council on the senior management structure (chief and deputy chief officer posts);</li> <li>3. to take disciplinary action short of dismissal against the Head of Paid Service, the Chief Finance Officer and the Monitoring Officer;</li> <li>4. to make recommendations to Council as to the dismissal of the Head of Paid Service, the Chief Finance Officer and/or Monitoring Officer.</li> </ol> <p>There will be no substitutes and members of the committee must have undertaken relevant training or have suitable equivalent experience to the satisfaction of the Monitoring Officer.</p>	

## Scheme of Delegation to Officers

### Introduction

This Scheme of Delegation to Officers is designed to reflect:

1. The strategic role of elected Members in
  - a) setting the vision and direction of the Council, developing and agreeing policies and monitoring progress in their delivery; and
  - b) contributing to policy development and scrutinising existing policies and decisions
2. The role of the Chief Executive, Director of Services, Chief Finance Officer and Solicitor to the Council as Chief Officers in the strategic management of the Council, advising Members on policy development, managing overall performance and driving improvement in all areas of the Council's activities.
3. The role of Strategic Managers as Chief Officers in the strategic management and effective delivery of the Services for which they are responsible; in developing strategies and objectives for their services and managing performance and driving improvement of their services in accordance with approved policies and service plans: having delegated responsibility for taking operational decisions within their own service area.

### General Conditions Applying to the Exercise of Powers under the Scheme

All powers shall be exercised in accordance with:-

1. the relevant legislation;
2. the Constitution of the Council;
3. the Council Plan, policies and procedures;
4. Financial and Contract Procedure rules and the approved budgetary financial provision;
5. the Council's employment policies and protocols;
6. the decisions of the Council or its committees;
7. any specific constraints set out in the delegated powers; and
8. the need to have regard to the delivery of value for money services by acting in the most efficient and effective way.
9. the s24 Local Government and Public Involvement in Health Act 2007 Direction and any associated protocol.

An officer shall refer any decision that involves a new question of policy to the relevant committee and may refer any sensitive issue to a committee for determination.

Unless prohibited by law, any Chief Officer may authorise another appropriate officer in writing to undertake any delegated power set out below.

No officer shall incur, nor commit the Council to, any expenditure for which there is no budget provision, or for which specific approval is required and has not been received, except in an emergency. In such circumstances, the agreement of the Leader of the Council, the Chief Executive and the Chief Finance Officer (S.151. Officer) will first be obtained, and the circumstances subsequently reported to Policy Committee and or Council.

Council officers should keep Ward Members informed of action proposed or taken in relation to their Ward.

These powers are formally delegated pursuant to Section 101 of the Local Government Act 1972 by virtue of a resolution of the Council dated 29th June 2004.

## **CHIEF OFFICERS, DIRECTOR AND STRATEGIC MANAGERS**

Chief Executive, Director of Services, Chief Financial Officer and Solicitor to the Council have the following general delegated powers which relate to the services for which they are responsible. Strategic Managers have these powers in relation to the functions within their respective service area only.

- To develop and co-ordinate strategic policy advice.
- To lead, manage and monitor the services for which they are responsible in accordance with the approved service plans and policies of the Council.
- To act as the strategic lead on sensitive and cross-cutting issues as assigned

In achieving the above, these Chief Officers may:

- take action as required to achieve the Council's corporate objectives as set out in the Corporate Plan;
- implement decisions of the Council or its committees;
- take decisions including those of a professional, managerial, operational or regulatory nature to discharge the Council's functions;
- take overall decisions relating to the organisation and employment of employees within the Council or Department;
- authorise any expenditure provided for within approved budgets;
- resolve complaints by the payment of compensation in accordance with the Complaints' Procedure, including payments up to £5,000 to settle individual complaints of maladministration, subject to reports being made annually to the Standards Committee;
- authorise, following consultation with the Solicitor to the Council and the Chief Finance Officer, the commencement of or defence of any legal proceedings in any court or tribunal, including the settlement of any actions;
- ensure action to comply with any legislation affecting the service areas;
- authorise the attendance of elected Members at conferences, seminars, courses etc.
- incur any necessary expenditure in responding to a civil emergency on the understanding that a report will be made to the Chief Executive, and if appropriate to the Leader of the Council and the Policy Committee, as soon as reasonably possible after action has been taken
- in consultation with the Human Resources Manager, retraining, redeployment, redundancy and retirement will be determined in accordance with the agreement approved by Policy and Resources Committee on 11th March 2009 (Minute POL.185).

### **Strategic Managers**

In addition to the general powers set out above Strategic Managers have the following general delegated powers which relate to the day to day operation of their service:

- To undertake the day-to-day management of their Service, including taking all operational decisions, consulting as necessary with the relevant Chief Officer in

- relation to any matter of corporate significance or sensitivity, and making reports to Council Committees as required.
- To take all decisions relating to the organisation and employment of employees within the service area, subject to consultation with Human Resources subject to compliance with the Council's human resources' policies and procedures.
  - To fix charges as necessary for the provision of services or goods to external bodies and persons, except those charges approved by Committee.
  - Following consultation with the Chairman and Vice-Chairman of the Policy Committee, to annually set fees and charges in accordance with statements (a) to (f) under Section 4.2 of the Financial Planning Policies Statement above, with the exception of car parking charges, which the Policy Committee will decide.
  - To take decisions on internal and external communications within the service area, in accordance with the Council's communication strategies.
  - To manage all assets under their control and declare as surplus or obsolete assets when necessary in accordance with the Council Financial Procedure Rules.
  - To manage contracts for the delivery of services, works and goods, in accordance with the Council's Contract Procedure Rules.
  - To contribute to policy development relating to the services, in consultation with the relevant Chief Officer.

### **Specific Powers of the Council's Chief Officers**

#### **1. Chief Executive**

- a. To develop and implement the Council Plan
- b. To co-ordinate strategic and corporate policy advice and, with the Director, to monitor the performance of the Council's services, ensuring continuous improvement in all areas.
- c. To act as the Head of the Paid Service and to have authority over all employees of the Council.
- d. To exercise any powers delegated to any officer when that officer is unable or unwilling to act (unless the delegation is required to be exercised by an appropriately qualified professional and/or statutory designated officer).
- e. To take any action necessary, including incurring expenditure, in the event of an emergency or disaster in Craven.
- f. To develop and implement the performance management framework for the Council.
- g. To develop and implement the Council's communication policies
- h. To ensure effective community engagement
- i. To act as the Council's strategic lead on the North Yorkshire Community Safety Partnership
- j. To exercise the powers and duties set out in the Anti-Social Behaviour Crime and Policing Act 2014 in accordance with Minute POL.765.
- k. To appoint two suitably qualified officers to the Board of Craven Barnfield Regeneration Limited.
- l. To represent the Council on health related matters including the Airedale, Wharfedale and Craven Health and Care Partnership Board, successor organisations and linking into the wider regional health structure.
- m. Where necessary and within approved budgets, to appoint suitable professional consultants to advise the Council to assist in the discharge of its functions.
- n. To affix the Common Seal of Craven District Council to any documents.
- o. Subject to consultation with the Leader and Deputy Leader of the Council; the Lead Member for Financial Resilience and Enterprising Craven and also the Chief Finance Officer, the Chief Officer is authorised in exceptional circumstances to agree commercial acquisitions up to a monetary value of £3 million. Such decisions to be reported to the next meeting of Policy Committee.

- p. In consultation with the Lead Member for Internal Services, to make minor amendments to the Apprenticeship Policy and Reserved Forces Policy (Minutes POL.1088 and POL.1089).

## **2. Returning Officer**

- a. To make temporary changes to any Polling Places during an election period, that is the period between the publication of the Notice of Election and the completion of the count (as Returning Officer).
- b. To administer all arrangements for electoral registration and the conduct of elections.
- c. To manage Electoral Services

## **3. Human Resources**

- a. To develop and implement HR policies and procedures.
- b. To formulate employment practices and procedures.
- c. To approve employee relocation packages, in consultation with the Leader of the Council.
- d. To pay market supplements in accordance with the Council's scheme, subject to consultation with the Leader of the Council and the Chief Finance Officer.
- e. To re-deploy an employee into suitable alternative employment with the Council in consultation with the appropriate Managers and in accordance with Council policy.
- f. To designate essential and casual car users in consultation with the Chief Financial Officer (s151 Officer)
- g. To authorise car loans in consultation with the Chief Financial Officer (s151 Officer)

## **4. Business Support Services**

- a. To manage Business Support Services

## **5. Customer Services**

- a. To manage Customer Services

## **6. Director of Services**

- a. To deliver the Council's effective contribution to the Council Plan through a Council-wide coherent strategic policy framework, and specifically the Local Development Framework, the District Housing Strategy, the Waste Management and Recycling Strategy and appropriate regulatory policies.
- b. Authority to approve all grants that relate to the Craven Economic Development Strategy up to a maximum of £5,000, in consultation with the relevant Lead Members, together with Ward Representatives, as appropriate.
- c. Subject to any legal provisions, in consultation with the Chief Financial Officer and Solicitor to the Council, is authorised to negotiate a discount on the independent valuation of the sites referred to in Minute 342(4)/04-05 up to a maximum value of £50,000 for each site. (Minute 342(4)/04/05)
- d. To co-ordinate strategic and corporate policy advice and monitor the performance of the Council's services, ensuring continuous improvement in all areas.
- e. To affix the Seal of Craven District Council in the Chief Executive's absence.

## **7. Information Services**

- a. To develop and implement the Council's e-government and ICT strategies.
- b. To undertake all actions to provide Information and Communications Technology systems, including operational policies and systems, software applications, to enable the Council to operate efficiently including the procurement of hardware and software within approved budgets.
- c. To organise internal arrangements so that the Council complies with the Data Protection Act.

- d. To undertake the naming of streets, in consultation with the Ward representatives and the relevant Parish Council/Meeting.
- e. In consultation with the Solicitor to the Council, to deal with all local complaints and Ombudsman complaints, including settling and resolving them if possible, subject to monitoring reports being made to the Standards Committee

#### **8. Asset Management**

- a. To develop and implement the Council's Asset Management Strategy and such other policies and strategies as needed for the effective operation of services.
- b. To manage and maintain the Council's property and land assets, including the power to set charges (except for those decided by Committee), and authorise the taking of any necessary action to assert and protect the rights of the Council in its land holdings.
- c. To approve the acquisition, granting, renewing or relinquishing of easements, licences, leases (including their termination and forfeiture), rent reviews and variations and the management of all the Council's property if the estimated proceeds are less than £100,000.
- d. To manage and administer the Council's off-street car parks, with power to authorise suspension of charges for community events, to collect car parking charges, to authorise legal action for enforcement and to make variations to the Council's Off-Street Parking Places Orders which may arise (POL.886).
- e. To manage and operate the Council's public conveniences.
- f. To approve, subject to consultation with the Chief Finance Officer, Solicitor to the Council and Ward Member(s) the freehold acquisitions or disposal of any land or building if the estimated value is less than £100,000.

#### **9. Environmental Health**

- a. To develop, implement and enforce the Contaminated Land Strategy and the Private Sector Housing Policy.
- b. To deliver the Food Service Plan and Health and Safety Service Plan and such other policies necessary to maintain public health, including discharging the Council's functions in relation to the following matters:-
  - o animal welfare including control of dogs;
  - o the control of pollution;
  - o health and safety enforcement;
  - o communicable diseases;
  - o food safety;
  - o contaminated land;
  - o water supplies;
  - o private sector housing;
  - o environmental pollution;
  - o pest control; and
  - o the service of notices and the taking of enforcement action in relation to any breaches relating to environmental and public health matters
- c. To exercise the powers and duties set out in the Anti-Social Behaviour Crime and Policing Act 2014 in accordance with Minute POL.765;
- d. Where necessary and within approved budgets, to appoint suitable professional consultants to advise the Council to assist in the discharge of its functions.

#### **10. Leisure Services**

- a. To make all operational decisions necessary for the effective management of Craven Swimming Pool and Fitness Centre.

#### **11. Housing**

- a. To develop and implement the District Housing Strategy.

- b. To monitor the operation of the Housing Agency Agreement between the Council and Yorkshire Housing Ltd.
- c. To determine all issues arising in connection with previously agreed obligations entered into by the Council in conveyances or leases of dwellings sold under the Right to Buy legislation.
- d. To administer the Council's Private Sector Housing Enforcement Policy under the Housing Act 2004.

## **12. Waste and Recycling**

- a. To develop and implement the Council's Waste Management and Recycling Strategy.
- b. To discharge the Council's duties for the collection and re-cycling of waste, including the removal of rubbish and abandoned materials and vehicles, and to enforce the Council's responsibilities in relation to this area.
- c. To serve all statutory notices in relation to these functions.
- d. To act as transport manager in relation to the vehicles operated directly by the Council.
- e. In consultation with the Chief Financial Officer to increase Waste Management service charges up to 4% in future years, with anything in excess of that being the subject of consultation with the Chairman and Vice Chairman of the relevant Committee.

## **13. Chief Finance Officer (s151 Officer)**

- a. To ensure the highest standards of corporate governance and effective use of resources.
- b. To develop and monitor major capital projects as assigned within the overall capital strategy.
- c. To be the Council's Statutory Section 151 officer pursuant to the Local Government 1972.
- d. To develop and implement the Council Plan
- e. To develop and implement the performance management framework for the Council. To develop and implement the Council's revenue and capital budget strategy to deliver the Council Plan, and Medium Term Financial Plan and Strategy.
- f. To devise maintain and review the corporate framework for the management and control of Council's finances, including monitoring of the overall performance of the Council's budgets.
- g. To account for all monies paid or received including
  - o operating bank accounts;
  - o signing cheques;
  - o making authorised payments;
  - o authorise the write-off outstanding debts which are not recoverable after reasonable action has been taken within the parameters established in the Council's Financial Procedure Rules;
  - o making investments;
  - o arranging bonds, loans and overdrafts;
  - o tendering for and making banking arrangements ;
  - o administering payroll and pensions;
  - o commissioning and managing an internal audit service; and
  - o investigating fraud and financial impropriety.
- h. To arrange all the Council's insurances.
- i. To pay salaries and wages and to implement national pay awards.
- j. To make authorised payments from funds held by the Council where the Council has agreed to act as the accountable body for holding funds in respect of partnerships or other related projects.
- k. To sign claim forms and to certify claims of external funding for projects.
- l. To co-ordinate strategic and corporate policy advice and monitor the performance of the Council's services, ensuring continuous improvement in all areas.



- m. Where necessary and within approved budgets, to appoint suitable professional consultants to advise the Council to assist in the discharge of its functions.

#### **14. Revenue and Benefits**

- a. To administer and operate the Collection Fund.
- b. To manage the Revenues and Benefits Services
- c. To determine, assess and administer housing and council tax reduction and decide claims for discretionary housing payments.
- d. To authorise the taking of enforcement or other legal action in relation to the discharge of these functions, including the power to levy distress, attachment of earnings, deductions from Benefits.
- e. To devise, maintain and review proper systems to ensure the prevention and detection of benefit fraud and to take action in relation to any fraud.
- f. To determine mandatory and discretionary rate relief.
- g. To object or propose alterations to the valuation list.
- h. To make on-going adjustments to the Council Tax Liability Discretionary Powers Policy (minute POL.704)

#### **15. Solicitor to the Council and Monitoring Officer**

- a. To maintain and keep under review the Councils Constitution and to update it, when appropriate, to reflect the decisions of Council and its Committees.
- b. To act as the Council's Statutory Monitoring Officer.
- c. To take all legal action on the Council's behalf including the commencement, defence and settlement of all legal proceedings in any court or tribunal and the instruction of Counsel or solicitors to act on the Council's behalf in any matters.
- d. To issue or make any notices, orders or byelaws which are not the responsibility of another officer.
- e. To enter into contracts, conveyances, leases, mortgages, charges, easements, discharges and other documents or agreements on behalf of the Council.
- f. To prosecute offences on the Council's behalf for breaches of the law for which the Council is the enforcement authority.
- g. To fix a level of charges for all legal work carried out by the Council which is of benefit to external organisations or persons.
- h. To give financial assistance up to a maximum of £1,000 to support litigation by another authority where the case may be of significance to the Council.
- i. To act as the RIPA Monitoring Officer for the Purposes of the Regulation of Investigatory Powers Act 2000
- j. To authorise the closure of streets.
- k. Setting of legal charges. (Minute PER.393/04-05).
- l. To make minor amendments to the unreasonable Complainant Behaviour Policy (POL.968)

#### **16. Licensing**

- a. To discharge all the licensing and registration functions of the Council, including the legislative powers to authorise legal action for any breaches.

#### **17. Democratic Services**

- a. To administer all arrangements for the operation of the Council, its committees and associated meetings, including all functions relating to civic matters and parish council meetings
- b. To make all arrangements for civic events including visits by royalty and VIPs

#### **18. Strategic Manager Planning and Regeneration**

#### **19. Economic Development**

- a. To develop and implement the Economic Strategy for the District

## **20. Cultural Services**

- a. To develop and implement the District Cultural Strategy, including active support to Museums across the District.
- b. To administer grant schemes and approve grants up to a maximum of £500.
- c. To make all operational decisions necessary for the effective management of Craven Museum and outstore.
- d. To develop and implement cultural services' policies.
- e. To take all necessary action in relation to the Museums, Libraries and Archives Council (MLA) to ensure that the Craven Museum maintains Full Registered status.

## **21. Planning and Building Control**

- a. To develop and implement the Local Development Framework (LDF) for the District outside the National Park.
- b. In accordance with agreed protocols relating to the handling of planning applications and other planning related matters, including the Development Control Protocol at the Appendix to this Scheme, to take decisions in respect of:
- c. Planning applications, listed building consents, conservation area consents and all other consents, notifications, determinations or certificates, including the imposition, discharge or variation of conditions under the Town and Country Planning Acts.
- d. Planning and enforcement appeals.
- e. Consultations from other statutory bodies in relation to matters affecting the planning and development of the Craven District.
- f. Applications in relation to hazardous substances in consultation with the Head of Environmental Health.
- g. Carrying out appropriate consultations in relation to planning matters.
- h. The Council's powers and duties relating to advertisements and trees, including prosecution of offences.
- i. The initiation, content and monitoring of agreements under Section 106 of the Town and Country Planning Act 1990 and any subsequent variations.
- j. Taking enforcement action in relation to any breaches of planning control and in respect of related enforcement appeals.
- k. Minor amendments to approved plans.
- l. To manage the Council's functions in relation to Land Charges.
- m. To make grants for amenity, conservation and historic building related schemes.
- n. To make public path diversion orders, if no objections are made.
- o. To submit objections on behalf of the Council in relation to HGV Operating Centres under the Transport Act 1980.
- p. To make decisions on all applications relating to the control of buildings under the Building Acts, the Cinematograph Act and the Building Regulations, including taking enforcement action in relation to potentially dangerous situations.
- q. To amend fees for Building Control applications.
- r. To authorise named persons to enter onto land and buildings where legislation empowers the Council to do so.
- s. To set a fee up to the maximum permitted in the guidance and decide on the issue of remedial notices in connection with applications under the High Hedges legislation.

## Planning Scheme of Delegation

### Delegated to Strategic Manager for Planning and Regeneration

To undertake all of the Council's functions in connection with planning including Listed Buildings, Conservation Area Consent, advertisement consent and certificate of lawfulness applications, planning enforcement and the preservation of trees and hedges.

### Limits, Controls and Conditions

This delegation is limited and shall not apply to:

1. Any application which is accompanied by an Environmental Impact Statement.
2. Any application which is defined as a significant departure from the adopted development plan as identified in the Town and County Planning (Consultation) (England) Direction 2009 or in any successor document (see definition below) and where officers wish to approve the development.
3. The application is a major departure in the opinion of the Strategic Manager Planning and Regeneration and the application is recommended for approval.
4. Any applications made by or on behalf of the Council and is for development other than domestic applications within the curtilage of a dwelling house or external alterations to a building with no significant extensions proposed.
5. Any applications made by or on behalf of a District Councillor or his/her partner, children, parents, grandparents or siblings.\*
6. Any application made by an employee within the Development Control, Building Control and Local Planning Teams within the Planning and Regeneration service area or any employee of the Council of Principal Grade or above. Applications submitted by the partner, parents or children of any of the persons referred to above will also be referred to the Planning Committee for determination.
7. Where the ward member requests, in writing, within 21 days of receipt of the weekly list or by the closure of any publicity which has been carried out on the application (whichever is the latest date), that an application be presented to the Planning Committee for decision, identifying the planning reasons for the referral and agreed with the Planning Manager, the Chairman and Vice-Chairman.

**Footnote:** As worded Category 7 referrals enables Members other than the Member for the Ward within which the site is located to seek the referral to Committee where the development would have an effect on their Ward.

8. Where representations by any person, body or organisation have been received (either in support or against the proposal) within the 21 day consultation/publicity period, and these representations are contrary to the recommendations of officers, a notice shall be sent to the Chairman and Vice-Chairman of the Planning Committee and Ward Representative(s) giving 7 consecutive days to decide on material planning grounds or in the public interest whether the matter should be referred to the Planning

Committee for a decision. This procedure will not apply to applications for “prior approval” under the provisions of the Town and Country Planning (General Permitted Development) Order 2015 (as amended) since such applications benefit from a deemed approval if not determined within the statutory time limits.

### **Interpretation of the 7 day Notice Procedure**

Where a Town or Parish indicate that they have “no objection” or “no comment” to an application this will be taken as a declaration of a neutral stance that is neither in support of nor against a proposal and accordingly will not trigger a requirement for an application to be referred to the Chairman, Vice-Chairman and Ward Member(s) under the 7 day notice procedure. Similarly, a representation supporting an application will not trigger the 7 day notice procedure if the officer recommendation is one of approval.

With the exception of consultations to Town and Parish Councils referred to above, the 7 day notice procedure shall not apply in respect of representations received from any statutory consultee who has been notified of the application in accordance with Articles 18, 19, 20 and 21 of the Town and Country Planning (Development Management Procedure) (England) Order 2015 (or any Order revoking or re-enacting that Order) or from any non-statutory consultee.

Where third party representations have been received solely supporting an application the 7 day notice procedure will not be triggered if the officer recommendation is for approval.

Where third party representations have been received solely objecting to an application the 7 day notice procedure will not be triggered if the officer recommendation is for refusal.

The 7 day notice procedure will apply to all applications where there are both objections and support for an application.

In all cases the representations must be on material planning grounds to be considered under category 8.

9. Any repeat application (where it is fundamentally the same scheme) which has previously been considered by the planning committee. This will not apply to applications to vary or delete conditions under Section 73 of the Town and Country Planning Act 1990 unless those conditions were explicitly imposed by the Planning Committee. This will not apply to applications for non-material amendments to an approved scheme under Section 96A of the Town and Country Planning Act 1990 (as amended)
10. Any application which the Strategic Manager for Planning and Regeneration considers should be referred to the Planning Committee for a decision.

### **Definitions**

Significant departures are defined as the following in circular 02/09 where the Local Planning Authority wishes to approve the proposal in terms of the following: -

- Development which includes or consists of retail, leisure or office use and which:
  - a. Is to be carried out on land which is edge of centre, out of centre or out of town; **and**

- b. Is not in accordance with one or more provisions of the development plan in force in relation to the area in which the development is to be carried out: **and**
  - c. Consists of or includes the provision of a building or buildings where the floor space to be created by the development is:
    - I. 5000 square metres or more: **or**
    - II. Extensions of new development of 2,500 square metres or more which when aggregated with existing floorspace would exceed 5000 square metres.
- Development having an adverse impact on the outstanding universal value, integrity, authenticity and significance of world heritage sites or their settings, including any buffer zone or its equivalent, and being development to which English Heritage has objected to and that objection not having been withdrawn.
  - Playing field development where the land subject of the application:
    - I. Is land of a local authority; or
    - II. Is currently used by an educational institution as a playing field; **or**
    - III. Has at any time in the 5 years before the application been used by an education institution as a playing field: **and**
    - IV. Sport England has been consulted and has objected on one or more of the following grounds:
      - a. That there is a deficiency in the provision of playing fields in the area of the Local Planning Authority;
      - b. That the proposed development would result in such a deficiency; **or**
      - c. That the proposed development involves a loss of playing field and an alternative or replacement playing field is proposed, that alternative or replacement does not match (whether in quality, quantity or accessibility) that which would be lost.
  - Major development in flood risk areas to which the Environment Agency has made an objection that it has not been able to withdraw even after discussion with the Local Planning Authority.

## **DEVELOPMENT CONTROL PROTOCOL**

**Introduction** – Under the Council's Scheme of Delegation, decisions on planning applications are delegated to the Strategic Manager Planning and Regeneration. This Protocol sets out how the Strategic Manager Planning and Regeneration proposes to exercise these powers with a view to ensuring that elected Members have adequate opportunity to comment on and be involved in the decision making process on planning applications as appropriate.

### **Planning Applications**

Listed below are the circumstances where a planning application would be presented to the Planning Committee for decision:-

- Where any Member of the Council requests, in writing, within 21 days of receipt of the weekly list of applications, that an application be presented to the Planning Committee for decision.
- Proposals that are potentially controversial or likely to be of significant public interest in the opinion of the Strategic Manager Planning and Regeneration.
- Proposal that would have a significant impact on the environment in the opinion of the Strategic Manager Planning and Regeneration.
- Proposals submitted by, or on behalf of the Council for its own developments, or on Council-owned land, except for routine, minor developments to which no objection has been received.
- Proposals submitted by, or on behalf of a Member or an employee of the Council, which are subject to the Council's Code of Conduct for Planning Applications.
- Where either the Chairman of the Planning Committee or Ward Representative(s) request that an application be presented to the Planning Committee following referral of the application to them through the seven day notification procedure (detailed below).

### **Seven Day Notification Procedure**

The power to make a delegated decision for approval of a planning application shall not be exercised unless seven days advance notice of the proposed decision has been given to the Chairman of the Planning Committee, or in his/her absence the Vice-Chairman, and to the appropriate Ward Representative(s) in the following cases:

- If the application is subject to third party or parish representations, unless those representations are based on non-planning considerations or matters that can be given little weight in the planning decision; (amended at 17 December 2007 Minute PL.423) or
- If the application is a resubmission of an application previously refused by the Planning Committee and the decision is to be one of approval or conditional approval, whether or not representations have been received.

## List of Statutory and Proper Officers

### Statutory Officers

Legislation requires the Council to appoint certain officers with statutory responsibilities. These appointments and the officer to whom the Council has allocated responsibility are listed below:

Title/Description	Officer Appointed
Head of Paid Service (S4 Local Government & Housing Act 1989)	Chief Executive
Monitoring Officer (S5 Local Government & Housing Act 1989)	Solicitor to the Council
Officer responsible for financial administration (S151 Local Government Act 1972)	Chief Finance Officer
Electoral Registration Officer and Returning Officer (S8, 28 & 35 Representation of the People Act 1983)	Chief Executive

### Proper Officers

The following officers are appointed Proper Officer in relation to the statutory provisions specified:

Power		
(a) Local Government Act 1972		Proper Officer
S.13(3)	To act with Chairman of Parish Meeting as Parish Trustee	Democratic Services and Scrutiny Manager
S.83(1) – (4)	To receive Declarations of Acceptance of Office	Solicitor to the Council
S.84	To receive notice of resignation of Councillors	Chief Executive
S.88(2)	To convene a Council Meeting for the election of the Chairman of the Council following a casual vacancy in that office	Democratic Services and Scrutiny Manager
S.89 (1)	To receive notice of casual vacancy in the case of Councillors	Chief Executive
S.100(B)(2)	Access to reports and agendas	Democratic Services and Scrutiny Manager
S.100(B)(7)(c)	Supply of papers to public and press	
S.100(C)(2)	Summaries of Minutes	
S.100(F)(2)	Background papers not open to inspection	
S.100(D)	List of and access to background papers	Corporate Leadership Team and Senior Officers
S.115(2)	Receipt of monies due from officers	Chief Finance Officer (s151 Officer)
S.137A	To receive statements of use to which financial assistance put	Chief Finance Officer (s151 Officer)

S.146	Declarations and certificates regarding securities	Chief Finance Officer (s151 Officer)
S.191 (2)	To receive applications under S.1 of Ordnance Survey Act 1841	Director of Services
S.210	To exercise any power in respect of a charity as defined in Sub-section (1) of that section	Solicitor to the Council
S.225 (1)	Deposit of documents pursuant to an Order , Act or Instrument of Parliament	Solicitor to the Council
S.228 (3)	Accounts to be open for inspection	Chief Finance Officer (s151 Officer)
S.229 (5)	To certify copy documents	Solicitor to the Council
S.234	To sign, on behalf of the Council, any notice, order, or other document which the Council is authorised or required to give, make or issue	Chief Executive
S.236 (9)	Send copies of byelaws to relevant Parish Councils	Solicitor to the Council
S.238	Certification of byelaws	Solicitor to the Council
Sch 12 (Part I) - para 4(2)(b)	To sign the Summons to attend a Council Meeting	Democratic Services and Scrutiny Manager
Sch 12 (Part I) - para 4(3)	To receive Notice of desire for Summons to be sent to an address other than residence	Democratic Services and Scrutiny Manager
Sch 12 – (Part III) para 18	Returning Officer for Parish Polls	Chief Executive
Sch 14 (Part II) - para 25 (7)	To certify resolutions	Democratic Services and Scrutiny Manager
(b) Local Government Act 1974		Proper Officer
S.30 (5)	To give public notice of t Local Government Ombudsman report	Democratic Services and Scrutiny Manager
(c) Prevention of Damage by Pests Act 1949		Proper Officer
Effect powers of entry and authenticating documents		Authorised Officer
(d) Caravan Sites and Control of Development Act 1960		Proper Officer
Effect powers of entry and authenticate documents		Authorised Officer
(e) Offices, Shops and Railway Premises Act 1963		Proper Officer
Inspector appointed for the enforcement of the provisions of the Act		Director of Services
(f) Scrap Metal Dealers Act 1964		Proper Officer
To exercise powers of entry and authenticate documents		Authorised Officer
(g) Health and Safety at Work Act 1974		Proper Officer
Inspector appointed for the enforcement of the provisions of the Act		Director of Services
(h) Building 1984		Proper Officer



S.78	To carry out emergency measures to dangerous buildings	Director of Services
(i) Public Health Act 1936 and Public Health (Control of Diseases) Act 1984		Proper Officer
Control of diseases (various)		Director of Services and any authorised officers
(j) Housing Act 1985		Proper Officer
To exercise powers of entry and authenticate documents		Authorised Officer
(k) Local Government Finance Act 1988		Proper Officer
S.114	To report to the Authority if one of its Committees or Officers: has made, or is about to make, a decision involving the Authority in unlawful expenditure; has taken, or is about to take, an unlawful action which would result in a loss of deficiency to the Council; or is about to make an unlawful entry in the Authority's accounts.	Chief Finance Officer (s151 Officer)
S.116 (1)	Notifying the external auditor of arrangements for a meeting to consider a report of the Chief Finance Officer	Chief Finance Officer (s151 Officer)
(l) Local Government and Housing Act 1989		Proper Officer
S.19	Members' Interests – giving of notices	Solicitor to the Council
(m) Environmental Protection Act 1990 and Control of Pollution Act 1974		Proper Officer and any authorised officers
Authorised Officer for the purpose of all matters arising under the 1990 Act, except Parts II and IV, and other statutes incorporated therewith which are within his province		Director of Services and any authorised officers
Authorised Officer for the purpose of all matters arising under Parts II and IV of the 1990 Act and other statutes incorporated therewith which are within his province		Waste and Recycling Manager
(n) Food Safety Act 1990		Proper Officer
S.5	(Food authorities and authorised officers) To act in matters arising under this Act	Authorised Officer
S.29	(Procurement of samples)	Authorised Officer
S.49	(Form and authentication of documents)	Director of Services and any authorised officers
(o) Sunday Trading Act 1994		Proper Officer
Effect powers of entry and authenticate documents		Authorised Officer
(p) Public Health, Diseases, Persons in Need of Care and Attention and Infected Milk		Proper Officer
Public Health (Control of Disease)	Proper Officer for the control of notifiable disease and food	All Consultants in Communicable Disease

Act 1984: Sections 11, 18, 20, 21, 22, 24, 29, 31, 32, 36, 40, 42, 43 and 48 and Public Health (Infectious Diseases) Regulations 1988: Regulations 6, 8, 9, 10 and Schedules 3 and 4	poisoning. Proper Officer to issue certificates relative to the removal of bodies to mortuaries or for immediate burial. Proper Officer for the hospitalisation, detention in hospital of someone with TB	Control or Health Protection working in the North Yorkshire Health Protection Unit or in the Humber Health Protection Unit, together with any Consultants in Public Health who participate in the Public Health on-call rota for North Yorkshire and therefore have these Proper Officer responsibilities delegated by the North Yorkshire Health Protection Unit.
Public Health Act 1936: Section 84 and 85 and Public Health Act 1961: Section 37	Proper Officer for the purposes of dealing with verminous persons, clothing or articles	Director of Services
Milk and Dairies (General) Regulations 1959: Part VII (Regulations 18-20) and any enactments amending or replacing the above legislation	Proper Officer for the purposes of dealing with infected milk	Authorised Officer
National Assistance Act 1948, as amended by the National Assistance (Amendment) Act 1951, Section 47 and any enactments amending or replacing this legislation	Proper Officer to initiate action or make application for the removal of persons in need of care and attention.  (In relation to any reference to medical officer of health of a District or Borough in any enactment passed before or during the 1971/2 session of Parliament, in any instrument made before 26 October 1972, power to sign and issue notices the signature of which is not otherwise provided for.)	All Consultants in Public Health in the Primary Care Trust (PCT), together with all other Consultants in Public Health or Communicable Disease Control or Health Protection who participate in the Public Health on-call rota for North Yorkshire and therefore have these proper officer responsibilities delegated to them by the Director of Public Health in the PCT.
(r) Regulation of Investigatory Powers Act 2000		Proper Officer
Person required to approve applications to obtain communications data (Determining Officer) under Chapter II of Part 1 of the Act		
(s) Housing Act 2004		Proper Officer
Designate officers in connection with the Council's Private Housing Sector Enforcement Policy		Director of Services
(t) Health Act 2006		Proper Officer
Designated to authorise officers to act under the relevant provisions of the Act and regulations made under it		Director of Services
(Note: The Council's solicitor is authorised to take all necessary legal action on behalf of the proper officer in exercise of their functions.)		

**Deputising**

In respect of cases where the designated proper officer is unable to act, the following are designated as deputies:

<b>Proper Officer</b>	<b>Deputy Proper Officer</b>
Chief Executive	Director designated by Chief Executive
Director of Services	
Chief Finance Officer (s151 Officer)	Senior Accountant
Democratic Services and Scrutiny Manager	Solicitor to the Council or Chief Executive
Solicitor to the Council and Monitoring Officer	Solicitor to the Council and Deputy Monitoring Officer
Strategic Manager (Planning and Regeneration)	Development Control Manager or Building Control Manager

Any 'proper officer' designations which are not specifically referred to in this Schedule are designations to the officer with responsibility for the functional area concerned, for example matters relating to electoral services to the Democratic Services and Scrutiny Manager, health matters to the Head of Environmental Health, etc.

If there is any question over the proper officer for a particular matter, the Chief Executive will designate the officer to be responsible.

**COUNCIL PROCEDURE RULES****Contents Page**

<b>Subject</b>	<b>Rule</b>
Attendance – Record	18
Chief Officers – Appointment	24
Committees and Sub-Committees	23
Conduct of Members	20
Council Meetings –	
Annual Meeting	1
Extraordinary Meeting	3
Ordinary Meeting	2
Disciplinary Action – Statutory Officers	26
Disturbance by Public	21
Employees – Generally	25
Exclusion of Public	19
Interpretation of Council Procedure Rules	27
Meetings –	
Chairman	7
Duration	9
Notice of and Summons to	6
Time and Place	5
Minutes of Previous Meetings	17
Motions –	
Notice of	12
Without Notice	13
Public Participation	10
Quorum	8
Questions and Statements by Members	11
Previous Decisions and Motions	15
Rules of Debate	14
Substitute Members on Committees – Appointment	4
Suspension, Variation and Revocation of Council Procedure Rules	22
Voting	16

## **COUNCIL PROCEDURE RULES**

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

#### **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 March, April or May.

The Annual Meeting will:

- (a) Elect a person to preside if the Chairman of the Council is not present;
- (b) Elect the Chairman of the Council;
- (c) Elect the Vice-Chairman of the Council;
- (d) Approve the minutes of the last meeting;
- (e) Receive any declarations of interest from Members;
- (f) Receive any announcements from the Chairman;
- (g) Receive a public petition in accordance with sub-section 3.3 of Part 2 Article 3 of the Constitution, if any;
- (h) Elect the Leader and Deputy Leader of the Council;
- (i) Appoint at least one overview and scrutiny committee, a Standards Committee and such other committees as are required, or the Council considers appropriate in accordance with the procedure at k below;
- (j) Agree the Members' Substitutes' Scheme for each of the Political Groups for the coming year;
- (k) Consider any business set out in the notice convening the meeting;
- (l) Decide which committees to establish for the municipal year, the size and terms of reference for those committees and the allocation of seats to political groups in accordance with the political balance rules; and
- (m) Receive nominations and appoint to those committees and outside bodies except where appointment to those bodies has been delegated by the Council.

### **2 ORDINARY MEETINGS OF THE COUNCIL**

Ordinary meetings of the Council will take place in accordance with a programme decided by the Council Meeting. The business of Ordinary meetings will be such of the following as is appropriate:

- (a) Elect a person to preside if the Chairman and Vice-Chairman are not present;
- (b) Apologies for absence;
- (c) Approve the minutes of the last meeting;
- (d) Public participation;
- (e) Receive any declarations of interest from Members;
- (f) Receive any announcements from the Chairman;
- (g) Receive a report from the Leader of the Council;
- (h) Receive reports from the Lead Members and Chairmen of Committees, as appropriate;
- (i) Opportunity for Members to question the Leader, Lead Members, and

- Chairmen of Committees giving reports (see Rule 11.2);
- (j) Statements from Members Raising Awareness of Issues (see Rule 11.4);
  - (k) Deal with any business from the last Council meeting;
  - (l) Receive recommendations from the Council's committees;
  - (m) Consider any reports of the overview and scrutiny committee for debate;
  - (n) Approve the annual programme of meetings for the following municipal year;
  - (o) Consider motions; and
  - (p) Consider any other business specified in the summons to the meeting or any business not on the agenda which the Chairman considers is urgent and needs to be dealt with at the meeting, and for which a reason is recorded in the minutes.

### **3 EXTRAORDINARY MEETINGS OF THE COUNCIL**

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

- The following may ask the Proper Officer to call a Council Meeting in addition to the programmed meetings:
  - the Council by resolution;
  - the Chairman of the Council;
  - the Head of Paid Service, Monitoring Officer or the Chief Financial (s.151) Officer; and
- any five Members of the Council if they have signed a requisition presented to the Chairman of the Council and (s)he has refused to call a meeting or has failed to call one within seven days of the presentation of the requisition.

#### **3.2 Business**

The business to be transacted at an extraordinary meeting shall be that which is on the agenda for the meeting.

### **4 SUBSTITUTE MEMBERS OF COMMITTEES ETC. – APPOINTMENT**

The appointment of substitute members of committees will be in accordance with the Council's Members' Substitutes' Scheme. (See also Rule 23.2)

### **5 MEETINGS – TIME AND PLACE**

The time and place of meetings will be determined by the relevant Chairman, or in his / her absence the Democratic Services and Scrutiny Manager, and notified in the summons.

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

The Democratic Services and Scrutiny Manager will give notice to Members and the public of the time and place of any meeting in accordance with the Access to Information Procedure Rules (Part 4 of the Constitution). At least five clear days before a meeting, the Democratic Services and Scrutiny Manager will send a summons to every Member of the Council or leave it at their usual place of residence. The summons will give the date, time and place of each meeting, 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 Chairman. Where these rules apply to committee, sub-committee, panel and overview and scrutiny meetings, references to the chairman include the chairmen of those meetings.

## **8 QUORUM**

The quorum of a Council meeting will be one quarter of the whole number of members. If a quorum is not present, the meeting will adjourn immediately. Remaining business will be considered either at a time and date fixed by the Chairman or at the next ordinary meeting.

## **9 MEETINGS – DURATION**

Unless the majority of Members present vote for the meeting to continue, any meeting that has lasted for three hours, or at the Chairman's discretion, a shorter period, will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman or at the next ordinary meeting.

## **10 PUBLIC PARTICIPATION**

Members of the public may make a statement or ask questions in accordance with the Public Participation Scheme in Part 4 – Rules of Procedure

## **11 QUESTIONS AND STATEMENTS BY MEMBERS**

### **11.1 Questions at the Council Meeting**

A Member of the Council may ask:

- a) the Chairmen of the Council or any of its committee chairmen;
- b) the Leader; or
- c) any of the Lead Members

a question on any matter in relation to which the Council has powers or duties or which affect the District. The question asked must be relevant to the responsibilities of the person of whom it is asked. If notice has not been given, in accordance with 11.5, the person answering the question may decline to answer it at the meeting or may give the answer in writing.

### **11.2 Relevance of Questions and Supplementary Questions**

It is not appropriate for the persons referred to in Rule 11.1 to be questioned on detailed operational matters, except in circumstances where the questions are aimed at raising questions of wider public interest and / or may lead to policy / procedural changes.

Supplementary questions directly related to the question asked and the answer given will be allowed, at the discretion of the Chairman.

The Chairman of the Council may rule that a question is not to be answered at a Council Meeting where (s)he considers a question / supplementary question to be inappropriate.

### **11.3 Response**

An answer to any questions asked under this Procedure Rule may take the form of:

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

### **11.4 Statement to Raise Awareness of Issues**

A Member may make a statement to raise awareness of issues that may be affecting their Ward or which are of general interest or importance. The Council may refer the issue to the appropriate senior manager or committee or outside body, as it sees fit. Notice should be given in accordance with 11.5.

### **11.5 Notice**

A Member must give advance notice by noon on the day before the meeting to the Democratic Services and Scrutiny Manager of any question or statement to be raised under Rule 11.

### **11.6 Time Limit**

The time limit for dealing with matters under Rule 11 will be up to 15 minutes in total, with no individual item taking more than 5 minutes. These timings may be varied at the Chairman's discretion.

## **12 MOTIONS ON NOTICE**

### **12.1 Notice**

Except for motions which can be moved without notice under Rule 13, every motion is to be in writing, signed by at least two Members, and delivered to the Democratic Services and Scrutiny Manager not later than seven clear days before the date of the meeting. These will be entered in a record open to public inspection.

### **12.2 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, that they propose to move it to a later meeting or withdraw it.

### **12.3 Scope**

Motions must be about matters for which the Council has a responsibility or which affect the District.

## **13 MOTIONS WITHOUT NOTICE**

The following motions may be moved without notice:



- to appoint a chairman for the meeting at which the motion is moved;
- to question the accuracy of the minutes;
- to change the order of business in the agenda;
- to refer something to an appropriate body or individual;
- to appoint a committee or member arising from an item on the meeting summons;
- to receive reports or adopt recommendations of committees or officers and any resolutions following from them;
- to withdraw a motion;
- to amend a motion;
- to proceed to the next business;
- that the question be now put;
- to adjourn a debate;
- to adjourn a meeting;
- that the meeting continues beyond three hours in duration;
- to suspend a particular Council Procedure Rule;
- to exclude the public and press in accordance with the Access to Information Procedure Rules;
- to not hear further a Member named under Rule 20.3 or to exclude them from the meeting under Rule 20.4 (only the Chairman may move these); and
- to give the consent of the Council where it is required by this Constitution.

## **14 RULES OF DEBATE**

### **14.1 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.

### **14.2 Right to Require Motion in Writing**

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

### **14.3 Secunder's Speech**

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

### **14.4 Content and Length of Speeches**

Speeches must be directed to the question under discussion or to a personal explanation (Rule 14.13) or point of order (Rule 14.12). No speech may exceed five minutes without the consent of the Chairman.

### **14.5 When a Member May Speak Again**

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

- to speak once on an amendment moved by another Member;
- to move a further amendment if the motion has been amended since (s)he last spoke;
- if his / her first speech was on an amendment moved by another Member, to

• speak on the main issue, whether or not the amendment on which he / she spoke was carried;

- in exercise of a right of reply;
- on a point of order (Rule 14.12); and
- by way of personal explanation (Rule 14.13).

#### **14.6 Amendments to Motions**

- a) An amendment to a motion must be relevant to the motion and will be to leave out words and / or insert or add other words; as long as the effect of the amendment is not to negate the motion. An amendment can include referring a matter to a committee.
- 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.
- 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 may be moved.
- e) If an amendment is carried, the Chairman will read out the amended (substantive) motion before accepting any further amendments or, if there are none, put it to the vote.
- f) For the purposes of Rule 14.9, the debate shall be deemed to be closed when the mover of the motion starts to reply to the debate.

#### **14.7 Alteration of Motion**

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

#### **14.8 Withdrawal of Motion**

A Member may withdraw a motion which (s)he has moved with the consent of both the meeting and the seconder. The meeting's consent will be given without discussion. No Member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

#### **14.9 Right of Reply**

- a) The mover of a motion has a right of 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 debate on the amendment, but may not otherwise speak on it.
- c) The mover of the amendment has no right of reply to the debate on his or her amendment.

#### 14.10 Motions That May be Moved During Debate

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

- to withdraw a motion;
- to amend a motion;
- to proceed to the next business;
- that the question be now put;
- to adjourn a debate;
- to adjourn a meeting;
- that the meeting continues beyond 3 hours in duration;
- to exclude the public and press in accordance with the Access to Information Procedure Rules; and
- to not hear further a Member named under Rule 20.3 or to exclude them from the meeting under Rule 20.4.

#### 14.11 Closure Motions

- (a) A Member may move, without comment, the following motions at the end of a speech of another Member:
  - to proceed to the next business;
  - that the question be now put;
  - to adjourn a debate; or
  - to adjourn a meeting.
- (b) If a motion to proceed to next business is seconded and the Chairman thinks the item has been sufficiently discussed, (s)he will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- (c) If a motion that the question be now put is seconded and the Chairman thinks that the item has been discussed enough, (s)he will put the procedural motion to the vote. If it is passed (s)he will give the mover of the original motion a right of reply before putting his / her motion to the vote.
- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Chairman thinks the item has not been discussed enough and cannot reasonably be completed on that occasion, (s)he will put the procedural motion to the vote without giving the mover of the original motion the right of reply.

#### 14.12 Point of order

A Member may raise a point of order at any time and the Chairman will hear it immediately. The point of order must relate to an alleged breach of these Council Procedure Rules or the law. The Member must indicate the Rule or law and the way in which (s)he considers it has been breached before being heard.

The Chairman's ruling on the admissibility of the point of order is final.

#### 14.13 Personal Explanation

A Member may make a personal explanation at any time and the Chairman will hear it immediately. A personal explanation must relate to some material part of an earlier speech by the Member that may appear to have been misunderstood in the present

debate.

The Chairman's ruling on the admissibility of a personal explanation is final.

## **15 PREVIOUS DECISIONS AND MOTIONS**

### **15.1 Motion to Rescind a Previous Decision**

A motion or amendment to rescind a decision made at a meeting of Council within the past six months cannot be moved unless it is on the recommendation of a committee or by a notice of motion signed by at least six Members who should not be from the same Political Group.

### **15.2 Motion Similar to One Previously Rejected**

A motion or amendment in similar terms to one that has been rejected at a Council Meeting in the past six months cannot be moved unless it is on the recommendation of a committee or by a notice of motion or amendment signed by at least six Members who should not be from the same Political Group. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

## **16 VOTING**

### **16.1 Majority**

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

### **16.2 Chairman's Casting Vote**

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

### **16.3 Show of Hands**

Unless a recorded vote is demanded under Rule 16.4, the Chairman will take the vote by show of hands or, if there is no dissent, by the affirmation of the meeting.

### **16.4 Recorded Vote**

If two Members present at the meeting demand it, the names for and against the motion / amendment or those abstaining from voting will be recorded in the minutes.

All votes relating to the setting of the budget and the Council Tax at budget setting Council meetings shall be a recorded vote.

### **16.5 (Mandatory) Right to Require Individual Vote to be Recorded**

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

## **16.6 Voting on Appointments and Nominations to Outside Bodies**

If the number of nominations for an appointment or nomination to an outside body exceeds the number of vacancies, each Member may vote for as many candidates as there are vacancies to be filled. If no candidate receives a majority of votes, those who receive no votes and those who receive the least number of votes will be withdrawn and a fresh vote taken until all the vacancies are filled.

## **17 MINUTES OF PREVIOUS MEETING**

**17.1** The Chairman will move the Motion “That the Minutes of the meeting of the Council held on the .... day of ..... are approved as a correct record”.

**17.2** The accuracy of the Minutes may be discussed only if an amendment is moved. As soon as any Motion has been voted upon, the Chairman will sign the Minutes, as amended, if necessary.

**17.3** (Mandatory) Minutes will be submitted to and signed at the next Ordinary meeting of the Council or, if convenient, to an extraordinary meeting. (Note: This section is to the like effect of the prescribed procedure rule relating to the ‘signing of minutes – extraordinary meetings’ as set out in the Local Authorities (Standing Orders) Regulations 1993.)

## **18 RECORD OF ATTENDANCE**

The Democratic Services and Scrutiny Manager will record the names of Members present at meetings of the Council, its committees, sub-committees and groups in an attendance register.

## **19 EXCLUSION OF PUBLIC**

**19.1** The public may only be excluded either in accordance with the Access to Information Procedure Rules in Part 4 of the Constitution or Rule 21 (Disturbance by Public).

**19.2** If any question arises on the appointment, promotion, dismissal, salary, superannuation, conditions of service or conduct of any Council employee, the Council must not discuss it until it has considered whether to exclude the public in accordance with the Access to Information Procedure Rules in Part 4 of the Constitution.

## **20 MEMBERS’ CONDUCT**

**20.1** (a) Subject to sub-paragraph (b), where you have a disclosable pecuniary interest in any business of the Council

- (i) you must withdraw from the room where a meeting considering the business is being held
  - in a case where sub-paragraph (b) applies, immediately after making representations, answering questions or giving evidence;
  - in any other case, whenever it becomes apparent that the business is being considered at that meeting;unless you have obtained a dispensation from your authority’s standards committee; and

- (ii) you must not seek improperly to influence a decision about that business.
- (b) Where you have a disclosable pecuniary interest in any business of the Council, you may attend a meeting, including a meeting of the overview and scrutiny committee or one of its sub-committees, but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.
- (c) Subject to sub-paragraph (d), where you have an interest under Appendix B or paragraph 15 of the Code of Conduct for Members, in any business of the Council
  - (i) you must move to the public seating area
    - in a case where sub-paragraph (d) applies, immediately after making representations, answering questions or giving evidence;
    - in any other case, whenever it becomes apparent that the business is being considered at that meeting;unless you have obtained a dispensation from your authority's standards committee; and
  - (ii) you must not seek improperly to influence a decision about that business.
- (d) Where you have an interest under Appendix B or paragraph 15 of the Code of Conduct for Members, in any business of the Council, you may attend a meeting, including a meeting of the overview and scrutiny committee or one of its sub-committees, but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

## 20.2 Speaking at a Meeting of Council

- (a) **Addressing the Chairman** – Subject to (b) below, a Member must stand and address the Chairman, when speaking, unless unable to do so because (s)he is disabled.
- (b) **Chairman's Discretion** – The Chairman shall have a discretion to allow Members to remain seated, when speaking, if (s)he considers speaking when seated would assist in the good conduct of the meeting.
- (c) **Chairman to Decide Order of Speaking** – If two or more Members indicate their wish to speak, the Chairman will call on one to speak. The other will wait until called upon.
- (d) **Only One Member to Speak** – While a Member is speaking, all other Members must remain seated and silent unless making a point of order or in personal explanation.
- (e) **No Member** will attribute motives or use offensive expressions or make offensive references to any Member or employee of the Council.

## 20.3 Respect for Chairman, Members and Officers

When the Chairman rises during a debate, any Member then speaking must immediately stop speaking and sit down, if standing, and the Council must be silent.

## 20.4 Member Not to be Heard Further

If a Member persistently disregards the ruling of the Chairman by behaving improperly or offensively, or deliberately obstructing business, the Chairman may

move that the Member is not heard further. If seconded, the motion will be voted on without discussion.

### **20.5 Member to Leave the Meeting**

If the Member continues to behave improperly after a motion under Rule 20.3 is carried, the Chairman may move that either the Member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

### **20.6 General Disturbance**

If there is a general disturbance making orderly business impossible, the Chairman may adjourn the meeting for as long as (s)he thinks necessary.

## **21 DISTURBANCE BY PUBLIC**

### **21.1 Removal of Member of the Public**

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

### **21.2 Clearance of Part of Meeting Room**

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

## **22 SUSPENSION, VARIATION AND REVOCATION OF COUNCIL PROCEDURE RULES**

### **22.1 Variation and Revocation of Procedure Rules**

- (a) Subject to Rule 22.2, any Motion to add to, vary or revoke these Procedure Rules will be determined by the Council and when proposed and seconded will stand adjourned without discussion to the next ordinary meeting of the Council.
- (b) This requirement will not apply to motions moved in pursuance of a recommendation of the regulatory committee with responsibility for the Constitution.

### **22.2 Suspension of Procedure Rules**

- (a) With the exception of mandatory Procedure Rules, any Procedure Rule may be suspended for any business at the meeting where the suspension is moved, providing that the Procedure Rule(s) are specified.
- (b) A Motion to suspend Procedure Rules will not be moved without notice, that is under Procedure Rule 13, unless at least one half of the number of Members entitled to be present at the meeting of the Council, committee or sub-committee, are present.
- (c) Mandatory Procedure Rules 16.5, 17.3, 24.1, 24.2, 25.1 to 25.5, and 26 are to the like effect of Procedure Rules prescribed by the Local Authorities (Standing Orders) Regulations 1993 and are not capable of being suspended.

## **23 COMMITTEES AND SUB-COMMITTEES**

### **23.1 Appointments**

At its Annual Meeting, the Council will appoint any committees it is required by law to appoint, together with any committees it considers necessary to carry out its work, with the exception of the Selection Committee. Unless the law says otherwise, the Council:

- will appoint Members to committees and sub-committees on the basis that the political composition of each will reflect the political constitution of the incoming Council, insofar as it is practicable to do so;
- will not appoint any member of a committee or sub-committee to hold office later than the next Annual Council Meeting; and
- may at any time dissolve a committee or sub-committee, or alter its membership, provided the political constitution continues to reflect the Council's political composition.

### **23.2 Committee Membership / Members' Substitutes' Scheme**

Where a Member attends a meeting as substitute for another Member under the Council's Members' Substitutes' Scheme, the substitute Member must have been appointed in accordance with that Scheme. The substitute Member is considered to be a Member of that committee or sub-committee for the duration of the meeting for which (s)he is appointed.

### **23.3 Sub-Committees**

The Policy Committee may appoint sub-committees for specific tasks, but may not appoint other sub-committees without the approval of the Council. Unless the law says otherwise committees:

- will not appoint any member of a sub-committee to hold office later than the next Annual Council Meeting; and
- may, at any time, dissolve a sub-committee or alter its membership.

### **23.4 Working Groups**

The Select Committee, or exceptionally the Council, may appoint working groups as consultative bodies for specific tasks, but the working groups will not have any decision-making powers. Unless the law says otherwise members of working groups will be appointed to hold office no later than the next Annual Council Meeting and the working group may, at any time, be dissolved or its membership altered by the appointing body.

### **23.5 Quorum**

- (a) The quorum of the Policy Committee is four Members.
- (b) The quorum of the Standards Committee will be three Members or one quarter of the Members, whichever is the greater subject to the legal requirement that:
  - there shall always be at least one independent (external) member present; and
  - business relating to parish councillors may not be considered unless at least one of the Parishes' representatives is present.
- (c) The quorum of all other committees, sub-committees and working groups will be three Members or one quarter of the Members, whichever is the greater.



### **23.6 Selection Committee**

- (a) The Chairman of the Council will be a member and chair meetings of the Selection Committee.
- (b) Between the date of the ordinary election of councillors and the Annual Council Meeting each year, or in a year where there is no ordinary election of District Councillors at least ten days before the Annual Meeting, the Chief Executive will appoint the Selection Committee consisting of 15 Members.

In appointing this Committee, the Chief Executive will take into account the recommendations of the leaders of the political groups represented on the Council and any other member(s) not affiliated to any of the political groups. If the number of other Members not affiliated to one of the political groups means that those Members taken together are entitled to a place(s) on the Selection Committee, the Chief Executive will appoint the appropriate number of those 'other Members' to the Selection Committee, taking account of length of service.

### **23.7 Members Permitted to Attend Meetings of Committees of Which They are Not Members**

- (a) A Member may attend a meeting of any committee, sub-committee, panel or group, excluding appeals' bodies, of which (s)he is not a Member and, at the discretion of the Chairman, may take part in the discussion of any matters relating only to his / her Ward.
- (b) The Chairman of any committee, sub-committee, panel or group (excluding appeals' bodies) may exercise his / her discretion to invite a Member, who is not on that committee, sub-committee, panel or group to attend and speak at a meeting on a particular matter
- (c) Where matters of major policy affecting the District are under discussion, the Chairman of a committee may at his / her discretion, invite all Members of the Council to attend and speak, but not vote.
- (d) In none of the above cases may a Member who is not a member of the committee, sub-committee, panel or group concerned vote.

### **23.8 Chairmen and Vice-Chairmen of Committees**

- (a) Those sub-committees and groups whose chairman and vice-chairman are not appointed by the Council Meeting will elect their chairman and vice-chairman at the first meeting following the Annual Council Meeting.
- (b) Where one of the political groups with an overall majority on the Council has exactly half of the number of places on a committee, sub-committee, panel or group, the chairman will be appointed from among the members of that political group.

### **23.9 Committee or Sub-Committee Meetings**

- (a) Committees and sub-committees will meet on dates to be decided by the Council.
- (b) A special meeting of a committee, sub-committee, panel or group:
  - may be called at any time by the chairman concerned; and
  - will be called at any time if the Democratic Services and Scrutiny Manager receives a written request demanding a meeting signed by four or one-quarter of the whole number of the members of the committee, sub-committee, panel or group, whichever is the greater,

specifying the business to be transacted. No business, other than that specified, will be included on the agenda or considered at the special meeting.

### 23.10 Speaking at a Meeting other than Council

- (a) **Addressing the Chairman** – A Member must address the Chairman, when speaking, unless unable to do so because (s)he is disabled.
- (b) **Chairman to Decide Order of Speaking** – If two or more Members indicate their wish to speak, the Chairman will call on one to speak. The other will wait until called upon.
- (c) **Only One Member to Speak** – While a Member is speaking, all other Members must remain silent unless making a point of order or in personal explanation.
- (d) **No Member** will attribute motives or use offensive expressions or make offensive references to any Member or employee of the Council.

### 23.11 Application of Procedure Rules to Committees Etc.

- The Procedure Rules of the Council will, insofar as they are applicable and with the necessary changes, apply to committee, sub-committee and group meetings except:
  - Procedure Rule 11 (Questions and Statements by Members)
  - Procedure Rule 12 (Notices of Motion);
  - Procedure Rule 13 (Motions and Amendments without Notice);
  - Those parts of Procedure Rule 14 which relate to putting questions, motions and amendments in writing;
  - Procedure Rule 14.5 (Speaking More than Once);
  - Procedure Rule 15 (Previous Decisions and Motions).

## 24 APPOINTMENT OF CHIEF OFFICERS

**24.1** (Mandatory) Where the Council proposes to appoint a chief officer (within the meaning of the Local Authorities (Standing Orders) Regulations 1993) and it is not proposed that the appointment will be made exclusively from among their existing employees, the officer responsible for Human Resources will:

- a) draw up a statement specifying –
  - the duties of the officer concerned; and
  - any qualifications or qualities to be sought in the person to be appointed.
- b) arrange 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) send a copy of the statement mentioned in paragraph (a) to any person on request.

**24.2** (Mandatory) Where a post has been advertised as provided in Procedure Rule 24.1 above, the Council will:

- a) where there have been responses, arrange to:
  - interview all qualified applicants for the post, or
  - select a short list of such qualified applicants and interview those included on that list.
- b) where no qualified person has applied, make further arrangements for

advertisement in accordance with Procedure Rule 24.1(b) above.

- 24.3** All chief officer vacancies to be filled in offices under the Council will be publicly advertised, except the Council may, if it thinks fit, appoint and fix the remuneration of some person to carry on temporarily the duties of a chief officer until a successor is appointed.

## **25 EMPLOYEES GENERALLY**

- 25.1** (Mandatory) In this Part:

- “the 1989 Act” means the Local Government and Housing act 1989;
- “disciplinary action” has the same meaning as in the Local Authorities (Standing Orders)(England) Regulations 2001; and
- “employee” means a person appointed to or holding office or employment under Craven District Council.

- 25.2** (Mandatory) Subject to paragraphs 25.3 and 25.5, the function of appointment or dismissal of, and taking disciplinary action against, an employee of the Council must be discharged, on behalf of the Council, by the officer designated under Section 4(1) of the 1989 Act (designation and reports of Head of Paid Service) as the head of the Council’s paid service or by an officer nominated by him / her.

- 25.3** (Mandatory) Paragraph 25.2 shall not apply to the appointment and dismissal of, or disciplinary action against:

- the officer designated as the head of the authority’s paid service;
- a statutory chief officer within the meaning of section 2(6) of the 1989 Act (politically restricted posts);
- a non-statutory chief officer within the meaning of section 2(7) of the 1989 Act (politically restricted posts);
- a deputy chief officer within the meaning of section 2(8) of the 1989 Act (politically restricted posts); and
- a person appointed in pursuance of section 9 of the 1989 Act (assistants for political groups).

- 25.4** (Mandatory) Where a committee, sub-committee, panel or officer is discharging, on behalf of the Council, the function of the appointment or dismissal of an officer designated as the Council’s head of paid service the Council must approve that appointment before an offer of appointment is made to him / her or, as the case may be, must approve that dismissal before notice of dismissal is given to him/her.

- 25.5** (Mandatory) Nothing in paragraph 25.2 shall prevent a person from serving as a member of any committee or sub-committee established by the Council to consider an appeal by:

- another person against any decision relating to the appointment of that other person as an employee of the Council; or
- an employee of the Council against any decision relating to the dismissal of, or taking disciplinary action against, that employee.

- 25.6** The Council will from time to time, after consultation with the Head of Paid Service and with any committee primarily concerned, determine the staffing establishment of the Council.

- 25.7** Every appointment of an employee will be dealt with in accordance with the Council's Employment Policies in force at the time.
- 25.8** All vacancies to be filled in offices under the Council below the level of chief officer will be publicly advertised except:
- all posts below SO1 which are advertised internally in the first instance, and filled by promotion or transfer; or
  - where, within six months of the filling of a vacancy which has been publicly advertised, a similar vacancy occurs, a former applicant may be appointed.
- 25.9** The powers of employees will be those from time to time authorised by the Council or the appropriate committee, sub-committee, panel or group as the case may be.
- 25.10** The Council for the purpose of this Procedure Rule includes a committee, sub-committee, panel or officer to whom appropriate powers have been delegated.
- 25.11** Canvassing of a Member or Members will disqualify an applicant for an appointment with the Council and a Member will not favour an applicant other than to the extent of providing a written reference as to the applicant's competence or character.
- 25.12** An applicant for any appointment with the Council who is aware of any relationship to any Member or employee of the Council will, when making application, disclose that relationship and failure to do so will disqualify.

*[For the purposes of this Procedure Rule, persons will be deemed to be related if they are husband and wife, or co-habitees or if either of them or the spouse of either of them is the father or mother, grandfather or grandmother or aunt or uncle or son or daughter or grandson or grand-daughter or brother or sister or nephew or niece or cousin of the other, or of the spouse of the other.]*

## **26 DISCIPLINARY ACTION – STATUTORY OFFICERS (Mandatory)**

- 26.1** In paragraph 25.2, "chief finance officer", "council manager", "disciplinary action", "head of the Council's paid service" and "monitoring officer", have the same meaning as in Regulation 2 of the Local Authorities (Standing Orders)(England) Regulations 2001 and "designated independent person" has the same meaning as in Regulation 7 of those Regulations.
- 26.2** No disciplinary action in respect of the head of the Council's paid service (unless (s)he is also a council manager of the authority), its monitoring officer or its chief finance officer, except action described in paragraph 26.3 may be taken by the Council, or by a committee, a sub-committee, a panel or a joint committee on which the Council is represented or any other person acting on behalf of the Council, other than in accordance with a recommendation in a report made by a designated independent person under Regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001 (investigation of alleged misconduct).
- 26.3** The action mentioned in paragraph 26.2 is suspension of the officer for the purpose of investigating the alleged misconduct occasioning the action; and any such suspension must be on full pay and terminate no later than the expiry of two months beginning on the day on which the suspension takes effect.

## **27 INTERPRETATION OF COUNCIL PROCEDURE RULES**

The person presiding at a meeting shall be the person responsible for the interpretation of these Procedure Rules as they are applied at a meeting, and such interpretation may not be questioned.

## Public Participation Scheme

- 1 This scheme applies to meetings of the Council, its policy and regulatory committees and sub-committee, the Standards Committee and overview and scrutiny bodies, with the exception of the Planning Committee, which has its own scheme, along and any committees or sub-committee performing a quasi-judicial function.
- 2 There will be a public participation session at the start of every meeting to which this scheme applies. During those sessions members of the public may ask questions or make a statement. The session will last for a period of up to 15 minutes and may be extended to a maximum of 25 minutes at the discretion of the Chairman. At meetings of committees and, sub-committees, the Chairman may, at his / her discretion, allow participants to speak during the meeting before a matter on the agenda is considered rather than at the start of the meeting. In such cases, participation for each item being considered shall not exceed a total of 5 minutes.
- 3 If there are no statements or questions, or if all statements have been made or questions asked before the 15 minutes have elapsed, the meeting will start to consider the remainder of the business before it. No further public questions or statements will be entertained at that meeting, except if the Chairman has agreed to allow the participants to speak immediately before or when a matter is under consideration.
- 4 Questions will only be permitted if they deal with matters within the terms of reference of the committee or sub-committee to which they are addressed.
- 5 Advance notification of questions is helpful as it gives the opportunity for any necessary research to be carried out. However, it is not essential. Those questions / statements notified in advance will be dealt with first.
- 6 If any answer to a question cannot be given at the meeting, either because of time constraints or lack of available information, the Chairman may, at his / her discretion, arrange for a written answer to be given after the meeting.
- 7 Subject to (4) above, the Chairman of the meeting will have complete discretion as to the order in which questions are taken and statements are made.
- 8 Questions or statements of an offensive or personal nature may not be asked or made. Questions that require the disclosure of exempt or confidential information will not be answered.
- 9 Questions should be simply put and easy to understand. Multiple questions are not encouraged. Supplementary questions may be asked at the Chairman's discretion.
- 10 The Chairman may for any reason disallow a question or statement or cut short a statement or a discussion, or disqualify any member of the public from speaking further.
- 11 The Chairman of the meeting's interpretation of this procedure shall not be questioned at that meeting and his / her ruling on any questions relating to this procedure shall be final.

## **ACCESS TO INFORMATION PROCEDURE RULES**

### **1 SCOPE**

These Rules apply to all meetings of the Council, its Committees and Sub-committees. For the purposes of these Rules, all these bodies are referred to as “meetings”.

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

These Rules do not affect any more specific rights to information contained elsewhere in this Constitution or in 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 of its meetings by posting details on the Council’s website [www.cravendc.gov.uk](http://www.cravendc.gov.uk)

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

The Council will make copies of the agenda and reports that are open to the public available for inspection at the Council Offices, Belle Vue Square, Skipton at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda will be open to inspection from the time the item was added to the agenda. Where reports are prepared after the summons has been sent out or meeting details published, the designated officer shall make each such report available to the public as soon as the report is completed and sent to Councillors.

### **6 SUPPLY OF COPIES**

The Council will supply copies of:

- any agenda and reports which are open to public inspection;
- any further statements or particulars necessary to indicate the nature of the items in the agenda; and
- if the Solicitor to the Council thinks fit, copies of any other documents supplied to councillors in connection with an item to any person on payment of a charge for copying and postage, and any other costs.

### **7 ACCESS TO MINUTES, ETC. AFTER MEETINGS**

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

- the minutes of the meeting, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- 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;
- the agenda for the meeting; and
- reports relating to items when the meeting was open to the public.

## **8 BACKGROUND PAPERS**

### **8.1 List of Background Papers**

The author of the report will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his / her opinion:

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

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

### **9.1 Exempt information – Discretion to Exclude Public**

The Local Government Act 1972 (as amended) sets out descriptions of information that are exempt from disclosure to the public and imposes qualifications on some of the exemptions. This means that the council is not required to make the information accessible to the public. The Council may also exclude the public from parts of meetings where exempt information will be discussed.

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.

### **9.2 Meaning of Exempt Information**

Exempt information means information falling within the following 7 categories (subject to any qualification):

Para 1	Information relating to any individual
Para 2	Information which is likely to reveal the identity of an individual
Para 3	Information relating to the financial or business affairs of any particular person, including the Council
Para 4	Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the Council or a Minister of the Crown and employees of, or officer holders under, the Council.
Para 5	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
Para 6	Information which reveals that the Council 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.
Para 7	Information relating to any action taken or to be taken in connection with the prevention or investigation or prosecution of crime.



The above exemptions are qualified as follows:

- Information relating to the financial or business affairs of any particular person is not exempt if it is required to be registered under the Companies Act 1985; the Friendly Societies Act 1974; the Friendly Societies Act 1992; the Industrial and Provident Societies Acts 1965 to 1978; the Building Societies Act 1986; or the Charities Act 1993.
- Information relating to proposed development for which the local planning authority may grant itself planning permission under regulation 3 of the Town and Country Planning General Regulations 1992 is not exempt.
- Information in one of the seven categories of exempt information [(1) to (7) above] which is not prevented from being exempt by either of the two points described above is exempt if the public interest in maintaining the exemption outweighs the public interest in disclosing it.

## **10 INSPECTION OF DOCUMENTS BY MEMBERS**

The rights of access of Members of the Council are covered by Section 100F of the Local Government Act 1972 (as amended). Documents are open to inspection by Members of principal councils if they are exempt because they relate to the financial or business affairs of any particular person, except to the extent that the information relates to terms proposed to or by the authority in the course of contract negotiations, or if they are exempt because they reveal that the authority proposes to give a notice under any enactment or to make an order or direction under any enactment.

These rights under Section 100F are additional to their common law rights. At common law, Members have the right of access to information where they have a “need to know” in order to carry out their role as councillors. This common law right is unaffected.

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

If the Democratic Services and Scrutiny Manager thinks fit, the Council may exclude access by the public to reports which in his opinion relate to items during which, in accordance with Rule 9, the meeting is likely not to be open to the public, such reports will be marked “Not for publication” and contain the paragraph number of the category of exemption.

## **12 DISCLOSURE OF INFORMATION UNDER THE FREEDOM OF INFORMATION ACT**

The **public interest test** for the purposes of the exempt categories of information is about whether it better serves the interests of the public to withhold or disclose the information. The Information Commissioner’s Office has published guidance in connection with the Freedom of Information Act which may be useful in undertaking that test (Freedom of Information Act Awareness Guidance No. 3 The Public Interest Test). Basically, something is considered to be in the public interest if it serves the interests of the public. Examples of the types of factors that would encourage disclosure are:

- furthering the understanding and participation of the public debate of issues of the day;
- promoting accountability and transparency of public authorities for their decisions;
- promoting accountability and transparency in the spending of public money;
- allowing individuals and companies to understand decisions made by public authorities that affect their lives and, in some cases, assisting individuals in challenging such decisions; and
- bringing to light information affecting public health and safety.

The main factors against disclosure of information are those set out in exemptions (1) to (7) themselves such as the need to maintain and not prejudice law enforcement matters. If disclosure of information would adversely affect these matters, then it is relevant to consider the possible adverse effect of disclosure against the positive benefits of openness. Consideration of the European Convention on Human Rights may also lead to a conclusion that information should not be disclosed because it might prejudice the right to a fair hearing.

## **BUDGET AND POLICY FRAMEWORK PROCEDURE RULES**

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

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 Policy Committees and Officers to implement it.

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

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

- Each year the officers will publish the Forward Plan for that year, which will include the programme for establishing the budget and policy framework for that year. Within this Plan, it will identify a number of strategic policy or resource issues on which it wishes to request input from the overview and scrutiny bodies. This will be subject to approval by the Select Committee.
- Within the overall programme, the Policy Committee may identify studies it wishes to request from Select Committee related to policy issues on which they wish to make recommendations as part of the budget and policy framework.
- Policy studies undertaken by the Select Committee should engage as widely as possible with citizens and stakeholders in the community and use a variety of methods to gauge public views. The results should be presented to the Policy Committee, which will then draw on them in developing their proposals to Council.
- In approving the budget and policy framework, the Council will also specify the extent of in-year changes to the policy framework that may be undertaken by the Policy and other Committees, in accordance with paragraph 3 of these Rules (in-year changes to policy framework). Any other changes to the policy and budgetary framework are reserved to the Council.

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

The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by all committees, sub-committees or employees with delegated authority must be in line with it. No changes to any policy and strategy which make up the policy framework may be made by the Policy or other committee or an officer with delegated authority, except changes:

- necessary to ensure compliance with the law, ministerial direction or Government guidance;
- 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; and
- that are minor can be agreed by the Policy Committee or priorities can be re-ordered within the programmes where it is considered necessary in the interests of the good management of the Council.

## **SELECT COMMITTEE PROCEDURE RULES**

### **1                    PROTOCOL RELATING TO MEMBERSHIP OF SELECT COMMITTEE AND AD HOC WORKING GROUPS**

- 1.1                    The Council appoints 12 of its Members to membership of the Select Committee. Those overview and scrutiny Members shall not be available for appointment as members of the Policy Committee. The Chairman of the Council is not available for membership of the Select Committee.
- 1.2                    The Chairman and Vice-Chairman of the Select Committee will be appointed by the Council Meeting.
- 1.3                    The Council may co-opt Members to the Select Committee. Co-optees may be from other organisations or members of the public. Co-optees will be appointed until the next annual meeting of Council.
- 1.4                    The Select Committee may appoint up to two working groups of Members at any one time to deal with specific issues in the Select Committee's annual work programme, or any other matter referred to it by the Council or the Policy Committee. Members of Policy Committee will not normally be appointed to Select Committee working groups.
- 1.5                    The working groups do not have delegated authority. Working groups should include Members from more than one political group. Working groups may only deal with business referred to them by the Select Committee.
- 1.6                    There is no Substitute Scheme for members unable to attend any meetings of the Select Committee or any of the Working Groups.
- 1.7                    Any of the Select Committee Working Groups may appoint non-voting co-opted members. Co-opted members will have an opportunity to influence the Working Group's lines of enquiry, but they will not be able to take part in any vote, if one takes place.

### **2                    WITNESS PROTOCOL**

#### **2.1                    Introduction**

The Select Committee and Select Committee Ad-Hoc Working Groups (Select Committees) will, from time to time request Members, officers and representatives from other organisations to attend their meetings.

This Protocol sets out the principles under which Members, officers and other witnesses will be required or asked to attend those Meetings. It reflects the power in the Regulations to require Members and officers to attend Select committees and the guidance contained in Chapter 9 (Alternative arrangements) of the Government Guidance (New Council Constitutions) on the Alternative Arrangements political structure.

#### **2.2                    Principles**

- a) Generally, Members or officers will attend meetings of Select Committee or its working groups when invited. Exceptionally, there may be circumstances when a Member or officer is **required** to attend Select Committee.
- b) Where a Select committee exercises its power to require officers to attend to answer questions or discuss issues, it should consider the seniority of officers it wants to appear before it. Generally, officers below the level of those who report directly to the Strategic Manager, or an officer below Principal Officer grade would not normally be required to attend.
- c) When officers appear to answer questions, their evidence should, as far as possible, be confined to questions of fact and explanation relating to policies and decisions.
- d) Officers may be asked to explain
  - what the policies are;
  - the justification and objectives of those policies as the decision-makers see them; and
  - the extent to which objectives have been met.
- e) Officers may be asked to explain and justify the advice they have given to Members prior to decisions being taken, and to explain and justify decisions they themselves have taken under delegated powers.
- f) When asking questions of officers, Members will respect the requirement for officers to be politically impartial.
- g) Select Committee members may question officers at committee meetings and in working groups. Whilst questions may be challenging, members should seek to question officers in a positive and constructive way and should avoid any emotive or aggressive approach. In responding officers should be open, constructive and helpful, and should seek to provide full answers.
- h) No witness will be required to answer a question where (s)he would not be required to answer the question in a Court of English Law.

## **2.3 Process**

- a) If a Select committee requires an officer or a Member to attend a meeting, it should give him/her a minimum of 10 working days' notice, except in the case of a decision called-in, where such notice might unreasonably delay the decision-making process.
- b) When Select Committee require a Member or officer to attend, it shall write to that Member or officer setting out the general areas it wishes to question him/her on.
- c) Any witness may supply a written statement to the Select committee in order to provide greater detail to Members and where this will generally assist the overview and scrutiny process.

## **3 CALL-IN PROTOCOL**

### **3.1 Introduction**

- a) This Protocol deals with the arrangements for the call-in of decisions of the Policy Committee and Sub-Committees (referred to as the decision-makers in the Protocol).
- b) Decisions taken by officers will not be subject to the Call-In Procedure, but may be the subject of scrutiny through the review of service plans or other processes.
- c) With the exception of decisions of a 'Regulatory' nature made by decision-makers as set out in the Annex to this protocol, all decisions made may be called-in. However, it would be extremely detrimental to efficient decision-making if every individual decision was, as a matter of course, to be looked at. Call-in should be instigated as the exception, rather than the rule.
- d) The operation of these arrangements will be reviewed annually by the Democratic Services and Scrutiny Manager and reported to Council, or more frequently at the request of the Council. The review should assess whether call-in is contributing to better decision-making or is having a detrimental effect on the running of Council business.

### **3.2 The Principles –**

#### **(A) Scope**

- a) 'Call-In' requests will be considered by Select Committee. That Committee may only require a decision-maker to reconsider its decision or, in exceptional circumstances, may recommend to the Council Meeting that it should ask the decision-maker to reconsider the decision. It cannot substitute its own decision for that of the decision-maker.
- b) A decision-maker can only be asked to reconsider a decision once.
- c) Decisions on the Council's regulatory functions, e.g. planning applications, licensing applications and decisions on appeals etc., are not subject to the Call-In Procedure. A list of the matters, which are not subject to call-in, is set out at paragraph 3.4 below and in the Annex to this Protocol.
- d) If there is any dispute as to whether a decision is subject to the Call-In Procedure, then the matter will be referred to the Chief Executive whose decision will be final.

#### **(B) Process for Call-in**

- a) Decisions of Policy Committee and Sub-Committees shall be published by the Democratic Services and Scrutiny Manager by 4.30 p.m. on the second working day after the meeting has taken the decision.
- b) For a decision to be called-in, any three Members of the Council, who should not all be from the same Political Group, must request it. Such a request must be made in writing, which includes fax or e-mail, and be received by the Democratic Services and Scrutiny Manager by noon on the third working day after the publication of the decision. The request must state the item which it is requested should be called-in, the reason

for the call-In, (for example that the decision is contrary to approved Council policy), and must give the names of the Members requesting the Call-In.

- c) The Democratic Services and Scrutiny Manager will inform the Chairman of the Select Committee, the Chairman of the Policy Committee or Sub-Committee and the relevant Strategic Manager, as appropriate, of the request.
- d) The Democratic Services and Scrutiny Manager will arrange a meeting of the Select Committee to consider the request as soon as is reasonably practicable, normally within ten working days of the call-in request.
- e) The Select Committee, in considering the matter, will have access to all reports considered by the Policy Committee or sub-committee and to advice from officers.

### 3.3

#### **Powers Available to the Committee and to Members**

- a) The Select Committee has the power to require both Members and officers to attend its meetings and may invite other persons to attend its meetings when it considers a call-in. (Note: This is contained in Regulation 12 of the Local Authorities (Alternative Arrangements) (England) Regulations 2001.) A person is not obliged to answer any question which (s) he would be entitled to refuse to answer or for the purposes of proceedings in a court in England and Wales.
- b) Where a matter has been called-in, any of the Members making the request to call-in will have the right to attend Select Committee and speak during consideration of the call-in.
- c) If the Select Committee supports the decision made by the decision-maker, then this will be implemented. This will be reported, for information, to the next available meeting of the Policy Committee or sub-committee.
- d) If Select Committee does not support the decision, then the following action can be taken by a simple majority vote of the Select Committee:
  - the matter is referred to the Policy Committee or the sub-committee for further consideration;
  - the matter is referred to the Policy Committee or the sub-committee with a recommendation; or
  - exceptionally, the matter is referred to the Council Meeting to consider whether that body should reconsider the decision.
- e) The Select Committee must state its reasons for deciding on which course of action to take in its report.

### 3.4

#### **Decisions not subject to call-in**

The following decisions are not subject to call-in:

- A decision that stands as a recommendation to Council;
- A decision to implement a decision approved in principle by the Council within the preceding six months;
- A decision that has already been subject to call-in;
- A decision taken in circumstances where Policy Committee or the sub-committee has resolved that the matter is urgent, for

reasons recorded in the published decision, where any delay, which may result from calling-in the decision, may be prejudicial to the interests of the Council or a third party;

- A decision on a procedural matter;
- A decision to note a matter reported for information only; or
- Any of the types of decisions referred to in the Annex to these Rules.

### **3.5 General**

Any Member of the Select Committee has the right to ensure that any matter which is relevant to the remit and functions of the Select Committee is included on the agenda for and is discussed at a meeting of that Committee.

## **4 COUNCILLOR CALL FOR ACTION**

4.1 Councillor Call for Action aims to provide resolution of an issue raised by a Member that (s)he has not been able to resolve in other ways.

4.2 It is not a substitute for other means of problem resolution. It is a means of last resort if other methods have not been successful. As such, it is expected that it will be used sparingly.

4.3 The Select Committee's objective, when considering a Councillor Call for Action, is to recommend a resolution of the issue raised.

4.4 A Councillor Call for Action will only be discussed by the Select Committee if the Committee is satisfied that:

- the councillor has made all reasonable efforts to resolve the matter via direct liaison with council officers and /or relevant partners; and
- the issue of concern is a matter in respect of which the council has a power or duty to deal with and which is not precluded by adopted council policy or legislation; and
- the issue of concern has a significant impact on a part or the whole of that Councillor's ward.

4.5 A Councillor Call for Action will not be included on the Select Committee agenda if the request relates to:

- any matter relating to a planning decision;
- any matter relating to a licensing decision;
- any matter relating to an individual or entity in respect of which that individual has a right of recourse to a review or right of appeal conferred by or under any enactment or through the Council's Complaints procedures;
- any matter which, following the advice of the Monitoring Officer, is considered to be vexatious or discriminatory; or
- any matter which is deemed a local crime and disorder matter for the purposes of Section 19 of the Police and Justice Act 2006.

4.6 If the Select Committee considers that a Councillor Call for Action is valid, the issue will be considered at a specially convened meeting of



## Part 4 – Rules of Procedure

the Select Committee to be held within 20 working days of validation of the Call and sooner if possible.

- 4.7 The meeting will be held within the Ward of the Councillor making the request, or, in the event of this not being possible, near to that Ward, wherever possible.
- 4.8 The issue raised by the Councillor Call for Action will be the subject of a report from the relevant director or corporate head, with such supporting information and evidence as is reasonably available. If the matter also or exclusively entails consideration of information held by another public body or partner, an appropriate representative shall be invited to the Select Committee to provide that information, make representations and answer questions.
- 4.9 The Councillor Call for Action will be considered by the Select Committee in public session, unless consideration of the issues involves the disclosure of exempt or confidential information as defined by the Council's Access to Information Procedure Rules.
- 4.10 The councillor that raised the Councillor Call for Action may address the Select Committee.
- 4.11 The Select Committee may, at the Chairman's discretion, consider representations from any residents of the ward affected by the issue subject to Councillor Call for Action.
- 4.12 If the Councillor Call for Action concerns issues that are within the remit of a Lead Member, that Lead Member shall also attend Select Committee to answer questions and make any representations.
- 4.13 The Select Committee shall produce a report recommending a resolution to the issue raised. Recommendations may be addressed to Policy Committee, the Chief Executive, or any appropriate external organisation or partnership.
- 4.14 Select Committee should use the checklist below to consider whether to take a Councillor Call for Action is valid.

Question	Answer	Decision
Does it refer to an individual complaint?	Yes	Not a CCfA
Is it covered by a quasi-judicial process (e.g. planning)?	Yes	Not a CCfA
Is it vexatious or discriminatory?	Yes	Cannot be considered as a CCfA
Is it an issue that affects a particular locality?	Yes	May be a CCfA if all other options exhausted.
Has the issue been discussed with fellow ward councillors (including county and parish councillors) and ward residents?	No	It will strengthen the case if this has happened and there is support from other councillors and residents.
Do they agree it is an issue?	Yes	

Has the matter been taken up with the appropriate Lead Member and relevant officers?	No	Cannot be considered as a CCfA until this has happened
	Yes	O&S would expect to hear the views of Lead Member and /or relevant officers when considering the CCfA

Annex

Reference paragraph 3.2 (A) c and 3.4 above

**Regulatory and other matters which are not to be the subject of the Call-in process by the Group Call-in Panel**

- 1 Planning – all matters relating to the control of development and matters arising therefrom.
- 2 Rights of way, highways and traffic regulation matters where the Council is exercising any of its regulatory statutory powers.
- 3 Licensing – All licensing and registration requirements where the Council is the responsible statutory authority.
- 4 Statutory action under the Environmental Protection Act, Food Safety Act, Health and Safety at Work Etc. Act, Contaminated Land Act and other associated Environmental Health legislation where the Council is exercising any of its regulatory statutory powers.
- 5 Renovation or other grants or assistance given in accordance with Council policy to individual applicants, including any subsequent statutory procedure to enforce grant conditions.
- 7 Homelessness determination and Housing Register and Homelessness Reviews under Section 164 and 202 of the Housing Act 1996.
- 8 Granting of individual easements, rights of way, or wayleaves over Council-owned land in accordance with Council policy.
- 9 Exercising the Council’s statutory powers under the National Assistance Act in relation to persons in need of care and attention.
- 10 Exercising the Council’s statutory powers in relation to making arrangements for burials and cremation under the Public Health (Control of Diseases) Act 1984.
- 11 Matters dealt with by the Recruitment and Appeals Panel, including, but not limited to, grievance and disciplinary matters etc.
- 12 Matters dealt with by the Licensing Committee or Licensing Sub-Committee where either are considering individual licenses or applications or renewals.
- 13 Matters in connection with complaints about Members of the Council, which have been referred to the Standards Committee by the Monitoring Officer or an Ethical Standards Officer of the Standards Board.
- 14 Appeals under the Council’s Complaints Procedure.

**Craven District Council**

**Financial Procedure  
Rules**

**(Revised: August 2015)**



# Financial Procedure Rules

## **CONTENTS**

1. Status of Financial Procedure Rules
2. Financial Procedure Rules
  - A: Financial Management
  - B: Financial Planning
  - C: Risk Management and Control of Resources
  - D: Systems and Procedures
  - E: External Arrangements

### Appendices:

#### Appendix A: Financial Management Standards

Managing expenditure  
Accounting policies  
Accounting records and returns  
The annual statement of accounts

#### Appendix B: Financial Planning

Performance plans  
Budgeting  
Maintenance of reserves

#### Appendix C: Risk Management and Control of Resources

Risk management  
Internal controls  
Audit requirements  
Preventing fraud and corruption  
Assets  
Treasury management  
Staffing

#### Appendix D: Financial Systems and Procedures

General  
Income and expenditure  
Taxation  
Trading accounts and business units

#### Appendix E: External Arrangements

Partnerships  
External funding  
Work for third parties

## **STATUS OF FINANCIAL PROCEDURE RULES**

- These Financial Procedure Rules provide the framework for managing the Council's financial affairs. They apply to every Member and Officer of the Council and anyone acting on its behalf.
- They identify the financial responsibilities of the full Council, Committees, the Head of Paid Service (i.e. the Chief Executive), the Monitoring Officer (i.e. the Solicitor to the Council and Monitoring Officer), the Section 151 Officer (i.e. Chief Financial Officer), the Strategic Officers forming the Corporate Leadership Team (CLT). All CLT officers should maintain a written record where decision making has been delegated to members of their staff, including seconded or temporary staff.
- For the purposes of these Financial Procedures Rules, references to Officers shall include successors to these posts whether original or substituted.
- All Members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
- The Chief Financial Officer is responsible for maintaining a continuous review of the Financial Procedure Rules and submitting any additions or changes necessary to the Council for approval. He/she is also responsible for reporting, where appropriate, breaches of the Financial Procedure Rules to the Council or relevant Committee.
- The Council's detailed financial procedures, setting out how the regulations will be implemented, are contained in the appendices to these Financial Procedure Rules.
- All members of the CLT are responsible for ensuring that their staff are aware of the existence and content of the Council's Financial Procedure Rules and other internal regulatory documents and that they comply with them.
- The Chief Financial Officer is responsible for issuing advice and guidance to underpin the Financial Procedure Rules that Members, Officers and others acting on behalf of the Council are required to follow.
- Failure to comply with the requirements of Financial Procedure Rules may, if appropriate, lead to action being taken against Officers under the Council's Disciplinary Procedure and against Members by the Council's Standards Committee.
- Where reference is made in these rules to the Section 151 Officer, the rules will also apply to the authorised deputy. Likewise, in the absence of the Monitoring Officer the rules will also apply to the authorised deputy.

## **Section A: Financial Management**

### **Introduction**

- A.1 Financial management covers all financial accountabilities in relation to the running of the Council, including the policy framework and budget.

### **The Council**

- A.2 The full Council is responsible for adopting the Council's constitution and for approving the policy framework and budget within which Standing Committees operate. It is also responsible for approving and monitoring compliance with the Council's overall framework of accountability and control. The framework is set out in the Council's Constitution.

### **Policy Committee**

- A.3 The Policy Committee is responsible for proposing the policy framework and budget to the full Council, and for discharging specific functions in accordance with the policy framework and budget.

### **Audit & Governance Committee**

- A.4 The Audit & Governance Committee is responsible for internal and external audit activities, the corporate regulatory framework and financial statements / accounts.

### **The Statutory Officers**

#### ***Head of Paid Service (Chief Executive)***

- A.5 The Chief Executive is responsible for the corporate and overall strategic management of the Council as a whole. He or she must report to and provide information for the full Council, the Select committee and other committees. He/she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Chief Executive is also responsible, together with the Solicitor to the Council, for the system of record keeping in relation to all Council decisions.

#### ***Monitoring Officer (Solicitor to the Council)***

- A.6 The Monitoring Officer is responsible for promoting and maintaining high standards of conduct, including financial conduct. He/she is also responsible for reporting any actual or potential breaches of the law or maladministration to the full Council, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- A.7 The Monitoring Officer must ensure that Committee decisions are recorded in the Minutes and that these are made public. He/she must also ensure that Council members are aware of decisions made by Committees.
- A.8 The Monitoring Officer is responsible for advising all Councillors and officers about who has authority to take a particular decision.

## Part 4 – Rules of Procedure

- A.9 The Monitoring Officer is responsible for advising any Committee or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.
- A.10 The Monitoring Officer is this Council's nominated Money Laundering Reporting Officer.

### **Chief Financial Officer (S151 Officer)**

- A.11 The Chief Financial Officer and is responsible for advising Policy Committee, Audit & Governance Committee or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget framework.
- A.12 The Chief Financial Officer 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:
- Section 151 of the Local Government Act 1972
  - Section 114 of the Local Government Finance Act 1988
  - The Local Government and Housing Act 1989
  - Sections 25 and 27 of the Local Government Act 2003
  - The Accounts and Audit Regulations 2011
- A.13 The Chief Financial Officer is responsible under Section 151 for the proper administration of the Council's financial affairs.
- A.14 Section 114 of the Local Government Finance Act 1988 requires the Chief Financial Officer to report to the full Council, and external auditor if the Council or one of its officers:
- has made, or is about to make, a decision that involves incurring unlawful expenditure
  - has taken, or is about to take, an unlawful action that has resulted or would result in a loss or deficiency to the Council
  - is about to make an unlawful entry in the Council's accounts.

Section 114 of the 1988 Act also requires:

- the Chief Financial Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally
  - the Council to provide the Chief Financial Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.
- A.15 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to:
- report to a meeting of full Council on the robustness of the budget estimates (calculated in accordance with s43 of the Local Government Finance Act 1992)
  - to report to a meeting of full Council on the adequacy of proposed reserves

Section 27 of the 2003 Act also requires the Chief Financial Officer if, in relation to the previous financial year, it appears that a controlled reserve is or is likely to be inadequate, to:

- establish the reasons for that situation; and
- determine the action, if any, which he considers it would be appropriate to take to prevent such a situation arising in relating to the corresponding reserve for the financial year under consideration.

## Part 4 – Rules of Procedure

- A.16 The Chief Financial Officer is responsible for:
- setting and monitoring compliance with financial management standards
  - advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
  - providing financial information
  - presenting the revenue budget and capital programme
  - treasury management.

### ***The Corporate Leadership Team members***

- A.17 The CLT members are responsible for:
- ensuring that any report, paper or statistical information prepared for consideration within the Council, or externally, is approved by the Financial Services department with regard to any (or no) financial implications therein at the final draft stage allowing at least 10 working days before publication wherever possible. Similarly, the Monitoring Officer must be consulted with regard to any legal implications under the same time-frame as for financial implications.
  - signing certain contracts on behalf of the Council.
- A.18 It is the responsibility of the CLT members to consult with the Chief Financial Officer and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.

### ***Other Financial Accountabilities***

#### ***Virement***

- A.19 The full Council is responsible for agreeing procedures for virement of budget between budget headings. The Council's scheme is set out in Appendix A Financial Expenditure (Managing Expenditure).
- A.20 The Chief Executive and CLT members are responsible for agreeing in-year virements in accordance with the virement scheme. They must notify Financial Services of all proposed virements.

#### ***Accounting Policies***

- A.21 The Section 151 Officer is responsible for selecting accounting policies and that they are applied consistently.

#### ***Accounting Records and Returns***

- A.22 The Chief Financial Officer is responsible for determining the accounting procedures and records for the Council.

#### ***The Annual Statement of Accounts***

- A.23 The Chief Financial Officer is responsible for ensuring that the annual statement of accounts is prepared in accordance with legislation, the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC) and any other similar guidance. The Audit & Governance Committee is responsible for approving the annual Statement of Accounts.



## **Section B: Financial Planning**

### **Introduction**

- B.1 The full Council is responsible for agreeing the Council's policy framework and budget. In terms of financial planning, the key elements are the:
- Corporate Plan
  - Financial Strategy incorporating the Revenue Budget
  - Treasury Management Strategy (incorporating the Annual Investment Strategy)
  - Capital Strategy & Programme (incorporating the Prudential Limits and Indicators) and Asset Management Plan

### ***Policy Framework***

- B.2 The full Council is responsible for approving the policy framework and budget. The policy framework is set out in the Constitution.
- B.3 The full Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. Decisions should be referred to the full Council by the Monitoring Officer.
- B.4 The full Council is responsible for setting the level at which the Standing Committees may reallocate budget funds from one service to another. The Standing Committees are responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the overall financial limits set by the Council.

### ***Preparation of the Corporate Plan***

- B.5 The Chief Executive is responsible for proposing the Corporate Plan to the Policy Committee for consideration before its submission to the full Council for approval.

### **Budgeting**

#### ***Budget Format***

- B.6 The general format of the budget will be approved by the full Council and proposed by Policy Committee on the advice of the Chief Financial Officer. The draft budget should include allocation to different services and projects, proposed local taxation levels and any use of reserves and/or balances.

#### ***Budget Preparation***

- B.7 The Chief Financial Officer is responsible for ensuring that a revenue budget is prepared on an annual basis together with a medium-term (3-5 years) revenue forecast and presented to the Policy Committee for consideration, prior to submission to the full Council. The full Council may amend the budget or ask the Policy Committee to reconsider it before approving it in accordance with the statutory deadline.
- B.8 As part of their consideration of the budget, Committees may identify studies they wish to request from the Select Committee related to policy issues on which they wish

## Part 4 – Rules of Procedure

to make recommendations as part of the budget policy framework. Likewise, the Select Committee may choose to undertake such studies and make recommendations as appropriate as part of its own work plan.

- B.9 In approving the budget and policy framework, the Council will also specify the extent of in-year changes to the policy framework that may be undertaken by Committees.

### ***Budget Monitoring and Control***

- B.10 The Chief Financial Officer is responsible for providing Members and Officers with appropriate financial information to enable budgets to be monitored effectively. He/she must put in place arrangements for the monitoring and control of capital and revenue expenditure against budget allocations.
- B.11 It is the responsibility of the CLT members to monitor and control income and expenditure within their capital and revenue budgets and to monitor performance, taking account of financial information made available by Financial Services. In accordance with the arrangements and timetable, they should comment on variances within their own areas and agree the reporting of such information to the appropriate Committee. They should also take any appropriate action necessary to avoid exceeding their budget allocation and alert Financial Services to problems, and proposed remedies, as soon as they are identified.

### ***Resource Allocation***

- B.12 The Chief Financial Officer is responsible for developing and maintaining a resource allocation process that ensures due consideration of the full Council's policy framework.

### ***Preparation of the Capital Programme***

- B.13 The Chief Financial Officer is responsible for ensuring that a capital programme is prepared on an annual basis for consideration by Policy Committee.

### ***Budget Guidelines***

- B.14 The Chief Financial Officer will issue guidelines on budget preparation. The guidelines will take account of:
- legal requirements
  - medium-term planning projections
  - the corporate plan
  - available resources
  - spending pressures
  - best value and other relevant government guidelines
  - other internal policy documents
  - cross-cutting issues (where relevant).

### ***Maintenance of Reserves***

- B.15 It is the responsibility of the Chief Financial Officer to advise the Policy Committee and the full Council on prudent levels of balances and reserves for the Authority.
- B.16 The use of reserves will be considered as part of the overall budget framework with their use subject to approval by Policy Committee or full Council where the amount

involved exceeds £30,000 and/or where the proposed expenditure relates to a new policy or an extension of existing policy.

## **Section C: Risk Management and Control of Resources**

### **Introduction**

- C.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant strategic and operational risks to the Council. This should include the proactive participation of all those associated with planning and delivering services.

### **Risk Management**

- C.2 The Policy Committee is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management including the content of the Council's Risk Register. The Policy Committee is responsible for ensuring that proper insurance exists where appropriate.
- C.3 The Chief Executive and Chief Financial Officer are jointly responsible for preparing the Council's risk management policy statement and for promoting it throughout the Council. The Chief Financial Officer is responsible for advising Policy Committee on the proper level of insurance cover where appropriate.

### **Internal Control**

- C.4 Internal control refers to the systems of control devised to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
- C.5 The Chief Financial Officer is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.
- C.6 It is the responsibility of the CLT members to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial and service performance targets.

### **Audit Requirements**

- C.7 Part 2 of the Accounts and Audit Regulations 2011 requires every local authority to maintain an adequate and effective internal audit.
- C.8 The Audit Commission is responsible for appointing external auditors to each local authority. The basic duties of the external auditor are governed by Section 15 of the Local Government Finance Act 1982, as amended by Section 5 of the Audit Commission Act 1998.
- C.9 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Customs and Excise and the Inland Revenue, who have statutory rights of access.

## **Preventing Fraud and Corruption**

C.10 The Chief Financial Officer is responsible for the development and maintenance of an anti-fraud and anti-corruption policy.

### **Assets**

C.11 The CLT members shall ensure that records and assets are properly maintained and securely held. They shall also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place.

## **Treasury Management**

C.12 The Council has adopted the key recommendations of CIPFA's *Code of Practice for Treasury Management in the Public Services 2001* (as described in Section 4 of the Code).

C.13 Accordingly the Council will create and maintain, as the cornerstones for effective treasury management,

- a treasury management policy statement (TMPS), stating the policies and objectives of the Council's treasury management activities;
- suitable treasury management practices (TMP's) setting out the manner in which the Council will seek to achieve those policies and objectives, and describing how it will manage and control those activities.

C.14 The Policy Committee will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, and an annual report after its close, in the form prescribed in the TMPs.

C.15 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Policy Committee. The Council delegates responsibility for the execution and administration of treasury management decisions (including all decisions on borrowing, investment and financing) to Chief Financial Officer and or the Finance Manager (Deputy s151) who will act in accordance with the Council's policy statement and TMPs and, if he/she is a CIPFA member, the Institute's Standard of Professional Practice on Treasury Management.

C.16 All money in the hands of the Council is controlled by the officer designated for the purposes of Section 151 of the Local Government Act 1972.

C.17 The Chief Financial Officer is responsible for reporting to the Policy Committee during the financial year on the activities of the treasury management operation and on the exercise of his or her delegated treasury management powers.

## **Section D: Systems and Procedures**

### **Introduction**

D.1 Sound systems and procedures are essential to an effective framework of accountability and control.

## **General**

- D.2 The Chief Financial Officer is responsible for the operation of the Council's accounting systems, the form of accounts and the supporting financial records. Any changes made by the CLT members to the existing financial systems or the establishment of new systems must be approved in advance by the Chief Financial Officer. However, all service managers are responsible for the proper operation of financial processes in their own service areas.
- D.3 Any changes to agreed procedures by the CLT members to meet their own specific service needs must be agreed with the Chief Financial Officer.
- D.4 The CLT members must ensure that their staff receive relevant financial training that has been approved by the Chief Financial Officer.
- D.5 The CLT members must ensure that, where appropriate, computer and other systems are registered in accordance with Data Protection legislation. All such systems must be notified to the Council's Data Protection Officer (The Information Services Manager). The CLT members must ensure that staff are aware of their responsibilities under Freedom of Information and Data Protection legislation.

## **Income and Expenditure**

- D.6 It is the responsibility of the CLT members to ensure that a proper scheme of delegation has been established within their area and is operating effectively. The scheme of delegation should identify staff authorised to act on the service manager's behalf in respect of payments, income collection and placing orders, together with the limits of their authority. The Policy Committee is responsible for approving procedures for writing off debts as part of the overall control framework of accountability and control.

## **Payments to Employees and Members**

- D.7 The Chief Financial Officer is responsible for all payments of salaries and wages to all staff, including payments for overtime, and for applying statutory deductions. The Chief Financial Officer is also responsible for the payment of allowances and travel and subsistence expenses to Members of Council.

## **Taxation**

- D.8 The Chief Financial Officer is responsible for advising, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Council.
- D.9 The Chief Financial Officer is responsible for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

## **Trading Accounts/Business Units**

- D.10 It is the responsibility of the Chief Financial Officer to advise on the establishment and operation of any trading accounts and business units.

## **Section E: External Arrangements**

### **Introduction**

- E.1 The Council provides a leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.

### **Partnerships**

- E.2 The Council is responsible for approving delegations, including frameworks for partnerships. The Council's Standing Committees are the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.
- E.3 Functions including those relating to partnership can be delegated to officers. These are set out in the Scheme of Delegation that forms part of the Council's Constitution. Where functions are delegated, the appropriate Standing Committee remains accountable for them to the full Council.
- E.4 The Members and Chief Executive where approved by Council to represent the Council on a range of partnerships and external bodies.
- E.5 The Chief Financial Officer and the Monitoring Officer are responsible for promoting the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council.
- E.6 The Chief Financial Officer must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are satisfactory. He or she must also consider the overall corporate governance arrangements and legal issues in conjunction with the Monitoring Officer when arranging contracts with external bodies. He or she must ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- E.7 The Chief Executive, Chief Financial Officer other CLT members are responsible for ensuring that appropriate approvals from the Standing Committee concerned are obtained before any negotiations are concluded in relation to work with external bodies.

### **Accountable Body Status**

- E.8 Subject to E9 below, CLT members are responsible for obtaining appropriate approvals from the Policy Committee for the Council to act as Accountable Body. The Chief Financial Officer will maintain a register of bodies for which the Council acts as Accountable Body.
- E.9 The Chief Financial Officer, in consultation with the Monitoring Officer, Lead Members and Local Ward representatives has delegated authority to give approval to the Council acting as Accountable Body for specific projects provided that the total maximum value of the project does not exceed £100,000. In all other circumstances, the approval of the Policy Committee is required.

### **External Funding**

- E.10 The Chief Executive, and CLT members are responsible for notifying the Chief Financial Officer of all potential sources of external funding and consult him/her on any applications proposed to be submitted in the name of the Council. The Chief Financial Officer is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts in accordance with any specific requirements that may apply to it as the "accountable body" where the Council has agreed to operate as such.

### **Work for Third Parties**

- E.11 The relevant Committee is responsible for approving the contractual arrangements for any work for third parties or external bodies.

## **APPENDICES**

### **Appendix A**

#### **FINANCIAL MANAGEMENT STANDARDS**

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

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

##### **Key Controls**

- 1.02 The key controls and control objectives for financial management standards are:
- (a) their promotion throughout the Council;
  - (b) a monitoring system to review compliance with financial standards, and regular comparisons of performance indicators and benchmark standards that are reported to Managers, Members, Committees and full Council as appropriate.

##### **Responsibilities of the Chief Financial Officer**

- 1.03 To ensure the proper administration of the financial affairs of the Council.
- 1.04 To set the financial management standards and to monitor compliance with them.
- 1.05 To ensure proper professional practices are adhered to and to act as “Head of Profession” in relation to the standards, performance and development of finance staff.
- 1.06 To advise on the key controls necessary to secure sound financial management.
- 1.07 To ensure that financial information is made available for the purposes of national and local financial performance indicators.

##### **Responsibilities of the Corporate Leadership Team**

- 1.08 To promote the financial management standards set by the Chief Financial Officer and to monitor adherence to the standards and practices, liaising as necessary with the Chief Financial Officer.
- 1.09 To promote sound financial practices in relation to the standards, performance and development of staff in their departments.

##### **Managing Expenditure**

##### **Scheme of Virement (Revenue) - Why is this important?**

- 1.10 *The scheme of virement is intended to enable Standing Committees, the Chief Executive, the CLT members and their staff to manage budgets with a degree of*



*flexibility within the overall policy framework determined by the full Council, and therefore to optimise the use of resources.*

## **Key Controls**

1.11 Key controls for the scheme of virement are:

- (a) it is administered by the Chief Financial Officer within guidelines set by the full Council. Any variation from this scheme requires the approval of the full Council;
- (b) the overall budget is approved by the full Council. The CLT members and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The rules below cover:
  - a. virement; that is, switching resources between approved estimates or heads of expenditure;
  - b. supplementary revenue estimates; that is, additional revenue budget provision over and above that approved by Members as part of the annual budget round;
  - c. budget slippage; that is unspent budget provision in one financial year that relates to an expenditure commitment in the following financial year;

For the purposes of this scheme, a budget estimate is considered to be a line in the approved revenue budget book;

- (c) Virement does not create additional overall budget provision. The CLT members are expected to exercise their discretion in managing their budgets responsibly and prudently and;
  - fortuitous or one-off savings shall not be used to fund new continuing or longer term commitments;
  - any savings in the budget for, capital financing costs (including lease rentals), investment income, internal recharges and insurances shall not be used to fund new expenditure on other heads of expenditure; and
  - in the case of a budget for employee costs, any virement must be net of the annual vacancy (or turnover) factor budget;
  - any additional costs arising in the following financial year are to be financed from further savings in the budget, unless agreed otherwise by full Council as part of the annual budget framework.
  - virement will not be permitted from any income budget until the budgeted level of income in any one financial year has been achieved within that financial year.
- (d) Where the effect of a virement is to change the total approved budget the relevant CLT member, in conjunction with the Chief Financial Officer, must seek the approval of the Policy Committee before undertaking the virement.

## **Responsibilities of all Corporate Leadership Team members**

- 1.14 Subject to 1.11(c) and (d) above, members of the CLT may exercise virement without limit on budgets within his or her Department, in consultation with the Chief Financial Officer and the Monitoring Officer, in order to achieve the Departmental objectives as set out in the Corporate Plan.
- 1.15 Virement that will impact on the budget of a service activity of another Department may only be implemented after agreement with that Department's CLT member and following consultation with the Chief Financial Officer and the Monitoring Officer.
- 1.16 To submit a joint report to the Policy Committee with the Chief Financial Officer when it is proposed to change the total approved budget.

## Part 4 – Rules of Procedure

- 1.17 To notify Financial Services of virements agreed so that the necessary changes can be made to the budget.

### General

- 1.18 Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that:
- (a) the amount is used in accordance with the purposes for which it has been established;
  - (b) the relevant Standing Committee has approved the basis and the terms, including financial limits, on which it will be allocated. Allocations in excess of the financial limits should be reported back to the relevant Committee for approval.

### Supplementary Revenue Estimates

- 1.19 No revenue expenditure shall be incurred in connection with the adoption of any new policy without the prior approval of the Council.
- 1.20 Subject to FPR 1.23 and 1.24 below, any proposed expenditure that is not included in the approved Budget Estimates or any likely overspending which cannot be met by a budget transfer in accordance with the approved scheme of virement as outlined above shall **not** be incurred without the granting of a supplementary estimate approved by the Council after consideration of a report from the relevant Policy Committee.
- 1.23 Supplementary Revenue Estimates up to £10,000 can be approved by the Chief Executive, in consultation with the Chief Financial Officer and the Monitoring Officer, provided that:-
- (a) the total of all Supplementary Revenue Estimates, whether approved by the Chief Executive or by the relevant Policy Committee, in any one financial year does not exceed £30,000;
  - (b) any such Supplementary Revenue Estimates do not create an ongoing financial commitment for the Council. In the event of such a Supplementary Revenue Estimate, it must be approved by Council after consideration of a report from the Policy Committee;
  - (c) due regard is given to the effect of the Supplementary Revenue Estimate(s) on the Council's Medium Term Financial Strategy;
  - (d) that any such Supplementary Revenue Estimates do not result in the Council's General Fund Balance falling below 8% of net revenue budget.
- 1.24 Where the total of Supplementary Revenue Estimates in any one year exceeds £30,000, any subsequent Supplementary Revenue Estimates for that same financial year must be approved by the Council after consideration of a report by Policy Committee. Any such report must be prepared by the relevant CLT member in conjunction with the Chief Financial Officer.
- 1.25 Where, as a result of a proposed Supplementary Revenue Estimate, the Council's approved Minimum Working Balance would be breached, any such Supplementary Revenue Estimate must only be approved by the Council after consideration of a report to the Policy Committee from the Chief Financial Officer on the adequacy of the General Fund Working Balance.

## Part 4 – Rules of Procedure

- 1.26 Where the Council receives external funding related to specific proposed revenue expenditure, either by virtue of conditions associated with the external funding or by a decision of the relevant Policy Committee, the CLT may, in consultation with the Chief Financial Officer, create additional budget provision and incur expenditure as appropriate, equivalent to the amount of external funding receivable.
- 1.27 Any such external funding receivable must, before any additional budget provision is created or expenditure is incurred, either have been received or be confirmed in writing by the Funder. Under no circumstances should the CLT member commit to, or incur expenditure without written confirmation of, and agreement to, the funding and associated conditions. The CLT must consult both the Chief Financial Officer and the Monitoring Officer on any such conditions prior to accepting an offer of external funding.

### **Budget Slippage**

- 1.28 Budget Slippage relates to an unspent budget estimate for which there is an actual, and not possible, commitment to incur expenditure in the future. Ordinarily, this will apply when the commitment is to be incurred in a financial year following the budget underspend.
- 1.29 Subject to the approval of the Chief Financial Officer, in consultation with the Chief Financial Officer, the CLT may carry forward from one financial year to the next financial year, an unspent budget estimate relating to an actual commitment provided that:-
- (a) the maximum amount for each item of slippage within this delegated authority shall not exceed £5,000;
  - (b) the [controllable] budget for which the CLT member is responsible is not overspent in total
- 1.30 Any proposals for budget slippage which exceed £5,000 must be approved by the Policy Committee.
- 1.31 It is for the CLT to demonstrate to the Chief Financial Officer that there is an actual, and not possible, commitment to incur expenditure, For the purposes of this Procedure Rule, an actual commitment is defined as one where, for example:
- (a) there is a specific Committee resolution to incur the expenditure;
  - (b) an order has been placed for goods and services;
  - (c) the works for which the budget estimate relates are ongoing and not yet complete;
  - (d) an offer of grant has been made by the Council but has not yet been taken up (subject to time limits placed on the grant offer);

### **Accounting Policies**

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

- 1.32 *The Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts, in accordance with proper practices and set out in the format required by the Code of Practice on Local Authority Accounting in the United Kingdom (CIPFA/LASAAC), for each financial year ending 31 March.*

### **Key Controls**

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

### **Responsibilities of the Chief Financial Officer**

- 1.33 To select suitable accounting policies and to ensure that they are applied consistently. The accounting policies are set out in the Statement of Accounts, which is prepared as at 31 March each year, and covers such items as:
- (a) separate accounts for capital and revenue transactions
  - (b) the basis on which debtors and creditors at year end are included in the accounts
  - (c) fixed assets
  - (d) capital charges
  - (e) work in progress and stocks
  - (f) deferred charges
  - (g) accounting for value added tax
  - (h) government grants
  - (i) leasing
  - (j) pensions.

### **Responsibilities of Chief Executive, and the Corporate Leadership Team**

- 1.34 To adhere to the accounting policies and guidelines approved by the Chief Financial Officer.

### **Accounting Records and Returns**

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

- 1.35 *Maintaining proper accounting records is 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 audit provides independent assurance that the accounts are prepared properly, that proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of the Council's resources.*

### **Key Controls**

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

## Part 4 – Rules of Procedure

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

### **Responsibilities of the Chief Financial Officer**

- 1.37 To determine the accounting procedures and records for the Council. Where these are maintained outside Financial Services, the Chief Financial Officer should consult the CLT member concerned.
- 1.38 To arrange for the compilation of all accounts and accounting records under his or her direction.
- 1.39 To comply with the following principles when allocating accounting duties:
  - (a) 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
  - (b) employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.
- 1.40 To make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit Regulations 2011.
- 1.41 To ensure that all claims for funds including grants are made by the due date.
- 1.42 To prepare, have approved and publish the Statement of Accounts of the Council for each financial year, in accordance with the requirements of the Accounts and Audit Regulations 2003 and any other similar guidance.

### **Responsibilities of the Corporate Leadership Team**

- 1.43 To consult and obtain the approval of the Chief Financial Officer before making any changes to accounting records and procedures.
- 1.44 To comply with the principles outlined in paragraph 1.39 when allocating accounting duties.
- 1.45 To maintain adequate records to provide a management/audit trail leading from the source of income/expenditure through to the accounting statements.
- 1.46 To supply information required to enable the Statement of Accounts to be completed in accordance with statutory requirements and timescales.

### **The Annual Statement of Accounts**

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

- 1.47 *The Council has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. The Audit & Governance Committee is responsible for approving the statutory Annual Statement of Accounts.*

#### **Key Controls**

- 1.48 The key controls for the annual Statement of Accounts are:

## Part 4 – Rules of Procedure

- the Council is required to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of these affairs. In this Council, that officer is the Section 151 Officer.
- the Council's statement of accounts must be prepared in accordance with proper practices as set out in the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC) and any other relevant guidance.

### **Responsibilities of Members**

- 1.49 In accordance with Section 10 of the Accounts and Audit Regulations 2011, the Council's Statement of Accounts must be signed and dated by the Chairman of the Audit and Governance Committee at the meeting at which it is approved.

### **Responsibilities of the Chief Financial Officer**

- 1.50 Prior to approval by the Audit & Governance Committee, to sign and date the statement of accounts, stating that it presents fairly the financial position of the Council at the accounting date and its income and expenditure for the financial year ended 31 March.
- 1.51 To select suitable accounting policies and to apply them consistently.
- 1.52 To make judgements and estimates that are reasonable and prudent.
- 1.53 To comply with the CODE and other relevant guidance.
- 1.54 To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

### **Responsibilities of the Corporate Leadership Team**

- 1.55 To comply with accounting guidance provided by the Chief Financial Officer and to supply him/her with information when required.

## **Appendix B**

### **FINANCIAL PLANNING**

#### **PERFORMANCE PLANS**

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

2.01 *Each local Council has a statutory responsibility to publish various service plans and strategies. The purpose of service plans is to explain overall priorities and objectives, current performance, and proposals for further improvement.*

##### **Key Controls**

2.02 The key controls for service plans are:

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

##### **Responsibilities of the Chief Financial Officer**

- 2.03 To advise and supply the financial information, as required, which is to be included in performance plans in accordance with statutory requirements and agreed timetables.
- 2.04 To contribute to the development of corporate and service targets and objectives and performance information.
- 2.05 To ensure that systems are in place to measure activity and collect accurate information for use as cost based performance indicators.
- 2.06 To ensure that performance information is monitored sufficiently frequently to allow corrective action to be taken if targets are not likely to be met.

##### **Responsibilities of the Corporate Leadership Team**

- 2.07 To contribute to the development of service plans in line with statutory requirements.
- 2.08 To contribute to the development of corporate and service targets and objectives and performance information.
- 2.09 To ensure that systems are in place for their area(s) of responsibility to measure activity and collect accurate information for use as performance indicators.
- 2.10 To ensure that performance information is monitored sufficiently frequently to allow corrective action to be taken if targets are not likely to be met for their area(s) of responsibility.

##### **Budgeting**

##### **Format of the Budget**

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

- 2.11 *The format of the budget determines the level of detail to which financial control and management will be exercised.*

### **Key Controls**

- 2.12 The key controls for the budget format are:
- (a) the format complies with all legal requirements
  - (b) the format complies with CIPFA's *Service Reporting Code of Practice (SeRCOP)*
  - (c) the format reflects the accountabilities of service delivery.

### **Responsibilities of the Chief Financial Officer**

- 2.13 To advise Policy Committee on the format of the budget that is ultimately approved by the full Council.
- 2.14 To provide accounting guidance on the format of the budget.

### **Responsibilities of the Corporate Leadership Team**

- 2.15 To comply with accounting guidance provided by the Chief Financial Officer.

## **REVENUE BUDGET PREPARATION, MONITORING AND CONTROL**

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

- 2.16 *Budget management ensures that once the budget has been approved by the full Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.*
- 2.17 *By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. The Council itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the cash-limited budget allocated to it.*
- 2.18 *For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required by the CLT members agreed scheme of delegation.*

### **Key Controls**

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



## Part 4 – Rules of Procedure

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

### **Responsibilities of the Chief Financial Officer**

- 2.20 To establish an appropriate framework of budgetary management and control that ensures that:
- (a) budget management is exercised within annual cash limits unless the full Council agrees otherwise
  - (b) the CLT has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities
  - (c) expenditure is committed only against an approved budget head
  - (d) all officers responsible for committing expenditure comply with relevant guidance, and the Financial Procedure Rules
  - (e) each cost centre has a single named manager, determined by the CLT. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure
  - (f) significant variances from approved budgets are investigated and reported by budget managers regularly.
- 2.21 To administer the Council's scheme of virement.
- 2.22 To submit reports to the Policy Committee and to the full Council, in consultation with the relevant CLT officer, where a budget manager is unable to balance expenditure and resources within existing approved budgets under his or her control.
- 2.23 In accordance with Section 28 of the Local Government Act 2003, to prepare and submit reports on the Council's projected income and expenditure compared with the budget on a regular basis.

### **Responsibilities of the Corporate Leadership Team**

- 2.24 To maintain budgetary control within their departments, in adherence to the principles in 2.18, and to ensure that all income and expenditure are properly recorded and accounted for.
- 2.25 To ensure that an accountable budget manager is identified for each item of income and expenditure under his or her control (grouped together in a series of cost centres). As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.
- 2.26 To ensure that spending remains within the service's overall cash limit, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- 2.27 To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and is operating effectively.
- 2.28 To ensure prior approval by the full Council or Committee (as appropriate) for new proposals, of whatever amount, that:

## Part 4 – Rules of Procedure

- (a) create financial commitments in future years
- (b) change existing policies, initiate new policies or cease existing policies
- (c) materially extend or reduce the Council's services

Reports on new proposals must explain the full financial implications following consultation with the Chief Financial Officer. The CLT should aim to contain the implications of such proposals within their approved budgets.

- 2.29 To ensure compliance with the scheme of virement.
- 2.30 To agree with the relevant CLT member where it appears that a budget proposal, including a virement proposal, may impact materially on another service area.

### **BUDGETS AND MEDIUM-TERM FINANCIAL PLANNING**

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

- 2.31 *The Council is a complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities and objectives that have been agreed by the Council. The budget is the financial expression of the Council's plans and policies.*
- 2.32 *The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the full Council. Budgets (spending plans) are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for an authority to budget for a deficit.*
- 2.33 *Medium-term planning (three to five-year period) involves a planning cycle in which managers develop their own plans. As each year passes, another future year will be added to the medium-term plan. This ensures that the Council is always preparing for events in advance.*

#### **Key Controls**

- 2.34 The key controls for budgets and medium-term planning are:
  - (a) specific budget approval for all expenditure
  - (b) budget managers are consulted in the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by Committee for their budgets and the level of service to be delivered
  - (c) a monitoring process is in place to review regularly the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

#### **Responsibilities of the Chief Financial Officer**

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

## Part 4 – Rules of Procedure

- 2.36 To prepare and submit reports to Standing Committees on the 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.
- 2.38 To advise on the medium-term implications of spending decisions.
- 2.39 To encourage the best use of resources and value for money by working with the CLT to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- 2.40 To advise the full Council on Committee proposals thereby discharging his/her responsibilities under section 151 of the Local Government Act 1972.

### **Responsibilities of the Corporate Leadership Team**

- 2.41 To assist the Chief Financial Officer in the preparation of estimates to be submitted to Standing Committees, having regard to:
- (a) spending patterns and pressures revealed through the budget monitoring process
  - (b) legal requirements
  - (c) policy requirements as defined by the full Council in the approved policy framework
  - (d) initiatives already under way.
- 2.42 To prepare budgets that are consistent with any relevant cash limits, with the Council's annual budget cycle, and with guidelines issued by Policy Committee or Chief Financial Officer. The format should be as prescribed by the Chief Financial Officer in accordance with the full Council's general directions.
- 2.43 To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.

## **RESOURCE ALLOCATION**

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

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

### **Key Controls**

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

### **Responsibilities of the Chief Financial Officer**

- 2.46 To advise on methods available for the funding of resources, such as grants from central government and borrowing requirements.
- 2.47 To assist in the allocation of resources to budget managers.

### **Responsibilities of the Corporate Leadership Team**

- 2.48 To work within budget limits and to utilise resources allocated, and further allocate resources, in the most efficient, effective and economic way.
- 2.49 To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

## **CAPITAL PROGRAMMES**

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

- 2.50 *Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Council, such as land, buildings, and major items of plant, equipment or vehicles, where the cost is equal to or greater than £10,000, or for community capital grants, equal to or greater than £5,000. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.*
- 2.51 *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.*

### **Key Controls**

- 2.52 The key controls for capital programmes are:
- (a) specific approval by the full Council for the programme of capital expenditure
  - (b) the development and implementation of asset management plans
  - (c) accountability for each proposal is accepted by a named manager
  - (d) monitoring of progress in conjunction with expenditure and comparison with approved budget.
  - (e) scheme of virement for capital projects
  - (f) evaluation of schemes to form the capital programme

### **Responsibilities of the Chief Financial Officer**

- 2.53 To prepare capital estimates jointly with the Chief Executive, the CLT and to report them to Policy Committee for approval. The Policy Committee will make recommendations on the capital estimates and on any associated financing requirements to the full Council.
- 2.54 To prepare and submit a report to the Policy Committee on, amongst other things, the affordability, sustainability and prudence of the Council's proposed capital programme in accordance with the Prudential Code for Capital Finance in Local Authorities.
- 2.55 To prepare and submit reports to any Standing Committees on the projected income, expenditure and resources compared with the approved estimates.

## Part 4 – Rules of Procedure

- 2.56 To issue guidance concerning capital schemes and controls, for example, on project appraisal techniques. The definition of 'capital' will be determined by the Chief Financial Officer, having regard to government regulations and accounting requirements.
- 2.57 To provide periodic reports to the Policy Committee outlining progress on the overall capital programme indicating where amendments may be required to reflect changing circumstances and to ensure the necessary approval mechanisms for virement or supplementary estimates are complied with.

### **Responsibilities of the Corporate Leadership Team**

- 2.58 To comply with the Councils Contract Procedure Rules
- 2.59 To comply with any guidance concerning capital schemes and controls issued by the Chief Financial Officer.
- 2.60 To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Chief Financial Officer.
- 2.61 To implement capital schemes within the approved timescale and to submit regular returns of estimated final costs of schemes in the approved capital programme to and as required by the Chief Financial Officer.
- 2.62 To ensure that adequate records are maintained for all capital contracts.
- 2.63 To proceed with projects only when there is adequate provision in the capital programme and with the agreement of the Chief Financial Officer where required.
- 2.64 To submit reports, jointly with the Chief Financial Officer, to the appropriate Standing Committee, of any variation in contract costs as required in accordance with the Council's Contract Procedure Rules.
- 2.65 To prepare and submit reports, jointly with the Chief Financial Officer, to the appropriate Committee on completion of all contracts.
- 2.66 To ensure that credit arrangements, such as leasing agreements (including office equipment), are not entered into without the prior approval of the Chief Financial Officer and, if applicable, approval of the scheme through the capital programme.

### **Scheme of Virement (Capital Programme) - Why is this important?**

- 2.67 *The scheme of virement for the Capital Programme is intended to enable Standing Committees, the Chief Executive, the CLT and their staff to manage the Capital Programme with a degree of flexibility within the overall policy framework determined by the full Council, and therefore to optimise the use of resources in the delivery of services to achieve the corporate priorities of the Council.*

### **Key Controls**

- 2.68 Key controls for the scheme of virement are:
- a) it is administered by the Chief Financial Officer within guidelines set by the full Council. Any variation from this scheme requires the approval of the full Council;

## Part 4 – Rules of Procedure

- b) the overall capital programme is approved by the full Council. The CLT and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the capital programme. The rules below cover:
  - i virement; that is, switching resources between approved estimates or heads of expenditure;
  - ii supplementary capital estimates; that is, additional capital budget provision over and above that approved by Members as part of the annual budget round.

For the purposes of this scheme, a capital programme estimate is considered to be a line in the approved capital programme included in the Council's budget book.

- c) virement in the capital programme does not create additional overall budget provision. The CLT are expected to exercise their discretion in managing their capital programme budgets responsibly and prudently and:-
  - i. fortuitous or one-off savings shall not be used to fund new, continuing or longer term commitments;
  - ii. virement will not be permitted from the budget of a capital project which is financed by way of external funding where the effect of the virement will be to reduce the amount of external funding receivable by the Council, assets to be leased or internal recharges;
- d) the CLT, in conjunction with the Chief Financial Officer and the Strategic Manager - Legal & Democratic Services, must seek the approval of the Policy Committee before undertaking a virement. where the effect of the virement represents a change:-
  - i. in the total approved Capital Programme;
  - ii. to an existing policy decision.

### **Responsibilities of the Chief Financial Officer**

- 2.69 To agree and maintain a record of all capital programme virements implemented and to report these to the relevant Standing Committee as appropriate.
- 2.70 To submit a joint report to the Policy Committee with the CLT when it is proposed to change the total approved capital programme.

### **Responsibilities of the Corporate Leadership Team**

- 2.71 Subject to FPR 2.68c) and d) above, the CLT member may exercise virement without limit on capital projects within his or her Service, in consultation with the Chief Financial Officer and the Monitoring Officer, in order to achieve the Service objectives as set out in the Annual Service Plan.
- 2.72 Virement that will impact on a capital project of a service activity of another Department may only be implemented after agreement with that Department's CLT member and following consultation with the Chief Financial Officer and the Monitoring Officer.
- 2.73 To submit a report to the Policy Committee when it is proposed to change the total approved capital programme.
- 2.74 To notify Financial Services of capital programme virements agreed so that the necessary changes can be made to the capital budget.

## General

- 2.75 Where an approved budget in the Capital Programme is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that:
- (a) the amount is used in accordance with the purposes for which it has been established;
  - (b) the relevant Committee has approved the basis and the terms, including financial limits, on which it will be allocated. Allocations in excess of the financial limits should be reported back to the relevant Committee for approval.

## Supplementary Capital Estimates

- 2.76 No capital expenditure shall be incurred in connection with the adoption of any new policy without the prior approval of the Council.
- 2.77 Subject to FPR 2.78 and 2.79 below, any proposed capital expenditure that is not included in the approved capital programme or any likely overspending which cannot be met by a budget transfer in accordance with the approved scheme of virement as outlined above shall **not** be incurred without the granting of a supplementary capital estimate approved by the Council after consideration of a report from the Policy Committee.
- 2.78 Supplementary Capital Estimates up to £10,000 for an existing project can be approved by the Chief Financial Officer provided that:
- (a) the total of all Supplementary Capital Estimates, whether approved by the Chief Financial Officer or by the Policy Committee, in any one financial year does not exceed £50,000; and
  - (b) where any such proposal for a Supplementary Capital Estimate is a new addition to the capital programme, and is not in connection with the adoption of a new policy, it has been subject to a capital project appraisal as determined by the Chief Financial Officer;
  - (c) any such Supplementary Capital Estimates do not create an ongoing financial commitment for the Council. In the event of a such Supplementary Capital Estimate, it must be approved by Council after consideration of a report from the Policy Committee;
  - (e) due regard is given to the effect of the Supplementary Capital Estimate(s) on the Council's Medium Term Financial Strategy (incorporating the Medium Term Capital Programme).
- 2.79 Not including additional capital budgets arising from compliance with FPR2.80 and 2.81 below, where the total of Supplementary Capital Estimates in any one year exceeds £50,000, any subsequent Supplementary Capital Estimates for that same financial year must be approved by the Council after consideration of a report from the Policy Committee. Any such report must be prepared by the relevant CLT member, in conjunction with the Chief Financial Officer.
- 2.80 Where the Council receives external funding related to specific proposed capital expenditure, either by virtue of conditions associated with the external funding or by a decision of the Policy Committee, the CLT, in consultation with the Chief Financial Officer, create additional capital budget provision and incur capital expenditure as appropriate, equivalent to the amount of external funding receivable.
- 2.81 Any such external funding receivable must, before any additional capital budget provision is created or expenditure is incurred, either have been received or be

confirmed in writing by the Funder. Under no circumstances should the CLT commit to, or incur expenditure without written confirmation of, and agreement to, the funding and associated conditions. The CLT must consult both the Chief Financial Officer and Strategic Manager-Legal & Democratic Services on any such conditions prior to accepting an offer of external funding.

- 2.82 In relation to FPR 2.80 and 2.81, the CLT must ensure that, where it is applicable, any additional revenue expenditure arising from a capital scheme funded from external funding can be contained within his/her approved budget or, where this is not the case, that any additional budget provision is created in accordance with FPR 1.10 to 1.18 (Revenue Virement), FPR 1.19 to 1.27 (Supplementary Estimates) or FPR 1.28 to 1.31 (Budget Slippage).

### **Capital Project Appraisals**

- 2.83 Capital Project Appraisals will be undertaken to determine a projects inclusion in the Capital Programme or otherwise. The form of the Appraisal process will be determined by the Chief Financial Officer

## **MAINTENANCE OF RESERVES**

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

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

### **Key Controls**

- 2.85 To maintain reserves in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom (CIPFA/LASAAC)* and agreed accounting policies.
- 2.86 For each reserve established, the purpose, usage and basis of transactions must be clearly identified.
- 2.87 The use of reserves is to be considered as part of the overall budget framework with their use subject to approval by Policy Committee or full Council where the amount involved exceeds £30,000 and/or where the proposed expenditure relates to a new policy or an extension of existing policy.

### **Responsibilities of the Chief Financial Officer**

- 2.88 To advise the Policy Committee and/or the full Council on prudent levels of reserves for the Council, and to take account of the advice of the external auditor in this matter.

### **Responsibilities of the Corporate Leadership Team**

- 2.89 To ensure that resources are used only for the purposes for which they were intended



## **Appendix C**

### **RISK MANAGEMENT AND CONTROL OF RESOURCES**

#### **RISK MANAGEMENT**

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

- 3.01 *All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being of the organisation. In essence it is, therefore, an integral part of good business practice. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then recommending the action the organisation needs to take to control those risks effectively.*
- 3.02 *It is the overall responsibility of the Policy Committee to approve the Council's risk management strategy, and to promote a culture of risk management awareness throughout the Council.*

##### **Key Controls**

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

##### **Responsibilities of the Chief Financial Officer**

- 3.04 In conjunction with the Chief Executive to prepare and promote the Council's risk management policy statement.
- 3.05 To develop risk management controls in conjunction with CLT.
- 3.06 To maintain under continuous review the Council's Risk Register in conjunction with the Council's Corporate Risk Management Group.
- 3.07 To prepare and submit reports on Risk Management to the Council's Audit & Governance Committee as appropriate.
- 3.08 To include all appropriate employees of the Council in a suitable fidelity guarantee insurance.

## Part 4 – Rules of Procedure

- 3.10 To effect and maintain corporate insurance cover, through external insurance (and internal funding where considered appropriate to do so).

### **Responsibilities of the Corporate Leadership Team**

- 3.11 To notify the Chief Financial Officer and the Monitoring Officer immediately of any loss, liability or damage that may lead to a claim against the Council, together with any information or explanation required by the Chief Financial Officer or the Council's insurers.
- 3.12 To share responsibility for risk management, having regard to advice from the Chief Financial Officer, Financial Services and specialist officers (e.g. crime prevention, fire prevention, health and safety) and to report any risk management implications to Members as appropriate.
- 3.13 To ensure that there are regular reviews of risk within their service areas and that any such risks are notified to the Chief Financial Officer to be considered for inclusion on the Council's Risk Register
- 3.14 To notify the Chief Financial Officer promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- 3.15 The Chief Financial Officer and the Monitoring Officer will be responsible for any negotiations on claims in consultation with other officers where necessary.
- 3.16 To consult the Chief Financial Officer and the Monitoring Officer on the terms of any indemnity that the Council is requested to give.
- 3.17 To ensure that employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.

### **Internal Controls**

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

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

## **Key Controls**

- 3.22 The key controls and control objectives for internal control systems are:
- (a) key controls should be reviewed on a regular basis and the Council should, in accordance with Regulation 4 of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (amendment) (England) Regulations 2006 produce a formal Annual Corporate Governance Statement to the effect that it is satisfied that the systems of internal control are operating effectively
  - (b) managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities
  - (c) financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems
  - (d) an effective internal audit function that is properly resourced. It should operate in accordance with the principles contained in the Auditing Practices Board's auditing guideline *Guidance for Internal Auditors*, CIPFA's *Code of Practice for Internal Audit in Local Government in the United Kingdom* and with any other statutory obligations and regulations.

## **Responsibilities of Members**

- 3.23 Prior to approval by the Audit & Governance Committee, the Council's Leader (as the most senior member) must sign and date the Council's annual Corporate Governance Statement.

## **Responsibilities of the Chief Executive**

- 3.24 Prior to approval by the Audit & Governance Committee, to sign and date the Council's annual Corporate Governance Statement.

## **Responsibilities of the Chief Financial Officer**

- 3.25 To assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

- 3.26 To prepare and submit the Council's annual Corporate Governance Statement to the Audit & Governance Committee for approval.

## **Responsibilities of the Corporate Leadership Team**

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

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

- 3.29 To ensure staff have a clear understanding of the consequences of lack of control.

## **AUDIT REQUIREMENTS**

## **INTERNAL AUDIT**

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

- 3.30 *The requirement for an internal audit function for local authorities is implied by Section 151 of the Local Government Act 1972, which requires that authorities “make arrangements for the proper administration of their financial affairs”. The Accounts and Audit Regulations 2011 (SI 2011/817), part 2 more specifically, require that a “relevant body shall maintain an adequate and effective system of internal audit of their accounting records and control systems”.*
- 3.31 *Accordingly, internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Council’s operations. It helps the Council to accomplish its objectives by a systematic, disciplined approach to evaluate and improve the effectiveness of risk management , control and governance processes .*

### **Key Controls**

- 3.32 The key controls for internal audit are:
- (a) that it is independent in its planning and operation
  - (b) the Audit Manager has direct access to the Head of Paid Service, all levels of management and directly to elected Members
  - (c) the Audit Manager complies with the Public Sector Internal Audit Standards and the accompanying Local Government Application Note published by CIPFA in collaboration with the CIA.

### **Responsibilities of the Chief Financial Officer**

- 3.33 To ensure that the Internal Audit Manager has the authority to:
- (a) access Council premises at reasonable times
  - (b) access all assets, records, documents, correspondence and control systems
  - (c) receive any information and explanation considered necessary concerning any matter under consideration
  - (d) require any employee of the Council to account for cash, stores or any other Council asset under his or her control
  - (e) access records belonging to third parties, such as contractors, when required
  - (f) directly access the Head of Paid Service and the Policy Committee
- 3.34 To consult with CLT and to present for Committee approval the Strategic and Annual audit plans prepared by the Internal Audit Manager, which take account of the characteristics and relative risks of the activities involved.
- 3.35 To ensure that effective procedures are in place to investigate promptly any suspected fraud or irregularity.

### **Responsibilities of the Corporate Leadership Team**

- 3.36 To ensure that the Internal Audit Manager is given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- 3.37 To ensure that the Internal Audit Manager is provided with any information and explanations that he/she seeks in the course of his/her work.

## Part 4 – Rules of Procedure

- 3.38 To consider and respond promptly to recommendations in audit reports.
- 3.39 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- 3.40 To notify the Chief Financial Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources. Pending investigation and reporting, the CLT member should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- 3.41 To ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the Internal Audit Manager prior to implementation.

### **EXTERNAL AUDIT**

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

- 3.42 *The Local Government Finance Act 1982 set up the Audit Commission, which is responsible for appointing external auditors to each local authority in England and Wales. The external auditor has rights of access to all documents and information necessary for audit purposes.*
- 3.43 *The basic duties of the external auditor are defined in the Audit Commission Act 1998 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires the Audit Commission to prepare a Code of Audit Practice, which external auditors follow when carrying out their duties. The Code of Audit Practice issued in March 2010 sets out the auditor's objectives to review and report upon:*
  - (a) the financial aspects of the audited body's corporate governance arrangements;*
  - (b) the audited body's financial statements;*
  - (c) aspects of the audited body's arrangements to manage its performance, including the preparation and publication of specified performance information.*
- 3.44 *The Council's accounts are scrutinised by external auditors, who must be satisfied that the Statement of Accounts gives a true and fair view of the financial position of the Council and its income and expenditure for the year in question and complies with the legal requirements.*

#### **Key Controls**

- 3.45 External auditors are appointed by the Audit Commission normally for a minimum period of five years. The Audit Commission prepares a Code of Audit Practice, which external auditors follow when carrying out their audits.

#### **Responsibilities of the Chief Financial Officer**

- 3.46 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets that the external auditors consider necessary for the purposes of their work.
- 3.47 To ensure there is effective liaison between external and internal audit.

## Part 4 – Rules of Procedure

- 3.48 To work with the external auditor and advise the full Council, Members, and the Strategic Managers on their responsibilities in relation to external audit.

### **Responsibilities of the Corporate Leadership Team**

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

## **PREVENTING FRAUD AND CORRUPTION**

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

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

### **Key Controls**

- 3.54 The key controls regarding the prevention of financial irregularities are:
- (a) the Council has an effective anti-fraud and anti-corruption policy and maintains a culture that will not tolerate fraud or corruption
  - (b) all Members and Staff act with integrity and lead by example
  - (c) senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Council or who are corrupt
  - (d) high standards of conduct are promoted amongst Members by the Council's Standards Committee
  - (e) registers of interests and registers for the recording of hospitality or gifts accepted are maintained
  - (f) whistle blowing procedures are in place and operate effectively
  - (g) legislation including the Public Interest Disclosure Act 1998 is adhered to.

### **Responsibilities of the Chief Financial Officer**

- 3.55 To develop and maintain an anti-fraud and anti-corruption policy and strategy.
- 3.56 To maintain adequate and effective internal control arrangements.
- 3.57 To ensure that all suspected irregularities are reported to the Internal Audit Manager, the Chief Executive, the Monitoring Officer, Audit & Governance Committee and the Standards Committee as appropriate.

### **Responsibilities of the Corporate Leadership Team**

- 3.58 To ensure that all suspected irregularities are reported to the Chief Financial Officer and the Internal Audit Manager.
- 3.59 To instigate the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour and warrants disciplinary action in consultation with the Corporate Head (Business Support).
- 3.60 To ensure that where financial impropriety is discovered, the Chief Financial Officer is informed, and where sufficient evidence exists to believe that a criminal offence may have been committed, the police are called in to determine with the Crown Prosecution Service whether any prosecution will take place. Such action to be discussed and agreed with the Chief Financial Officer.
- 3.61 To maintain a register of interests of staff and a register of gifts and hospitality (at this Council the register is maintained corporately by the Monitoring Officer).

### **Assets**

#### **Security**

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

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

#### **Key Controls**

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

### **Responsibilities of the Chief Financial Officer**

- 3.64 To ensure that an asset register is maintained in accordance with good practice for all fixed assets with a value in excess of £5,000. The function of the asset register is to provide the Council with information about fixed assets so that they are:
- safeguarded
  - used efficiently and effectively
  - adequately maintained.
- 3.65 To receive the information required for accounting, costing and financial records from each CLT officer.
- 3.66 To ensure that assets are valued in accordance with the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom*.

### **Responsibilities of the Corporate Leadership Team**

- 3.67 The appropriate CLT officer (currently the Director of Services) shall maintain a property database in a form approved by the Chief Financial Officer for all properties, plant and machinery and moveable assets currently owned or used by the Council. Any use of property other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- 3.68 To ensure that lessees and other prospective occupiers of Council land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Monitoring Officer has been established as appropriate.
- 3.69 To ensure the proper security of all buildings and other assets under their control.
- 3.70 Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a report to the Policy Committee.
- 3.71 To pass title deeds to the Monitoring Officer who shall be responsible for their safe custody.
- 3.72 To ensure that no Council asset is subject to personal use by an employee without proper authority.
- 3.73 To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Council.
- 3.74 To ensure that the Service maintains a register of moveable assets in accordance with arrangements defined by the Chief Financial Officer.
- 3.75 To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- 3.76 To consult the Chief Financial Officer and Internal Audit Manager in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 3.77 To ensure cash holdings on premises are kept to a minimum and in compliance with any provisions agreed with the Council's insurers.



## Part 4 – Rules of Procedure

- 3.78 To ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times and that any loss is reported.
- 3.79 To record all disposal or part exchange of assets that should normally be by competitive tender or public auction.
- 3.80 To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Chief Financial Officer.
- 3.81 To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Council in some way.

### **INVENTORIES**

- 3.82 To maintain and keep up to date inventories and record an adequate description of furniture, fittings, equipment, plant and machinery.
- 3.83 To carry out, at least on an annual basis, a check of all items on the inventory in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Council.
- 3.84 To make sure that property is only used in the course of the Council's business, unless the CLT member concerned has given permission otherwise.

### **STOCKS AND STORES**

- 3.85 To make arrangements for the care and custody of stocks and stores in their service area.
- 3.86 To ensure stocks are maintained at reasonable levels and are subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion.
- 3.87 To investigate and remove from the Council's records (i.e. write off) discrepancies as necessary with the prior approval of the Chief Financial Officer unless Committee approval is required in which case the matter will be reported jointly by the Chief Financial Officer and the CLT member concerned.
- 3.88 In consultation with the Chief Financial Officer to identify for write-off or disposal redundant stocks and equipment. Procedures for disposal of such stocks and equipment should be by competitive quotations or auction, unless the Policy Committee decides otherwise in a particular case.
- 3.89 To seek the prior approval of the Chief Financial Officer to the write-off of redundant stocks and equipment valued up to £5,000 and the approval of the Policy Committee for items valued in excess of £5,000.

## **INTELLECTUAL PROPERTY**

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

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

### **Key Controls**

- 3.92 In the event that the Council decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with the Council's approved disposal procedures.

### **Responsibilities of the Information Services Manager**

- 3.93 To develop and disseminate good practice in connection with the Council's intellectual property procedures.

### **Responsibilities of the Corporate Leadership Team**

- 3.94 To ensure that controls are in place to ensure that staff do not carry out private work in Council time and that staff are aware of the employer's rights with regard to intellectual property.

## **ASSET DISPOSAL**

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

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

### **Key Controls**

- 3.96 Assets for disposal are identified and are disposed of at the most appropriate time, and only when it is in the best interests of the Council and, subject to legislative concessions, the best price is obtained, bearing in mind other factors, such as environmental issues. For items of significant value (+£5,000), disposal should be by competitive tender or public auction.
- 3.97 Procedures protect staff involved in the disposal from accusations of personal gain.

### **Responsibilities of the Chief Financial Officer**

- 3.98 To ensure appropriate accounting entries are made to remove the value of disposed assets from the Council's records and to include the sale proceeds if appropriate.

## Part 4 – Rules of Procedure

- 3.99 To ensure only those assets owned by the Council are disposed (i.e. as opposed to those that are leased).

### **Responsibilities of the Corporate Leadership Team**

- 3.100 To seek advice from purchasing advisors on the disposal of surplus or obsolete materials, stores or equipment.
- 3.101 To ensure that income received for the disposal of an asset is properly banked and coded.
- 3.102 To consult with the Chief Financial Officer and the Monitoring Officer on all assets proposed for disposal.

### **Treasury Management**

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

- 3.103 *Many millions of pounds pass through the Council's accounts each year. This led to the establishment by CIPFA of Codes of Practice on treasury management. A key aim of the Code is to provide assurances that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's capital sum.*

#### **Key Controls**

- 3.104 That the Council's borrowings and investments comply with the CIPFA *Code of Practice on Treasury Management in the Public Services, The Prudential Code for Capital Investment* and with the Council's treasury management policy statement.

### **Responsibilities of Chief Financial Officer – Treasury Management and Banking**

- 3.105 To take all executive decisions on borrowing, investment and financing acting at all times in such a manner as to comply with the CIPFA *Code of Practice on Treasury Management in the Public Services, The Prudential Code for Capital Investment* and the Council's treasury management policy statement and strategy.
- 3.106 To report periodically on treasury management activities to the Policy Committee.
- 3.107 To secure banking facilities and operate bank accounts as are considered necessary within the terms agreed by the Council's bankers – opening or closing any bank account shall require the approval of the Chief Financial Officer.

### **Responsibilities of the Corporate Leadership Team – Treasury Management and Banking**

- 3.108 To follow the instructions on banking issued by the Chief Financial Officer.

### **Responsibilities of Chief Financial Officer – Investments and Borrowing**

- 3.109 To ensure that all investments of money are made in the name of the Council and in accordance with the Council's approved Treasury Management Policy Statement, The Prudential Code for Capital Investment and approved Treasury Management Practices.

## Part 4 – Rules of Procedure

3.110 To ensure that all securities that are the property of the Council and the title deeds of all property in the Council's ownership are held in the custody of the Strategic Manager-Legal & Democratic Services.

3.111 To effect all borrowings in the name of the Council.

3.112 To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council.

### **Responsibilities of Corporate Leadership Team – Investments and Borrowing**

3.113 To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of Policy Committee or full Council.

### **Responsibilities of the Corporate Leadership Team – Trust funds and Funds held for Third Parties**

3.114 To arrange for all trust funds to be held, wherever possible, in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities, etc relating to the trust with the Monitoring Officer unless the Deed of Trust otherwise provides.

3.115 To arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Chief Financial Officer, and to maintain written records of all transactions.

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

### **Responsibilities of the Chief Financial Officer – Imprest Accounts**

3.117 To provide employees of the Council with cash imprest accounts to meet minor expenditure on behalf of the Council and to prescribe rules for operating these accounts. Minor items of expenditure should not normally exceed £25.

3.118 To determine the petty cash limit and to maintain a record of all transactions and petty cash advances made, and periodically to review the arrangements for the safe custody and control of these advances.

3.119 To reimburse imprest holders as often as necessary to restore the imprests, but normally not more than monthly.

### **Responsibilities of the Corporate Leadership Team – Imprest Accounts**

3.120 To notify details of officers requiring cash imprest accounts to the Chief Financial Officer and maintain this under review.

3.121 To ensure that employees operating an imprest account:

- (a) obtain and retain vouchers to support each payment from the imprest account. Where appropriate, an official receipted VAT invoice must be obtained
- (b) make adequate arrangements for the safe custody of the account
- (c) produce upon demand by the Chief Financial Officer cash and all vouchers to the total value of the imprest amount

## Part 4 – Rules of Procedure

- (d) record transactions promptly
- (e) reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the imprest holder
- (f) provide the Chief Financial Officer with a certificate of the value of the account held at 31 March each year
- (g) ensure that the float is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made
- (h) on leaving the Council's employment or otherwise ceasing to be entitled to hold an imprest advance, an employee shall account to the Chief Financial Officer for the amount advanced to him or her.

### **Staffing**

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

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

#### **Key Controls**

3.123 The key controls for staffing are:

- (a) an appropriate staffing strategy and policy exists, in which staffing requirements and budget allocation are matched;
- (b) an establishment list exists;
- (c) procedures are in place for forecasting staffing requirements and cost;
- (d) controls are implemented that ensure that staff time is used efficiently and to the benefit of the Council;
- (e) checks are undertaken prior to employing new staff to ensure that they are appropriately qualified, experienced and trustworthy.

#### **Responsibilities of the Chief Financial Officer**

3.124 To maintain an establishment list of staff showing Post, Postholder, Grade, Leave Entitlement and any Supplement.

3.125 To ensure that budget provision exists for all approved posts on the Council's Establishment.

#### **Responsibilities of the Corporate Leadership Team**

3.126 To assist the Chief Financial Officer to produce an annual staffing budget which is an accurate forecast of staffing levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).

3.127 To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.

3.128 To ensure that the staffing budget is not exceeded without due authority and that it is managed to enable the agreed level of service to be provided.

3.129 To ensure that the Chief Financial Officer is informed when it is established that the Service staffing budget is likely to be materially over- or underspent.

## **Appendix D**

### **FINANCIAL SYSTEMS AND PROCEDURES**

#### **GENERAL**

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

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

##### **Key Controls**

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

##### **Responsibilities of the Chief Financial Officer**

- 4.04 To make arrangements for the proper administration of the Council's financial affairs, including to:
- (a) issue advice, guidance and procedures for officers and others acting on the Council's behalf
  - (b) determine the accounting systems, form of accounts and supporting financial records
  - (c) establish arrangements for audit of the Council's financial affairs
  - (d) approve any new financial systems to be introduced
  - (e) approve any changes to be made to existing financial systems.

##### **Responsibilities of the Corporate Leadership Team**

- 4.05 To ensure that accounting records are properly maintained and held securely.
- 4.06 To ensure that vouchers and documents with financial implications are not destroyed, except in accordance with arrangements approved by the Chief Financial Officer.
- 4.07 To ensure that a complete management trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.
- 4.08 To incorporate appropriate controls to ensure that, where relevant:
- (a) all input is genuine, complete, accurate, timely and not previously processed

## Part 4 – Rules of Procedure

- (b) all processing is carried out in an accurate, complete and timely manner
  - (c) output from the system is complete, accurate and timely.
- 4.09 To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud or other malpractice.
- 4.10 To ensure that systems are documented and staff trained in operations.
- 4.11 To consult with the Chief Financial Officer before changing any existing system or introducing new systems.
- 4.12 To establish a scheme of delegation identifying officers authorised to act upon the service manager's behalf in respect of payments, income collection and placing orders, including variations, and showing the limits of their authority.
- 4.13 To supply lists of authorised officers, with specimen signatures and delegated limits, to the Chief Financial Officer, together with any subsequent variations.
- 4.14 To ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building. Arrangements for back-ups should be agreed with the Information Services Manager.
- 4.15 In conjunction with Information Services Manager to:
- (a) ensure that, where appropriate, computer systems are registered in accordance with data protection legislation and that staff are aware of their responsibilities under the legislation;
  - (b) To ensure that relevant standards and guidelines for computer systems are observed;
  - (c) To ensure that computer equipment and software are protected from loss and damage through theft, vandalism, etc;
  - (d) To comply with the copyright, designs and patents legislation and, in particular, to ensure that:
    - (i) only software legally acquired and installed by the Council is used on its computers
    - (ii) staff are aware of legislative provisions
    - (iii) in developing systems, due regard is given to the issue of intellectual property rights.

## **Income and Expenditure**

### **Income**

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

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

## **Key Controls**

4.17 The key controls for income are:

- (a) all income due to the Council is identified and charged correctly, in accordance with an approved charging policy, which should be reviewed regularly
- (b) all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery
- (c) all money received by an employee on behalf of the Council is paid without delay to the Chief Financial Officer or, as he or she directs, to the Council's bank or Girobank Account, and properly recorded. The responsibility for cash collection should be separated from that for identifying the amount due and that for reconciling the amount due to the amount received
- (d) effective action is taken to pursue non-payment within defined timescales
- (e) formal approval for debt write-off is obtained
- (f) appropriate write-off action is taken within defined timescales
- (g) appropriate accounting adjustments are made following write-off action
- (h) all appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule
- (i) money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

## **Responsibilities of the Chief Financial Officer**

- 4.18 To establish effective arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.
- 4.19 To order and supply to departments all receipt forms, books or tickets and similar items and to satisfy himself or herself regarding the arrangements for their control.
- 4.20 To liaise with the relevant Strategic Manager in the identification of all sums proposed to be written off, and to adhere to the requirements of the Accounts and Audit Regulations 2003.
- 4.21 To write-off Council Tax, Non Domestic Rates and Miscellaneous Income debts, subject to first consulting the appropriate Ward Representative(s) on any debt exceeding £100 that is being considered for writing-off.
- 4.22 To report annually to Policy Committee on bad debts written off during the past year.
- 4.23 To ensure that appropriate accounting adjustments are made to effect the write-off.

## **Responsibilities of the Corporate Leadership Team**

- 4.24 To establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and to review it regularly, in line with corporate policies.
- 4.25 To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.
- 4.26 To establish and initiate appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.
- 4.27 To issue official receipts or to maintain other documentation for income collection.



## Part 4 – Rules of Procedure

- 4.28 To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.
- 4.29 To hold securely receipts, tickets and other records of income for the appropriate period.
- 4.30 To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.
- 4.31 To ensure that income is paid fully and promptly into the Cashiers Section or the Council's Bank or Girobank account in the form in which it is received. Appropriate details should be recorded on paying-in slips to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a regular basis. Only up to approved levels of cash should be held on the premises.
- 4.32 To ensure income is not used to cash personal cheques or other payments.
- 4.33 To supply the Chief Financial Officer with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Chief Financial Officer to record correctly the sums due to the Council and to ensure accounts are sent out promptly. To do this, the CLT should use established performance management systems to monitor recovery of income and flag up areas of concern. The CLT have a responsibility to assist the effective collection of debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf.
- 4.34 To keep a record of every transfer of money between employees of the Council. The receiving officer must sign for the transfer and the transferor must retain a copy.
- 4.35 To recommend to the Chief Financial Officer all debts to be written off and to keep a record of all sums written off up to the approved limit. Once raised, no bona fide debt may be cancelled, except by full payment or by its formal writing off. A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt.
- 4.36 To notify the Chief Financial Officer of outstanding income relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Chief Financial Officer as part of the annual close-down process of the Council's accounts.

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

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

- 4.37 *Public money should be spent with demonstrable probity and in accordance with the Council's policies. Authorities have a statutory duty to achieve best value in part through economy and efficiency. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Council's Contract Procedure Rules.*

## General

- 4.38 Every officer and Member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council, in accordance with established Codes of Conduct (see also Contract Procedure Rule 4 – Interests of Officers in Contract Matters).
- 4.39 Official orders must be in a form approved by the Chief Financial Officer. Official orders must be issued for all work, goods or services to be supplied to the Council, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions specified by the Chief Financial Officer.
- 4.40 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts.
- 4.41 Requests for payments for work, goods and services outside the normal payment schedules i.e. urgent payments must follow the same procedures.

## Key Controls

- 4.41 The key controls for ordering and paying for work, goods and services are that:
- (a) all goods and services are ordered only by appropriate persons and are correctly recorded
  - (b) all goods and services shall be ordered in accordance with the Council's Contract Procedure Rules unless they are purchased from sources within the Council;
  - (c) goods and services received are checked to ensure they are in accordance with the order. Goods should not be received by the person who placed the order
  - (d) payments are not made unless goods have been received by the Council to the correct price, quantity and quality standards;
  - (e) the 'Purchase to Payment' system holds authorisation levels so that orders with a value greater than £50,000 are authorised for payment only by the relevant CLT member, or designated higher-authority substitute;
  - (f) payments are made only after the successful processing of a *bona fide* invoice which has been authorised through the Council's 'Purchase to Payment' system
  - (g) all payments are made to the correct person, for the correct amount and are properly recorded, regardless of the payment method;
  - (h) the making of payments earlier than they would become due under the supplier's standard terms should only be authorised where such early payment is urgently required;
  - (i) all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule;
  - (j) all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected;
  - (k) in addition, the effect of e-business/e-commerce and electronic purchasing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

### **Responsibilities of the Chief Financial Officer**

- 4.42 To ensure that all the Council's financial systems and associated procedures are sound and properly administered.
- 4.43 To ensure that all service managers arrange for the proper training of staff within their service area in the operation of the Council's financial systems and associated procedures.
- 4.44 To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- 4.45 To approve the form of official orders and associated terms and conditions.
- 4.46 To approve all Direct Debit or Standing Order arrangements.
- 4.47 To make payments from the Council's funds on the CLT member (or duly authorised officer acting with delegated authority) authorisation that the expenditure has been duly incurred in accordance with Financial and Contract Procedure Rules.
- 4.48 To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.
- 4.49 To make payments to contractors on the authorisation of the CLT member, who must supply details of the value of work, retention money, amounts previously certified and amounts now certified.
- 4.50 To provide advice and encouragement on making payments by the most economical means.
- 4.51 To ensure that details of staff authorised to take part in the procurement of goods and services, as supplied by service managers, are reconciled to the authorisations held on the 'Purchase to Payment' system.

### **Responsibilities of the Corporate Leadership Team**

- 4.52 To ensure that a requisition is entered onto the Council's 'Purchase to Payment' system for all goods and services, other than those specified as exceptions in 4.39 and 4.46.
- 4.53 To ensure that requisitions are only entered for goods and services provided to the service area. Individuals must not use the Council's purchasing system to obtain goods or services for their private use.
- 4.54 To determine which members of staff shall have the authority to raise a requisition, and which shall have the authority to access the 'Purchase to Payment' system in order to enter requisitions.
- 4.55 To maintain an up-to-date list of such authorised staff, including specimen signatures identifying in each case the limits of their authority. The authoriser of the requisition 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

## Part 4 – Rules of Procedure

obtained if necessary. Best value principles should underpin the Council's approach to procurement. Value for money should always be achieved.

- 4.56 To ensure that requisitions are coded to the budget line in the service budget.
- 4.57 To ensure that goods and services are checked on receipt and to verify that they are in accordance with the requisition. This check should, where possible, be carried out by a different officer from the person who authorised the order. Appropriate entries should then be made in inventories or stores records.
- 4.58 To ensure that payment is not made unless a proper VAT invoice has been received and checked confirming:
  - (a) receipt of goods or services
  - (b) that the invoice has not previously been paid
  - (c) that expenditure has been properly incurred and is within budget provision
  - (d) that prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices
  - (e) correct accounting treatment of tax
  - (f) that discounts have been taken where available
  - (g) that appropriate entries will be made in accounting records.
- 4.59 To ensure that at least two authorised members of staff are involved in the ordering, receiving and payment process. Any officer authorised to approve a requisition must not be authorised to approve payment of an invoice.
- 4.60 To ensure that invoices are passed to Financial Services for processing as promptly as possible.
- 4.61 To ensure that payment is authorised via the 'Workflow' control procedure incorporated into the 'Purchase to Payment' system.
- 4.62 To ensure that absences of staff authorised in accordance with 4.56 and 4.58 are covered by an appropriate substitute so as to maintain the unhindered flow of transaction processing.
- 4.63 To ensure that the service area maintains and reviews periodically a list of staff approved to authorise payment of invoices. Names of authorising officers together with specimen signatures and details of the limits of their authority shall be forwarded to the Chief Financial Officer.
- 4.64 To ensure that invoices received by electronic delivery (faxed or emailed) are not duplicates of any prior document, and that they are processed in accordance with these Financial Procedure Rules.
- 4.65 To encourage suppliers of goods and services to receive payment by the most economical means for the Council. It is essential, however, that payments made by direct debit have the prior approval of the Chief Financial Officer.
- 4.66 To ensure that the service area obtains best value from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality in line with best value principles and contained in Contract Procedure Rules.

## Part 4 – Rules of Procedure

- 4.67 To utilise the tendering procedures established by the Council in putting purchases, where appropriate, out to competitive quotation or tender as set out in Contract Procedure Rules.
- 4.68 To ensure that employees are aware of the Code of Conduct for Local Government Employees.
- 4.69 To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Chief Financial Officer. This is because of the potential impact on the Council's prudential limits, to protect the Council against entering into unapproved credit arrangements and to ensure that value for money is being obtained.
- 4.70 To notify the Chief Financial Officer of outstanding expenditure relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Chief Financial Officer as part of the close-down of the Council's accounts.
- 4.71 With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Chief Financial Officer the systems and procedures to be adopted in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of subcontractors' tax status.
- 4.72 To notify the Chief Financial Officer immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- 4.73 To ensure that all appropriate payment records are retained and stored for the defined period, in accordance with the document retention schedule.

### **PAYMENTS TO EMPLOYEES AND MEMBERS**

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

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

#### **Key Controls**

- 4.75 The key controls for payments to Employees and Members are:
- (a) proper authorisation procedures are in place and that there is adherence to timetables in relation to the submission of information relating to:
    - starters
    - leavers
    - variations
    - enhancementsand that payments are made on the basis of timesheets or claims
  - (b) frequent reconciliation of payroll expenditure and payroll control accounts.
  - (c) all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule
  - (d) that Inland Revenue regulations are complied with.

### **Responsibilities of the Chief Financial Officer**

- 4.76 To arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments on the due date to existing and former employees, in accordance with any agreed contract or procedure.
- 4.77 To record and make arrangements for the accurate and timely payment of tax, superannuation and other deductions.
- 4.78 To make arrangements for payment of all travel and subsistence claims that have been properly completed and authorised by the appropriate officer.
- 4.79 To provide advice and encouragement to secure payment of salaries and wages by the most economical means.

### **Responsibilities of the Corporate Leadership Team**

- 4.80 To ensure appointments are made in accordance with the regulations of the Council and approved establishments, grades and scale of pay and that adequate budget provision is available.
- 4.81 To notify the Corporate Head (Business Support) 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 laid down by the Corporate Head (Business Support).
- 4.82 To ensure that adequate and effective systems and procedures are operated, so that:
  - payments are only authorised to bona fide employees
  - payments are only made where there is a valid entitlement
  - conditions and contracts of employment are correctly applied
  - employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.
- 4.83 To send an up-to-date list of the names of officers authorised to sign records to the Corporate Head (Business Support) & Chief Financial Officer, together with specimen signatures.
- 4.84 To ensure that payroll transactions (including those accruing taxable benefits to employees of the Council) are processed only through the payroll system. The CLT should give careful consideration to the employment status of individuals employed on a self-employed consultant or subcontract basis. The Inland Revenue applies a tight definition for employee status, and in cases of doubt, advice should be sought from Financial Services.
- 4.85 To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Under no circumstances should payment for travel and subsistence claims be paid using petty cash imprests.
- 4.86 To ensure that the Chief Financial Officer is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- 4.87 To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule.

### **Responsibilities of Members**

- 4.88 To submit claims for travel and subsistence and children / dependent carer allowances (where these form part of the approved scheme of allowances) to the Chief Financial Officer on a monthly basis and, in any event, within one month of the year end.

### **Taxation**

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

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

#### **Key Controls**

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

#### **Responsibilities of the Chief Financial Officer**

- 4.91 To complete all Inland Revenue returns regarding PAYE.
- 4.92 To complete a return of VAT inputs and outputs to HM Revenue & Customs in accordance with current instructions.
- 4.93 To provide details to the Inland Revenue regarding the construction industry tax deduction scheme.

#### **Responsibilities of the Corporate Leadership Team**

- 4.94 To ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Revenue and Customs.
- 4.95 To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- 4.96 To ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.

#### **Trading Accounts and Business Units**

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

## Part 4 – Rules of Procedure

4.97 *Trading accounts and business units have become important as local authorities have developed a more commercial culture.*

### **Responsibilities of the Chief Financial Officer**

4.98 To advise on the establishment and operation of trading accounts and business units.

### **Responsibilities of the Corporate Leadership Team**

4.99 To consult with the Chief Financial Officer where a business/trading unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.

4.100 To observe any statutory requirements in relation to trading/business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and to produce an annual report in support of the final accounts.

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

4.102 To ensure that each trading/business unit prepares an annual budget and associated service/business plan.



## **Appendix E**

### **EXTERNAL ARRANGEMENTS**

#### **PARTNERSHIPS**

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

- 5.01 *Partnerships play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. Local authorities are working in partnership with others – public agencies, private companies, community groups and voluntary organisations. Local authorities still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders. They therefore need to deliver a shared vision of services based on user wishes.*
- 5.02 *Local authorities will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what they achieve in partnership with others.*

##### **General**

- 5.03 The main reasons for entering into a partnership are:
- (a) the desire to find new ways to share risk
  - (b) the ability to access new resources
  - (c) to provide new and better ways of delivering services
  - (d) to forge new relationships.
- 5.04 A partner is defined as either:
- (a) an organisation (private or public) undertaking, part funding or participating as a beneficiary in a project, or
  - (b) a body whose nature or status give it a right or obligation to support the project.
- 5.05 Partners participate in projects by:
- (a) acting as a project deliverer or sponsor, solely or in concert with others
  - (b) acting as a project funder or part funder
  - (c) being the beneficiary group of the activity undertaken in a project.
- 5.06 Partners have common responsibilities:
- (a) to be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation
  - (b) to act in good faith at all times and in the best interests of the partnership's aims and objectives
  - (c) be open about any conflict of interests that might arise
  - (d) to encourage joint working and promote the sharing of information, resources and skills between public, private and community sectors
  - (e) to hold confidentially any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature
  - (f) to act wherever possible as ambassadors for the project.

##### **Key Controls**

- 5.07 The key controls for the Council's partners are:
- (a) if appropriate, to be aware of and to comply with their responsibilities under these Financial Procedure Rules and Contract Procedure Rules

## Part 4 – Rules of Procedure

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

### **Responsibilities of the Chief Financial Officer**

- 5.08 To advise on effective controls that will ensure that resources are used effectively.
- 5.09 To advise on the key elements of funding a project. They include:
- (a) a scheme appraisal for financial viability in both the current and future years
  - (b) risk appraisal and management
  - (c) resourcing, including taxation issues
  - (d) audit, security and control requirements
  - (e) carry-forward arrangements.
- 5.10 To ensure that the accounting arrangements are satisfactory and that both Internal Audit and External Audit have access to the Council's records relating to partnerships.

### **Responsibilities of the Corporate Leadership Team**

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

### **Accountable Body Status**

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

- 5.16 There will be occasions when the Council may be required to act in the capacity of Accountable Body. This may be as a result of a request by an external organisation to act on its behalf as the Accountable Body for a particular partnership or project. Likewise,
- 5.17 Accountable Body status in this instance is defined as:

*'The Council having responsibility for the overall financial management, accountability and legal responsibility for the income, expenditure and governance arrangements of a specific project or partnership (whether formally constituted or not)'*

### **Key Controls**

5.18 Key controls for the Council are:-

### **Responsibilities for the Chief Financial Officer**

5.19 To maintain a record of all bodies for which the Council is Accountable Body;

5.20 In relation to each project for which the Council is Accountable Body:-

- (a) To establish and maintain proper accounting records;
- (b) In accordance with proper accounting practice, produce annual financial statements of the income and expenditure of each project.

5.21 In consultation with the Monitoring Officer, Lead Members and Local Ward representatives, and following a request from the relevant Strategic Manager, to appoint the Council as Accountable Body for specific projects or partnerships where the total maximum value of the project/partnership does not exceed £100,000.

### **Responsibilities of the Corporate Leadership Team**

5.22 To seek the authority of the Chief Financial Officer to appoint the Council as Accountable Body for specific projects or partnerships where the total maximum value of the project/partnership does not exceed £100,000;

5.23 For specific projects or partnerships where the total maximum value of the project/partnership exceeds £100,000, to prepare and submit reports to the Policy Committee seeking approval for the Council to act as Accountable Body for a project/partnership.

### **External Funding**

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

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

### **Key Controls**

5.25 The key controls for external funding are:

- (a) to ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood;
- (b) to ensure that funds are acquired only to meet the priorities approved in the policy framework by the full Council;

## Part 4 – Rules of Procedure

- (c) to ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements.

### **Responsibilities of the Chief Financial Officer**

- 5.26 To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- 5.27 To ensure that the match-funding requirements and any revenue implications are considered prior to entering into the agreements.
- 5.28 To ensure that audit requirements are met.

### **Responsibilities of the Corporate Leadership Team**

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

### **Work for Third Parties**

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

- 5.31 *Current legislation enables the Council to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work are minimised and that such work is intra vires (within the Council's legal powers to do it).*

#### **Key Controls**

- 5.32 The key controls for working with third parties are:
  - (a) to ensure that proposals are costed properly in accordance with guidance provided by the Chief Financial Officer;
  - (b) to ensure that contracts are drawn up and that the formal approvals process is adhered to;
  - (c) to issue guidance with regard to the financial aspects of third party contracts.

### **Responsibilities of Chief Financial Officer**

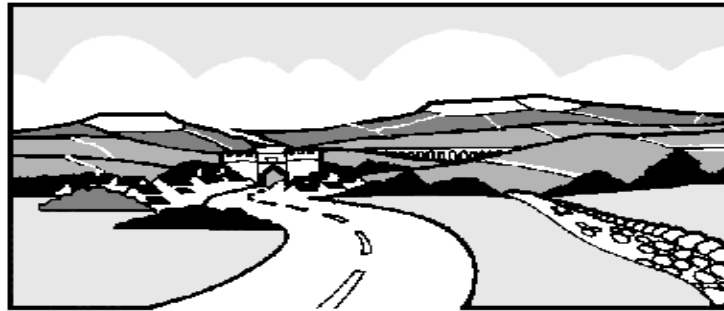
- 5.33 To issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

### **Responsibilities of the Corporate Leadership Team**

- 5.34 To ensure that the approval of the relevant Standing Committee is obtained before any negotiations are concluded to work for third parties.
- 5.35 To maintain a register of all contracts entered into with third parties in accordance with procedures specified by the Chief Financial Officer.
- 5.36 To ensure that appropriate insurance arrangements are made.

## Part 4 – Rules of Procedure

- 5.37 To ensure that the Council is not put at risk from any bad debts.
- 5.38 To ensure that no contract is subsidised by the Council.
- 5.39 To ensure that, wherever possible, payment is received in advance of the delivery of the service.
- 5.40 To ensure that the service area has the appropriate expertise to undertake the contract.
- 5.41 To ensure that such contracts do not impact adversely upon the services provided for the Council.
- 5.42 To ensure that all contracts are properly documented.
- 5.43 To provide appropriate information to the Chief Financial Officer to enable a note to be entered into the Statement of Accounts.



**CRAVEN**  
IN · THE · YORKSHIRE · DALES  
**D I S T R I C T**

**CRAVEN DISTRICT COUNCIL**

**CONTRACT PROCEDURE RULES**

## Craven District Council

## CONTENTS

SECTION	TITLE	PAGE
CPR 1	INTERPRETATION & DEFINITIONS	3
CPR 2	SCOPE AND APPLICATIONS	4
CPR 3	COLLABORATION AND USE OF FRAMEWORKS	5
CPR 4	DUTIES OF RESPONSIBLE OFFICER	5
CPR 5	COMPLIANCE WITH CPR & LEGISLATION	6
CPR 6	EXEMPTIONS FROM CPRS	7
CPR 7	REQUIREMENT TO OBTAIN QUOTES OR TENDER	8
CPR 8	AWARD IF CONTRACTS WITHOUT TENDERS	10
CPR 9	ESTIMATES OF CONTRACT VALUE	10
CPR10	PRE-TENDER/QUOTATION ENQUIRIES	10
CPR 11	TENDER INVITATION	11
CPR 12	RECEIPT OF TENDERS	12
CPR 13	OPENING OF TENDERS	12
CPR 14	EVALUATION CRITERIA & EVALUATION OF TENDERS	13
CPR15	ERRORS OR DISCREPANCIES IN TENDERS	13
CPR16	CONTRACT NEGOTIATIONS	14
CPR 17	ACCEPTANCE OF TENDERS	15
CPR 18	WITHDRAWAL OF TENDERS/RE-TENDERING	16
CPR 19	NOMNATED SUB-CONTRACTORS & SUPPLIERS	16
CPR 20	FORM OF CONTRACT	16
CPR 21	CONTRACT VARIATION	17
CPR 22	DECLARATION OF INTERESTS	18
CPR 23	PREVENTION OF CORRUPTION & ANTI- COMPETITIVE BEHAVIOUR	18
CPR 24	CONTRACT MANAGEMENT	19
CPR 25	APPROVED LISTS	20

## CPR 1 INTERPRETATION AND DEFINITIONS

1.1 These Contract Procedure Rules are standing orders of the Council (made pursuant to Section 135 of the Local Government Act 1972) with respect to the making of Contracts and are subject to bi-annual review.

1.2 In these Rules, each of the expressions in the left-hand column below shall have the meaning stated against that expression in the right-hand column.

Responsible Officer - any permanent or temporary staff member who is properly authorised to carry out any of the Council's contracts functions.

Chief Officer is the Chief Executive, Director of Services, Strategic Manager – Financial Services (s151 Officer) or a Corporate Head

Manager includes, for the purposes of these Contract Procedures Rules, all Managers (or, in the absence of the Manager, his/her nominated representative).

Committee means a Committee or Sub-Committee of the Council.

Contract is any agreement between the Council and one or more Providers for the supply of goods or materials to the Council, for the execution of works for or on behalf of the Council, or for the provision of services to the Council or to others on its behalf (including but not limited to the provision of services, wholly or partly, in return for a concession).

CPR Contract Procedure Rule.

EU Contract is a Contract covered by the Public Works/Supplies/Services/Utilities Contract Regulations.

Regulations means the Public Contract Regulations 2015 (often referred to as EU procurement rules)

Tender a formal invitation to make an offer to secure a particular contract

Quote the price a person will charge to do a piece of work

Provider is any contractor supplying or offering to supply goods, works, or services (including concessions) to the Council and includes any individual, firm, agent, company, partnership, public authority or other organisation.

Chief Finance Officer is the officer with overall responsibility for the proper administration of the financial affairs of the Council or his / her Deputy.

Diseconomy means lack of economy or a factor responsible for an increase in cost

1.3 References to monetary values in these Contract Procedure Rules **exclude VAT**.

1.4 Where reference is made in these Contract Procedure Rules to the Chief Financial Officer, in the absence of that Officer, the authorised substitute. Likewise, in the absence of the Solicitor to the Council and Monitoring Officer, their authorised substitute.



## Craven District Council

1.5 References in these Rules to Officers shall include successors to those posts whether original or substituted

**CPR 2 SCOPE AND APPLICATION**

2.1 These Procedure Rules shall apply to any Contract, with the exceptions listed in CPR 2.2, and also to the nomination of sub-contracts under any such Contract (whether in each case the Council is contracting or nominating on its own behalf or wholly or partly on behalf of others).

2.2 These Procedure Rules do not apply to transactions of the following types save for CPR3 which applies to (d) and (i).

- a) Purchases or sales by auction or at public fairs or markets;
- b) Contracts for the sale or purchase of land;
- c) Contracts for the engagement of Counsel, or for the engagement of external Solicitors to represent the Council in specified legal proceedings;
- d) Orders placed under a corporate contract arranged by a central purchasing unit or department (where applicable);
- e) Contracts with statutory undertaking(s) for work which only they can carry out;
- f) Contracts of employment;
- g) Orders placed with such consortia as may be approved by the Council provided it is satisfied that the purchasing arrangements of the consortia in question comply with EU and UK legislation and provide value for money;
- h) Contracts formalising the funding of particular voluntary sector bodies where the purpose of the contract is to establish the general conditions whereby the body may be funded by the Council.
- i) Contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the contract procedure rules of the Lead Authority. However, advice must be obtained from the Solicitor to the Council and Monitoring Officer or the Chief Financial Officer as appropriate.

2.3 All employees of the Council and firms/advisors employed to act in any capacity to manage or supervise a Contract must comply with these Procedure Rules and with the Council's Financial Procedure Rules and Chief Officers and the Responsible Officer must ensure such compliance in the contracting area for which he/she is responsible.

2.4 Officers must consult the Solicitor to the Council or Chief Financial Officer as appropriate for legal and financial advice.

2.5 These rules will apply equally where the supply of works, goods or services is provided by Consultants/Contractors and on completion of the relevant contract the Consultant/Contractor will promptly deliver all appropriate documents and records to the Responsible Officer

**CPR 3 COLLABORATIVE ARRANGMENTS AND USE OF FRAMEWORK AGREEMENTS**

3.1 In order to secure value for money, the Council may enter into collaborative procurement arrangements. Where appropriate before the invitation of tenders and quotations, the Responsible Officer must first consider whether it is possible to use a partnership contract or a framework agreement for purchasing the time and costs of undertaking a competitive

## Craven District Council

process can be significant. Where the estimated value of the proposed contract is above the relevant EU financial threshold, officers must ensure that the requirements of the EU Procurement Regime have been met by the Lead Authority.

- 3.2 The term of a framework agreement should normally not exceed four years. However, a longer term may be granted in exceptional circumstances. The framework can be a single provider or multi provider. In the case of multi provider there must be an intention to appoint at least three suppliers.
- 3.3 Contracts based on Framework Agreements may be awarded by either:
- Applying the terms laid down in the Framework Agreement (where such terms are sufficiently precise to cover the particular call-off) without re-opening competition, or
  - Where the terms laid down in the Framework Agreement are not precise enough or complete for the particular call-off, by holding a mini competition in accordance with the following procedure:
    - Inviting the organisations within the Framework Agreement, that are capable of executing the subject of the contract, to submit written tenders in accordance with these Contract Procedure Rules
    - Fixing a time limit which is sufficiently long to allow tenders for each
    - specific contract to be submitted, taking into account factors such as the
    - complexity of the subject matter
    - awarding each contract to the tenderer who has submitted the best tender on the basis of the award criteria set out in the specifications of the Framework Agreement

#### **CPR 4 DUTIES OF THE RESPONSIBLE OFFICER**

- 4.1 The Responsible Officer for each Contract will be appointed by the appropriate Manager of the Service in default of which that Manager will be the Responsible Officer

The Responsible Officer will always:

- (a) seek value for money;
- (b) show no favour or disfavour to any Provider nor discriminate against Providers from other EU states;
- (c) conduct tendering and price testing in accordance with proper practices and the highest standards of propriety;
- (d) do nothing that contravenes EU or domestic law;
- (e) ensure that all procurement is undertaken in a non-discriminatory way and promotes equality of opportunity, and
- (f) Ensure that adequate Contract files are kept for all Contracts upon which the Council is engaged and that the name of the Responsible Officer is entered in a prominent place in each Contract file.
- (g) Ensure that the appropriate approval and budgetary provision is in place and evidenced on the Contract file.
- (h) That any proposed contractor has the technical capability to the deliver the project
- (i) Any proposed contractor has the financial and resource capacity (taking into account the contract value and risk) to perform the contract
- (j) These rules, the Financial Procedure Rules and any Codes of Practice are complied with
- (k) Any agents, consultants, and contractual partner acting on behalf on the Council's behalf follow a process which provides for equivalent competition to these rules

That he takes all necessary legal, financial and professional advice.

## 4.2 Steps Prior to Procurement

Prior to procuring goods or services officers must:

- (l) take into account the requirements arising from any Best Value review
- (m) ascertain whether a contractual arrangement is already in place or central purchasing arrangements exist or are being contemplated
- (n) appraise the need for the expenditure and its purpose
- (o) define the objectives of the purchase
- (p) assess the risks associated with the procurement and determine how to manage them
- (q) ascertain whether the service can be undertaken in-house from within the Councils own resources
- (r) consider what procurement method is most likely to achieve the purchasing objectives, including using a framework agreement, consortium, collaboration with other purchases, partnering and long term relationships
- (s) prepare a specification and consider any European or British Standards that may need to be applied
- (t) identify any approvals that may be required
- (u) estimate the value and record how that estimate was arrived at
- (v) determine how many tenders or quotations will be evaluated
- (w) identify whether a standard form of contract which has been approved by Legal Services for the proposed procurement exists, and should be specified when inviting quotations or tenders

## CPR 5 COMPLIANCE WITH CONTRACT PROCEDURE RULES AND LEGISLATION

- 5.1 Every Contract made by the Council or on its behalf shall comply with the European Community Treaty and all relevant European Union and domestic legislation, these Contract Procedure Rules and Codes of Practice and the Council's Financial Procedure Rules subject to the following provision.  
Arrangements made to meet the requirements of any present or future domestic legislation or EU Directive shall take precedence over any provision of these Contract Procedure Rules. For specific rules relating to EU tendering the EU Procurement Guidance for Employees at Appendix1 must be followed.
- 5.2 The Responsible Officer will inform the Chief Financial Officer of any deviation in or non-compliance with any of the Contract Procedural Rules or EU legislation as soon as possible after having been made aware of them and any other Officer of the Council must immediately inform the Responsible Officer of any such deviation or non-compliance of which he/she is aware

## CPR 6 EXEMPTIONS FROM CONTRACT PROCEDURE RULES

- 6.1 Exemptions from the requirements of these Contract Procedure Rules are to be the exception and not the rule. They must not be granted as a matter of administrative convenience and must be supported by documented and evidenced reasons as to the legitimate need for the exemption to be granted.
- 6.2 When an exemption is sought from tendering or the requirement to obtain written quotations, the Responsible Officer will need to justify the use of an alternative method of selection so that propriety, value for money and compliance with EU and domestic legislation can be demonstrated. It will also include reasons such as:

## Craven District Council

- (a) that only one Provider is able to carry out the work or service or to supply the goods for technical or artistic reasons or because of exclusive or proprietary rights;
- (b) that time limits required for tendering cannot be met for reasons of extreme urgency and which (in EU cases) were unforeseen and not attributable to the Council;
- (c) that additional goods, works or services are required which, through unforeseen circumstances, were not included in the original contract and which are either strictly necessary for the completion of the Contract or, for technical or economic reasons, cannot be carried out separately without great inconvenience/additional costs;
- (d) That goods are required as a partial replacement for or in addition to existing goods or installations and obtaining them from another Provider would result in incompatibility or disproportionate technical difficulties in operation or maintenance.
- (e) That where the technical characteristics of the goods are only compatible with an existing supply or installation, such that procurement of another product other than one available from the original contractor would result in
  - disproportionate technical difficulties
  - diseconomy
  - significant disruption to the delivery of Council services.
  - incompatibility

6.3 The Responsible Officer must keep a written record justifying any exemption(s) under paragraph (a) to (e) above. The Responsible Officer must complete the appropriate exemption form and seek the prior approval of the Chief Financial Officer and the Solicitor to the Council & Monitoring Officer. Once the exemption has been approved and signed off, the Responsible Officer must submit a copy to the Procurement, Payments and Risk Manager who will keep a central record of all exemptions granted.

6.4 Exemption (on grounds other than 6.3 (a) to (e)) from any of the following provisions of these Procedure Rules may be made only by the direction of the Audit & Governance Committee where such Committee is satisfied that the exemption is justified in special circumstances.

6.5 No exemption may be granted:

- (a) which would result in a breach of European or UK law;
- (b) from CPR 17 (Acceptance of Tenders) unless on grounds of extreme urgency (e.g. during civil emergency); from CPR 20 (Form of Contract); or from CPR 7.9 and CPR 7.19 (Execution of Contracts).

6.6 The use of eProcurement technology does not negate the requirement to comply with these Contract Procurement Rules

6.7 Exemptions granted under section 6.3 will be reported to Audit & Governance Committee on a 6 monthly basis by the Chief Financial Officer.

## **CPR 7 REQUIREMENT TO OBTAIN QUOTATIONS OR TENDERS**

### **General Rules applying to Contracts valued at £50,000 or less**

7.1 Contracts or sub-contracts valued at £50,000 or less need not be tendered (unless required by EU law) PROVIDED that such contracts are effected in compliance with the Council's Financial Procedure Rules and all appropriate internal controls.

## Craven District Council

- 7.2 An official order shall be placed under a Corporate or Departmental Contract using the Council's approved Order Form and will be issued by authorised officers. A list of authorised officers will be submitted by each Head of Service to the Responsible Officer on an annual basis.
- 7.3 A Contract/or sub contract made under CPR 7.2 where the estimated value is:
- (a) £5,000 or less may be made without written competitive quotations as long as the contract is not part of a larger contract and the responsible officer maintains a written record of any quote received;
  - (c) Over £5,000 but not exceeding £30,000 may be made after obtaining two written competitive quotations as long as the Contract is not part of a larger Contract;
  - (d) Over £30,000 but not exceeding £50,000 may be made after obtaining at least three written quotations;
  - (e) Over £50,000 must go out to tender
- 7.4 Under no circumstances should Contracts be broken down in size so as to have the effect of lowering the Contract value or to avoid the requirements for tendering or the need for written quotations.

**Who Can Award the Contract?**

- 7.5 Contracts and/or extensions of contracts (**provided they are not materially different in character from the original contract**) with a quoted value of £50,000 or less may be awarded on behalf of the Council by the Responsible Officer to the Provider who offers the lowest price or whose offer is considered by the Responsible Officer to be the most economically advantageous to the Council. (for avoidance of doubt extensions of existing contracts can only awarded if the extension period was included within the original tender documentation as an option to extend).
- 7.6 Where the relevant number of quotations has been sought, but fewer quotations have been obtained, the Responsible Officer may award the contract provided they are reasonably satisfied that they have achieved best value for the Council. The responsible officer should seek agreement to award from immediate Line Manager for further assurance.
- 7.7 In all cases, except where it is impracticable for reasons of extreme urgency, confirmation of the Provider's terms of business (usually a written quotation) shall be obtained before an order is placed. No order will be placed for work, goods or services unless it is first ascertained that the cost is covered by an approved budget or by special financial provision.
- 7.8 Contracts with a value of less than £50,000 may be signed by the relevant Chief Officer or the Responsible Officer.
- 7.9 The Responsible Officer shall record the Providers approached, their responses, and details of any quotations provided, the subject matter of the quotation, the name of the Provider, the time and date of the quotation and details of the price offered and any other trading terms.

**General Rules applying to Contracts valued at more than £50,000**

- 7.10 All contracts or sub contracts with an estimated value over £50,000 must be put out to tender unless exempted in accordance with CPR 6 or awarded by way of extension to an initial Contract for works in accordance with CPR 7.12

## Craven District Council

7.11 At least 21 days' public notice must be given in one or more of the local newspapers and in such trade journals as the Responsible Officer shall consider desirable, stating the nature and purpose of the Contract, inviting tenders and stating the last date when tenders will be received; In the case of an EU tender, the Responsible Officer will have the discretion to decide whether to advertise locally in addition to placing a contract notice in the OJEU. Any local advert must not contain any more information than the information in the OJEU notice.

**Who Can Award the Contract?**

7.12 Contracts and/or extensions of contracts (**provided they are not materially different from the original contract**) with a quoted value in excess of £50,000 may be awarded on behalf of the Council by the Responsible Officer, in consultation with the Council Leadership Team, to the Provider who offers the lowest price or whose offer is considered by the Responsible Officer to be the most economically advantageous to the Council, provided, in both cases, the price quoted is within the budgetary limits approved by the Council or Committee appointed for that purpose.

7.13 No contract or extension of contract with a quoted value in excess of £50,000 shall be awarded until the Chief Financial Officer has checked the Provider's financial standing and provided written confirmation that this is satisfactory for the Contract to be undertaken.

7.14 The Responsible Officer will ensure that details of all Contract awards exceeding £50,000 are notified to the Chief Financial Officer and entered in the Council's Contracts Register. Such notification must also include evidence of budget approval.

7.15 Details of all contract awards exceeding £100,000. Must be reported to the appropriate committee as soon as practicable.

7.16 Every Contract which exceeds £50,000 in value shall either be signed for and on behalf of the Council by the Solicitor to the Council and Monitoring Officer or be executed as a deed.

**CPR 8 AWARD OF CONTRACTS WITHOUT TENDERING**

8.1 A contract may only be awarded without tendering in the following circumstances

- Where a relevant exemption from the Contract Procedure Rules applies under section 6.
- Where a Contract for the execution of work, forms part of a serial programme the terms having been settled with the Contractor on the basis of the application of a stated addition or deduction to the rates and prices contained in an initial Contract awarded competitively following an invitation to tender in accordance with contract procedure rules subject to a maximum extension under this Rule not exceeding 100% of the original Contract value or £90,000 whichever is the lower.
- Where the supply of goods, services, purchase of goods or provision of information technology or execution of work is such that an existing in-house contract could be reasonably extended to include it then the in-house contractor can be awarded the work. The Responsible Officer shall ascertain whether the relevant department wishes to submit a quotation in addition to those invited under the preceding provisions.

## **CPR 9 ESTIMATES OF CONTRACT VALUE**

9.1 Before inviting tenders for the execution of any work or for the provision of any goods or services the relevant Responsible Officer shall record an estimate in writing of the likely expense of executing the work, or the provision of goods or services in a suitable manner.

## **CPR 10 PRE-TENDER/QUOTATION ENQUIRIES**

10.1 Enquiries of Providers may be made before tenders or quotations are invited in order to:

- (a) establish whether the goods, works or services the Council wishes to purchase are available and within what price range;
- (b) prepare tender documents, price estimates and contract documents;
- (c) establish whether particular Providers wish to be invited to tender or quote.

10.2 In making enquiries:

- (a) no information will be disclosed to one Provider which is not then disclosed to all those of which enquiries are made or which are subsequently invited to tender or quote;
- (b) no Provider will be led to believe that the information they offer will necessarily lead to them being invited to tender or quote or be awarded the Contract.

## **CPR 11 TENDER INVITATION**

11.1 When tenders are invited following public advertisement Contract documents will be sent within five working days of request provided any specified fee has been paid. The Responsible Officer will ensure that copies of all Invitations to Tender documents are retained on the relevant Project file.

11.2 When tenders are invited for an EU Contract, Providers will be given at least 40 days to return tenders unless:

- (a) a Prior Information Notice has been published in the Official Journal of the European Union in which case only 26 days need be given; or
- (b) by reasons of urgency the time limit cannot be complied with when at least 10 days must be given and justification for the reduction recorded.

*Note: The Appendix provides a guide to EU procedural requirements – the position can change and officers are advised to consult with either Legal Services or Financial Services*

11.3 Reasonable requests for further information relating to the Contract documents will be granted provided the request enables the Council to supply the information not less than six days (or four days in cases of emergency) before the date specified for receipt of tenders. Information supplied to one Provider will be shared with all Providers unless in the opinion of the Responsible Officer and following consultation with the Solicitor to the Council and Monitoring Officer there are appropriate grounds for not doing so.

11.4 Every invitation to tender submitted in hard copy will state that a tender will only be considered if it is:

- (a) addressed to the Solicitor to the Council & Monitoring Officer in a plain sealed envelope or package which shall bear the word "Tender" followed by the subject to which it relates, but shall not bear any name or mark indicating the sender;

## Craven District Council

- (b) accompanied by an undertaking which shall become a condition of the Contract that the amount of the tender has not been calculated by agreement or arrangement with any person other than the Council and that the amount of the tender has not been communicated to any person other than the Council and will not be communicated to any person until after the closing date for the submission of tenders (except for the purposes of obtaining any bond/surety where this is a requirement of the proposed Contract).

11.5 Where an electronic tendering system is available an Invitation to Tender may be submitted by electronic means provided prior written approval of the Responsible Officer has been given. Specific instructions/procedures relating to electronic tendering will apply and should be followed. You should consult with the Procurement Manager.

## **CPR 12 RECEIPT OF TENDERS**

- 12.1 All Tender envelopes and packages must be delivered to the Solicitor to the Council & Monitoring Officer or his duly authorised representative at the Council's Main Office and immediately on receipt will be consecutively numbered. And marked with the date and time of receipt. The envelope and/or package will then be retained in the custody of the Solicitor to the Council & Monitoring Officer or his duly authorised representative until the time appointed for the opening.
- 12.2 Any tender received after the date and time indicated for the receipt of tenders shall not be considered unless in the opinion of the Solicitor to the Council and Monitoring Officer there is clear evidence that the tender was posted or hand delivered or, if previously approved as above, despatched by electronic means before the date and time for receipt of tenders has passed in which case the Solicitor to the Council and Monitoring Officer will have discretion to admit the tender to opening and consideration. Subject to this exception, tenders which are received late shall be retained unopened by the Solicitor to the Council and Monitoring Officer until after the result of the tendering process has been published to tenderers.

## **CPR 13 OPENING OF TENDERS**

- 13.1 All tenders with an estimated value in excess of £50,000 will be opened by the Responsible Officer or his/her nominated representative in the presence of a Chief Officer, or his/her nominated representative, and the Solicitor to the Council & Monitoring Officer or his/her nominated representative.
- 13.2 All tenders will be opened at the same time and place and shall be immediately signed and dated by the Officers required to be present in accordance with CPR 13.1 above.
- 13.3 The Solicitor to the Council & Monitoring Officer, or his/her nominated representative, will, at the time the tenders are opened, record in the Schedule of Tenders provided for that purpose:-
  - (a) the nature of the goods or materials to be supplied or the work to be executed;
  - (b) the name of each Provider by or on whose behalf a tender was submitted, together with the consecutive number endorsed on the tender envelope;
  - (c) the amount of each tender;
  - (d) A note where price alterations have been made on the tender
  - (e) the date and time of the opening of the tender;
  - (f) the names of the persons present at the opening of the tenders.
  - (g) the name of the officer taking custody of the tender documents after opening



## Craven District Council

The Schedule of Tenders must be signed by everyone present at the tender opening session and passed to the Responsible Officer with the tender documents.

- 13.4 The Responsible Officer will keep securely all tenders with the envelopes received for a period of at least 6 years after the award of the Contract or such longer period as may be required by domestic or EU legislation.
- 13.5 Where any activity is or may be carried out by the Council in-house no Officer or Member shall communicate to any external Provider or potential external Provider any information regarding the in-house operation that may be commercially damaging to it save as may be required by law.

**CPR 14 EVALUATION CRITERIA AND EVALUATION OF TENDERS**

- 14.1 In determining the evaluation criteria on which tenders are to be assessed the Responsible Officer in consultation with the Head of Service as appropriate must consider all the factors relevant to their requirement, including environmental and social considerations, so far as is lawful.
- 14.2 The evaluation process will clearly demonstrate that the Council is seeking to identify the Best Value tender and in cases of tenders over £50k take into account the EU rules and regulations for pre-set evaluation criteria.
- 14.3 The Responsible Officer must ensure that the appropriate directorate or other Council technical and financial officers evaluate all tenders in accordance with the pre-set evaluation criteria and weightings specified in the invitation to tender.
- 14.4 The Responsible Officer must compare submitted tender prices with any project appraisal or pre-tender estimates. Where the differential is more than:
- (a) 20% above or below the project appraisal or pre-tender estimates, this must be reported to the Responsible Officer's Line Manager.
  - (b) 50% above or below the project appraisal or pre-tender estimate, this must be reported to the Director or the Chief Financial Officer.
- 14.5 In cases as set out in CPR 15 a tender must not be accepted unless this has been authorised by the Solicitor to the Council & Monitoring Officer alone or with the Chief Financial Officer as the case may be.

**CPR 15 ERRORS OR DISCREPANCIES IN TENDERS ETC.**

- 15.1 Where examination of tenders reveals arithmetical or copying errors present in the documents submitted at the time of tender these shall be corrected by the Responsible Officer and details shall be recorded and maintained on the appropriate Contract file. If the correction has the effect that the tender is no longer the most competitive tender then the next tender in competitive order is to be examined and dealt with in the same way.
- 15.2 Where examination of tenders or checking of a priced bill or specification submitted at the Council's request after tenders have been opened reveals errors or discrepancies (other than arithmetical errors in documents submitted at the time of tender as in CPR 15.1 above) which would affect the tender figure(s) in an otherwise successful tender, the tenderer is to be

## Craven District Council

given details of such errors and discrepancies, but no other information, and afforded an opportunity of confirming or withdrawing his tender in writing. If the tenderer confirms his tender all the rates and prices on which it was based shall be adjusted (upwards or downwards) by the same percentage so as to correspond with the tender figure (corrected in accordance with CPR 15.1 above if there was also an error or discrepancy requiring to be dealt with under that CPR).

- 15.3 If the tenderer withdraws, the next tender in competitive order is to be examined and dealt with in the same way. Any exception to the procedure outlined above may be authorised only by the appropriate Committee after consideration of a report from the Responsible Officer concerned.

**CPR 16 CONTRACT NEGOTIATIONS – Below EU Threshold Tenders**

- 16.1 In respect of below EU threshold tenders, the Responsible Officer may negotiate the contract in the manner set out in CPR 16.2 below provided the terms of the contract remain substantially unaltered;
- (a) where tendering produced no tenders or inappropriate tenders, for example where the tender figure in an otherwise successful tender exceeds approved or budgeted expenditure, or where the sum has changed since tenders were invited, or
  - (b) where tendering was discontinued because of irregular tenders, for example because tenders fail to meet the requirements specified in the Contract documents or offer variations on them or the works, supplies or goods fail to meet the tender specification.
  - (c) there is only one Provider or only one tender has been received
  - (d) when tenders cannot readily be evaluated and compared without discussion with the tenderers
  - (e) if matters such as availability of spares or the quality of the after-sales service are important considerations where tenderers differ significantly in their offers concerning these areas
- 16.2 The Responsible Officer shall invite all tenderers to amend their tenders, in writing, in such matters (e.g. unit price, delivery, discounts or by removing elements of the specification or bill of quantities) as the Responsible Officer specifies. All negotiations shall be conducted by at least two officers, one of whom should not otherwise be involved in the contract award. The Responsible Officer shall keep a written record of all negotiations, including notes of all meetings and the names of those people present.
- 16.3 Where such negotiations are carried out with tenderers the following rules will apply:
- (a) the Responsible Officer will ensure that negotiations are carried out by Officers with the relevant technical and professional expertise;
  - (b) negotiations will be attended by at least one Officer from the supervising department and one other as above. The Responsible Officer may also attend for the purposes of 16(e) below;
  - (c) prices and negotiated conditions will be regarded as strictly confidential;
  - (d) negotiations will take place at pre-determined times and places on Council premises unless there is good reason for holding the negotiations elsewhere;
  - (e) a comprehensive written record of all negotiations, signed by all Officers of the Council present, will be made and retained by the Responsible Officer;
  - (f) all documentation relating to negotiations will be placed in a sealed envelope when transferred from one department to another in order to maintain confidentiality;
  - (g) where meetings are to be held with more than one tenderer this will be indicated to tenderers and meetings will be held separately and in confidence
  - (h) details of the outcome of all negotiations will be submitted to the Responsible Officer for approval as soon as concluded.

**16.4 Post tender negotiations are not allowable in EU contracts; section 16 applies only to tenders below European thresholds.**

**CPR 17 ACCEPTANCE OF TENDERS**

- 17.1 A tender other than the lowest tender if payment is to be made by the Council or the highest tender if payment is to be received by the Council, or the tender which in the opinion of the Responsible Officer is the most economically advantageous to the Council (having regard to price, quality and technical considerations) shall be accepted at the discretion of the Responsible Officer after consultation with Council Leadership Team, Chief Financial Officer and/or Solicitor to the Council and Monitoring Officer, Line Manager as appropriate.
- 17.2 Acceptance must be subject to:
- satisfactory financial and other enquiries being concluded by the Chief Financial Officer
  - checking of the tender or quotation and related documents
  - provision and execution of a bond, parent company guarantee and/or other security where required
  - appropriate and sufficient insurance cover being obtained where required which must be verified before works commence by production of the original policy or policies to the Responsible Officer
  - completion of a formal contract document where required
  - fulfilment of any other requirement of the Council's Financial Procedure Rules.
- 17.3 No Contract may be awarded unless the expenditure involved has been included in approved estimates or in capital or revenue accounts or has been otherwise approved by or on behalf of the Council.
- 17.4 The only exception permitted under this Procedure Rule is where works/supplies/services are ordered on grounds of extreme urgency (e.g. responding to a civil emergency). The Responsible Officer should consult with the Chief Financial Officer and appraise him/her of the position so that as soon as practicable arrangements can be made to report the matter to Council or the relevant Committee.
- 17.5 The Responsible Officer shall ensure compliance with OJEU requirements for the publication of Contract Award Notices and ensure copies are held on the Contract File.
- 17.6 Following acceptance of a tender the Responsible Officer will carry out the following tasks:
- (a) within 14 days of deciding which tender to accept, provide a written explanation to each of the unsuccessful tenderers as to why their tenders were not accepted by the Council; and
  - (b) within 5 days of deciding which tender to accept, to inform the successful tenderer that the tender has been accepted by the Council subject to CPR 17.2 above
  - (c) Ensure full compliance with the EU requirements if appropriate, in respect of the stand still process for award of contracts
- 17.7 The Responsible Officer must ensure that copies of Appraisals of all submitted Tenders (whether accepted or not) are retained in the relevant Project file

## **CPR 18 WITHDRAWAL OF TENDERS/RE-TENDERING**

- 18.1 A tenderer may withdraw a tender at any time prior to formal contract being signed or sealed by the Council and the successful tenderer. When a tender has been accepted by the Council and the successful tenderer then withdraws the tender the Council the appropriate committee or sub-committee or the Responsible Officer as the case may be may reconsider the tenders received and accept the next most economically advantageous offer or the next lowest tender as if the withdrawn tender had not been received.
- 18.2 Where the two most economically advantageous offers or the two lowest tenders have been withdrawn no further tender shall be accepted. In those circumstances the Responsible Officer will consult with Legal and Financial Services to reach a decision on whether to accept any further tender received or whether the proposed contract will be re-tendered

## **CPR 19 NOMINATED SUB-CONTRACTORS AND SUPPLIERS**

- 19.1 Contract Procedure Rules apply to the nomination of a sub-contractor or supplier for carrying out works or services or supplying goods or materials.
- 19.2 Any exemption from these Procedure Rule requirements must comply with CPR 5.

## **CPR 20 FORM OF CONTRACT**

- 20.1 Every Contract exceeding £50,000 in value and in any other case where the Responsible Officer or the Chief Financial Officer so decides, shall either be documented using an approved Standard Form of Contract or be in writing in a form approved by the Legal Services Manager and shall specify:
- (a) the works or services to be performed and/or the goods or materials to be supplied;
  - (b) the parties to the Contract including any guarantor;
  - (c) the price to be paid with a statement of discounts or other appropriate adjustments;
  - (d) the time within which the Contract is to be performed or carried out;
  - (e) that the Provider will not assign the Contract without the written consent of the Council;
  - (f) any appropriate restriction on sub-contracting by the Provider;
  - (g) where appropriate that the Provider will pay liquidated damages or other damages to the Council should the terms of the Contract not be properly carried out, including the method by which such damages will be calculated and the circumstances in which they will be payable;
  - (h) any performance bond or parent company guarantee required and the Responsible Officer will consult with the Services Manager and the Chief Financial Officer before including or excluding such a requirement in the tender documents ; any such waiver must be documented
  - (i) that the Provider will adopt safe methods of work and comply with all other requirements of the Health and Safety at Work Act 1974;
  - (j) that the Provider will permit authorised representatives of the Council to enter upon the construction site/site of operation of the work the subject of the contract at any reasonable time and have free and unfettered access to each and every part of the area covered by the contract work or affected by it
  - (k) that the right of Internal Audit is secured to enable the proper discharge of its duties generally and as may be prescribed in the Council's Financial Procedure Rules

## Craven District Council

- (l) that the Council may cancel the Contract and recover any loss if the Provider, its employees, agents and sub-providers offer any reward relating to the Contract or commit any offence under the Bribery Act 2010 or have given any fee or reward the receipt of which is an offence under section 117(2) of the Local Government Act 1972;
- (m) that the Provider shall comply with UK Data Protection legislation and indemnify the Council in respect of the use, disclosure or transfer of personal data by the Provider, its employees, agents and sub-Providers.
- (n) that the Provider shall abide by the provisions of the Equalities Act 2010 and any relevant codes of conduct. The provider so far as is practicable, will operate an equal opportunities policy which complies with the practical guidance and recommendations contained in such codes of practice.
- (o) On some procurement the Public Procurement Regulations may apply and must always be followed.
- (p) All procurement with an expected lifetime cost in excess of £1m or involving a substantial organisational change must be conducted in accordance with PRINCE 11

**CPR 21 CONTRACT VARIATION**

21.1 Where by reason of any extra or variation (other than a Contract extension under CPR 8 it is apparent that:

- (a) the tender sum is to be exceeded by 10 per cent; or
- (b) the variation would extend the Contract period by more than three months or 50 per cent of the original Contract period; or
- (c) if the works, services or goods to be added or deleted from the Contract are substantially different in scope;

the Responsible Officer shall report the same to the Chief Financial Officer and Solicitor to the Council and Monitoring Officer.

21.3 Should further variations as set out in CPR 21.1 above arise after the Responsible Officer's report, these further variations shall also be reported as set out in CPR 21.1 above.

21.4 Details of all variations shall be reported to the appropriate Committee on a regular basis as part of the regular monitoring / budgetary control process ensuring compliance with Financial Procedure Rules.

**CPR 22 DECLARATION OF INTERESTS**

22.1 If it comes to the knowledge of a Member or an employee of the authority that a contract in which he or she has a disclosable pecuniary interest has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Monitoring Officer or Financial Services as appropriate.

22.2 The Officer must comply with the Officers Code of Conduct

22.3 All Members must comply with the Members Code of Conduct and register all contracts for goods, services or works made between the Council, and

- The councillor
- A firm in which s/he or their partner or spouse is a partner
- A company in which s/he is a remunerated director

## Craven District Council

- A member of the Councillor's family or a person with whom they have a close association, or a partnership or company employing or operated by such a person
- Any person or body who has a place of business in the Craven District Council area and which the Councillor has a beneficial interest in the class of securities of that person or body that exceeds the nominal value of £25,000 (or one hundredths of the total issued share capital) whichever is the lower.

22.4 Financial Services will refer to the Register of Officers' Interests. It is the duty of the Responsible Officer to provide the required information to the holder of the register (Human Resources) without delay.

(NB: At the time of adoption of these Rules, the Current provisions are:

- Section 117(1) of the Local Government Act 1972;
- The Council's Code of Conduct for Employees, adopted in 2015.)

## **CPR 23 PREVENTION OF CORRUPTION AND ANTI COMPETITIVE BEHAVIOUR**

### **Prevention of Corruption**

23.1 The Responsible Officer needs to be aware of the Bribery Act 2010, which introduces general offences of offering or receiving bribes, a specific offence of bribing a foreign public official and the new corporate offence of failing to prevent bribery, as well as the Council's Anti-Fraud, Corruption and Bribery Policy.

23.2 The Responsible Officer must comply with the Officers Code of Conduct and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the Responsible Officer to prove that anything received was not received corruptly. High standard of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to below.

23.3 The following clause must be put in every written Council contract: "The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor's behalf do any of the following things

23.4 Offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done), or  
Commit an offence under the Bribery Act 2010  
Commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees. Any clause limiting the Contractor's liability shall not apply to this clause."

### **Anti Competitive Behaviour**

23.5 In their guidance for public sector procurers, the Office of Fair Trading has highlighted practical steps to take to reduce the risks of anti – competitive behaviour, and this should be followed where it is practical to do so:

- Use non-collusion clauses ,certificates of independent bids and requests
- Ensure sufficient credible bidders
- Look for suspicious bidding patterns
- Keep good notes of all discussions and potential bidders and systematically scrutinise them for suspicious patterns eg. Geographical prevalence of certain suppliers' areas.

23.6 If there is any doubt during a procurement exercise, or for further guidance, the responsible officer should contact the Procurement Manager.

**CPR 24 CONTRACT MANAGEMENT**

- 24.1 To comply with the Transparency Agenda, details of all contracts awarded over £5,000 must be reported to the Procurement, Payments & Risk Manager to be entered on the Council's Contract Register.
- 24.2 Where relevant and appropriate, contracts must be managed according to the Council's Project Management Code of Practice. In particular, during the life of the contract, the Responsible Officer must monitor in respect of:
- performance
  - compliance with the specification and contract
  - cost
  - value for money
  - user satisfaction
  - risk management
  - any breaches of the contract conditions
- 24.3 For all contracts whose estimated value exceeds £100,000. the Responsible Officer will ensure:
- that the contract is recorded on the Risk Profile for that particular service and review during the contract period;
  - that an appropriate risk assessment is undertaken if deemed appropriate; and
  - for identified risks, ensure mitigating action and/or contingency measures are in place
- 24.4 Where considered appropriate and proportionate the actions listed above may be followed for contracts of less than £100,000.

**CPR 25 APPROVED CONTRACTORS**

- 25.1 The Council should seek to ensure that all firms/ suppliers who the Council enters into a contract with are technically and financially competent to undertake to fulfil the supply of goods and services. Making use of the public sector government procurement solutions approved contractors were applicable

**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 parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing Councillor or officer of the Council; or of the partner of such persons.
  - (ii) No candidate so related to a Councillor or an officer will be appointed without the authority of the relevant Chief Officer or an officer nominated by him / her.
- (b) Seeking support for an appointment
  - (i) The Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor or officer for any appointment with the Council. The content of this paragraph will be included in any recruitment information.
  - (ii) No Councillor or officer will seek support for any person for any appointment with the Council.
  - (iii) No Councillor shall provide or offer to provide a reference for any candidates for appointment or promotion as an officer of the authority.

**2. RECRUITMENT OF HEAD OF PAID SERVICE AND CHIEF OFFICERS**

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

- (a) draw up a statement specifying:
  - (i) the duties of the officer concerned; and
  - (ii) any qualifications or qualities to be sought in the person to be appointed;
- (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
- (c) make arrangements for a copy of the statement mentioned in paragraph (1) to be sent to any person on request.

**3. APPOINTMENT OF HEAD OF PAID SERVICE**

This process will be subject to proposed mandatory Standing Orders Regulations.

The Full Council will approve the appointment of the Head of Paid Service following the recommendation of such an appointment by a Panel (sub-committee) of the Council.

**4. APPOINTMENT OF CHIEF OFFICERS**

This process will be subject to proposed mandatory Standing Orders Regulations. A Panel (sub-committee) of the Council will appoint Chief Officers (defined by the Local Government and Housing Act 1989 - section. 2 (politically restricted posts).



## 5. OTHER APPOINTMENTS

- (a) 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) Appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

## 6. DISCIPLINARY ACTION AND DISMISSAL

Involvement of Councillors – Councillors will not be involved in the disciplinary action or dismissal of any officer below Chief Officer level, except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time.

In relation to the statutory officers, the following rules will apply:

- (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 full pay and last no longer than 2 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.

## 7. INVOLVEMENT OF COUNCILLORS

Councillors will not be involved in the dismissal of any Officer below Deputy Chief Officer, except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time.

The Chief Employment Committee has been established. The Committee is not a standing committee of the Council but will be constituted as a politically proportionate committee when the terms and conditions of service of chief or deputy chief officers are under consideration. The terms of reference of the Committee are set out in Part 2 Articles of the Constitution.

## CRAVEN DISTRICT COUNCIL

### CODE OF CONDUCT

#### Introduction

Pursuant to Section 27 of the Localism Act 2011, Craven District Council as relevant authority (“the Council”) has adopted this Code of Conduct to promote and maintain high standards of behaviour by its members and co-opted members whenever they conduct the business of the Council, including the business of the office to which they were elected or appointed, or when they claim to act or give the impression of acting as a representative of the Council.

This Code of Conduct is based on the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership. **These principles are described in detail in Appendix C to this code.**

#### Definitions

For the purposes of this Code, a ‘co-opted member’ is a person who is not a member of the Council but who is either a member of any committee or sub-committee of the Council, or a member of, and represents the Council on any joint committee or joint sub-committee of the Council, and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee.

For the purposes of this Code, a ‘meeting’ is a meeting of the Council, any of its committees, sub-committees, joint committees or joint sub-committees.

For the purposes of this Code, and unless otherwise expressed, a reference to a member of the Council includes a co-opted member of the Council.

#### Member obligations

When a member of the Council acts, claims to act or gives the impression of acting as a representative of the Council, they have the following obligations:

1. They shall behave in such a way that a reasonable person would regard as respectful.
2. They shall not act in a way which a reasonable person would regard as bullying or harassing.
3. They shall promote equalities and not discriminate unlawfully against any person.
4. They shall not seek to improperly confer an advantage or disadvantage on any person.
5. They shall use the resources of the Council in accordance with its requirements.

6. They shall not disclose information which is confidential or where disclosure is prohibited by law.
7. They shall not compromise or attempt to compromise the impartiality of anyone who works or exercises powers for the Council.

#### *Registration of interests*

8. Within 28 days of this Code being adopted by the Council, or the member's election or the co-opted member's appointment (where that is later), they shall register with the Monitoring Officer the interests which fall within the categories set out in Appendices A and B.
9. Upon the re-election of a member or the re-appointment of a co-opted member, they shall within 28 days re-register with the Monitoring Officer any interests in Appendices A and B.
10. A member shall register with the Monitoring Officer any change to interests or new interests in Appendices A and B within 28 days of becoming aware of it.
11. A member need only declare the existence but not the details of any interest which the Monitoring Officer agrees is a 'sensitive interest'. A sensitive interest is one which, if disclosed on a public register, could lead the member or a person connected with the member to be subject to violence or intimidation.

#### *Declaration of interests at meetings*

12. Where a matter arises at a meeting which relates to an interest in Appendix A the member must leave the room and shall not participate in a discussion or vote on the matter. They only have to declare what the interest is if it is not already entered in the member's register of interests or if they have not notified the Monitoring Officer of it.
13. Where a matter arises at a meeting which relates to an interest in Appendix A which is a sensitive interest, the member must leave the room and shall not participate in a discussion or vote on the matter. If it is a sensitive interest which has not already been disclosed to the Monitoring Officer, the member shall disclose they have an interest but not the nature of it.
14. Where a matter arises at a meeting which relates to an interest in Appendix B, the member must move to the public gallery and shall not vote on the matter. They may speak on the matter only if members of the public are also allowed to speak at the meeting.

15. A member *shall disclose the nature of* their interest in Appendix B *even* if it is already entered in their register of interests or they have not notified the Monitoring Officer of it or if they speak on the matter. If they hold an interest in Appendix B which is a sensitive interest not already disclosed to the Monitoring Officer, they shall declare the interest but not the nature of the interest.
16. Where a matter arises at a meeting which relates to a financial interest of the member, a friend, relative or close associate (other than an interest in Appendix A), the member shall disclose the nature of the interest. The member must move to the public gallery and shall not vote on the matter. They may speak on the matter only if members of the public are also allowed to speak at the meeting. If it is a 'sensitive interest' the member shall declare the interest but not the nature of the interest.

### Complying with the Code of Conduct

17. A member shall cooperate with any Code of Conduct investigation [and/or determination] and not intimidate or attempt to intimidate any person who is likely to be involved with any investigation or proceedings.

### Dispensations

18. On a written request made to the Council's Proper Officer (the Monitoring Officer), the Council may grant a member a dispensation to participate in a discussion and vote on a matter at a meeting even if the member has an Appendix A or Appendix B interest ('an interest' for the purpose of paragraphs 16-18).

A dispensation may be granted on one or more of the following grounds<sup>12</sup>.

- a) That so many members of the Council have an interest in a matter that it would impede the transaction of the business (i.e. it would otherwise be inquorate);
- b) That, without the dispensation, the representation of different political groups on the Council would be so upset as to alter the outcome of any vote on the matter;
- c) That the Council considers that the dispensation is in the interests of persons living in the Council's area;
- e) That the Council considers it otherwise appropriate to grant a dispensation.

19. In deciding whether to grant a dispensation, the appropriate political proportionality of the meeting, the interests of persons living in the Council's area and the interests of justice generally will be considered.

---

<sup>1</sup> Section 33, Localism Act 2011.

<sup>2</sup> Ground (d) refers to 'the Cabinet/Executive' and therefore does not currently apply to the Council.

20. Requests for dispensation on grounds (a) and (b) may be determined by the Monitoring Officer in consultation with the Independent Person<sup>3</sup>.

Requests for a dispensation on grounds (c) and (e) will be determined by a sub-committee of the Standards Committee, in consultation with the Independent Person.

---

<sup>3</sup> Appointed under section 28, Localism Act 2011.

## APPENDIX A : Disclosable Pecuniary Interests.

Interests defined by regulations made under Section 30(3) of the Localism Act 2011 and described in the table below.

<b>Subject</b>	<b>Description</b>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made to the member during the 12 month period ending on the latest date referred to in paragraph 6 above for expenses incurred by him/her in carrying out his/her duties as a member, or towards his/her election expenses.
	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the member or between their spouse or civil partner or the person with whom the member is living as if they were spouses/civil partners (or a body in which such a person is a partner in a firm, a director of an incorporated body or holds the beneficial interest in securities*) and the Council -
	(a) Under which goods or services are to be provided or works are to be executed; and
	(b) Which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the Council.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to the member's knowledge) -
	(a) The landlord is the Council; and
	(b) The tenant is a body in which the member or their spouse or civil partner/the person with whom the member is living as if they were spouses/civil partners has a beneficial interest.
Securities	Any beneficial interest in securities of a body where -
	(a) That body (to the member's knowledge) has a place of business or land in the area of the Council; and
	(b) Either -
	(i) The total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or
	(ii) If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*These descriptions of interest are subject to the following definitions*

*“relevant person” means*

- *Your spouse or civil partner*
- *A person with whom you are living as husband or wife*
- *A person with whom you are living as if they were your civil partner;;*

*“body” in which you or the relevant person has a beneficial interest means a firm in which you or the relevant person is a partner or a body corporate of which you or the relevant person is a director, or in the securities of which you or the relevant person has a beneficial interest;*

*“director” includes a member of the committee of management of an industrial and provident society*

*“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or receive income;*

\*'Securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

## APPENDIX B

An interest under paragraph 1 *and 2 below* which relates to or is likely to affect:

### 1. Interests

- (i) Any body of which the member is in a position of general control or management and to which they are appointed or nominated by the Council;
- (ii) Any body –
  - (a) Exercising functions of a public nature;
  - (b) Directed to charitable purposes; or
  - (c) One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which the member of the Council is a member or in a position of general control or management;
- (iii) Any gifts or hospitality worth more than an estimated value of £25 which the member has received by virtue of their office.

**and**

### 2. Perception of Conflict

*A reasonable member of the public with knowledge of all the relevant facts would think that your interest was so significant that it would be likely to prejudice your judgment.*

#### FOOTNOTE 1

*The test for perception is one of conflict of interest; which in other words means the interest must be perceived as likely to harm or impair your ability to judge the public interest.*

#### FOOTNOTE 2

This Code of Conduct is based on the template Code of Conduct for parish councils produced by the National Association of Local Councils (NALC) in 2012 who has given permission for its use by the District Council.

Reproduced with the kind permission of the National Association of Local Councils (NALC) in 2012.



**APPENDIX C**

<b>Principle</b>	<b>Description</b>
Preamble	The principles of public life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.
<b>Selflessness</b>	Holders of public office should act solely in terms of the public interest.
<b>Integrity</b>	Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
<b>Objectivity</b>	Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
<b>Accountability</b>	Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
<b>Openness</b>	Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
<b>Honesty</b>	Holders of public office should be truthful.
<b>Leadership</b>	Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

# OFFICERS' CODE OF CONDUCT

## 1. Introduction

The public is entitled to expect the highest standards of conduct from all those who represent Craven District Council.

This Code of Conduct provides guidance to assist the Council and its officers in their day to day work. It is aimed at ensuring that officers are aware of the standards of behaviour expected of them by the Council.

## 2. Scope

This Code of Conduct applies to all Council employees, apprentices and casual workers (collectively known as officers). Volunteers, agency workers and others who work, whether paid or unpaid, for and on behalf of the Council are expected to comply with this Code.

Failure to observe the standards set out in this Code will be regarded as serious and any breach will be managed in accordance with Council Policies and Procedures.

The Code is supplemented by professional guidance regarding standards of conduct in particular areas of work.

## 3 Standards

This Code of Conduct reflects the key principles of public life identified by the Committee of Standards in Public Life (The Nolan Principles). Officers must act in accordance with these principles as set out below and observe the following rules of behaviour:

### Principle 1 -Selflessness

Officers should act solely in terms of the public interest.

### Principle 2 - Integrity

Officers must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. Officers should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. Officers must declare and resolve any interests and relationships.

### Principle 3 - Objectivity

Officers must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### Principle 4- Accountability

Officers are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

### Principle 5 -Openness

Officers should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

**Principle 6 - Honesty**

Officers should be truthful.

**Principle 7 - Leadership**

Officers should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Officers of the Council are expected to give the highest possible standard of conduct in their service to the public, and where it is part of their duties to provide appropriate advice to Members and fellow officers, to do so with impartiality.

Officers will be expected to bring to the attention of an appropriate manager any deficiency in levels of conduct.

**4 Disclosure of information**

The law requires that certain types of information must be available to Members, auditors, government departments, service users and the public. The Council is also required by law to keep certain information confidential. The Council may decide in some circumstances to make certain information available to the public for example, under Transparency arrangements or in accordance with the Freedom of Information Act. It is important for officers to be aware of which information the Council properly and lawfully considers confidential and to maintain its confidentiality.

Officers should not use information obtained in the course of their employment for personal gain or benefit, nor should they pass it on to third parties. Any information received by an officer in the course of his or her employment should only be used for the purpose for which it was given or collected and should not be divulged unless the circumstances for disclosure have been specified in advance or where disclosure is required or sanctioned by law.

Any particular information received by an officer from a Member which is personal to that Member and does not belong to the Council should not be divulged by the officer without the prior and explicit consent of the Member, except where such disclosure is required or sanctioned by law.

All officers must comply with the provisions of the Data Protection Act, which provides the legal framework for the management of personal data by organisations. Officers must not access, obtain or disclose any personal data (which is held by the Council) to any third party unless specifically authorised to do so. Failure to comply with the law can result in disciplinary action which can lead to dismissal as well as prosecution.

**5 Political Neutrality**

Officers serve the Council as a whole. It follows that they must serve all Members and not just those of the controlling group and must ensure that the individual rights of all Members are respected. Where officers are required to advise political groups, they must do so in ways which do not compromise their political neutrality. This is explained in more detail in the Member Officer Protocol, Part 5 of the Constitution.

Officers, whether or not politically restricted, must follow every lawful expressed policy of the Council and must not allow their own personal or political opinions to interfere with their work.

Certain posts are designated politically restricted by the Local Government and Housing Act 1989. Employees holding such posts have restrictions placed upon them regarding their out of work activities. Holders of such posts should make themselves familiar with the information which is given to them on appointment.

## 6 Relationships

The Council expects officers to treat each other equally, fairly and with dignity and respect regardless of their circumstances or personal characteristics.

Officers are also expected to assist the Council achieve its aim of making the work environment free of harassment and/or bullying, discrimination or other unacceptable behaviours.

Members -officers are responsible to the Council through its senior managers. For some, their role is to give advice to Members and senior managers and all are there to carry out the Council's work. Mutual respect between officers and Members is essential to good local government.

Officers should avoid close personal familiarity with individual Members. Such familiarity can damage the professional relationship needed to execute the Council's work. Close familiarity can prove embarrassing to other officers and Members and should therefore be avoided.

More information is contained in the Member Officer Protocol, Part 5 of the Constitution.

The local community and service users- officers must remember their responsibilities to the community they serve. They must be courteous, efficient and impartial in their service delivery to all groups and individuals with whom they come into contact.

Contractors - officers must inform their manager of all relationships of a business or private nature with external contractors or potential contractors.

Officers who engage or supervise contractors and have any other official relationship with contractors or currently have a relationship in a private or domestic capacity with contractors must declare that relationship to their manager.

## 7 Appointments and Other Employment Matters

As set out in the Council's policy for recruitment and selection, employees involved in appointments should ensure that these are made on the basis of merit. In order to avoid any possible accusation of bias, employees should not be involved in an appointment where they are related to an applicant, or have a close personal relationship outside work with him or her.

Similarly, employees should not be involved in decisions relating to discipline, promotion

or pay adjustment for any other employee who is a relative, partner etc.

## **8. Outside Commitments**

As a general rule, officers should not undertake any type of private work which conflicts with the Council's interest or prevents the employee from fulfilling the terms of their employment contract.

Officers of Senior Officer (SO) grade or above may not engage in any other business or take up any other additional appointment without the express consent of the Council. Such consent is obtained through formal application to the appropriate Service Manager and must not be unreasonably withheld. The Chief Executive is required to obtain the consent of the Leader of the Council. Corporate Leadership Team is required to obtain the consent of the Chief Executive.

Officers should complete Form 1 and hand it to their Manager.

No outside work of any sort, whether paid or unpaid, should be undertaken on Council premises nor may Council facilities be used for this purpose.

Officers should be aware of the Council's position on the ownership of intellectual property or copyright created during their employment. 'Intellectual property' includes inventions, designs and computer software. Where intellectual property is created or developed in the course of an officer's duties it and any profit or property of the intellectual property is the property of the Council.

## **9. Personal, Business, Financial or Other Interests**

The Council and the public must be confident that decisions of whatever nature officers make are made for good and proper reasons and are not influenced by the officer's interests or the interests of their family, relatives or friends.

Officers are required to declare and register with their manager any potential or actual personal, financial, business, other employment or interest which may impact on their work, conflict with the impartial performance of their duties, put them under suspicion of improper behaviour or that could cause damage to the Council's reputation or services. The Chief Executive is required to register any such interests with the Leader of the Council, the Section 151 Officer and the Monitoring Officer.

Officers should declare to their manager membership of any secret society. The definition of 'secret society' is:

Any lodge, chapter, society, trust or regular gathering or meeting which:

- Is not open to members of the public who are not members of that lodge, chapter, society or trust.
- Includes in the grant of membership a requirement on the part of the member to make a commitment (whether by oath or otherwise) of allegiance to the lodge, chapter, society, trust, gathering or meeting and;
- Includes, whether initially or subsequently, a commitment (whether by oath or otherwise) of secrecy about the rules, membership or conduct of the lodge, chapter, society, trust, gathering or meeting.

Officers should use Form 2 to declare an interest under this paragraph.

## **10. Equality Issues**

Officers should observe the Council's Equal Opportunities policies in all activities. All members of the local community, customers and other officers have a right to be treated with fairness and equality.

## **11. Separation of Roles during Tendering etc.**

Officers involved in the tendering process and dealing with contractors should be clear on the separation of client and contractor roles within the Council. Senior officers who have both client and contractor responsibility must be aware of the need for accountability and openness.

Officers in contractor or client units must exercise fairness and impartiality when dealing with all customers, suppliers, other contractors and sub-contractors.

Officers who are privy to confidential information on tenders or costs for either internal or external contractors should not disclose that information to any unauthorised party or organisation.

Officers should ensure that no special favour is shown to current or recent former officers or their partners, close relatives or associates in awarding contracts to businesses run by them or employing them in a senior or relevant managerial capacity.

## **12. Corruption**

Officers must be aware that it is a serious criminal offence for them corruptly to receive or give a gift, loan, fee, reward or advantage for doing, or not doing, anything or showing favour, or disfavour, to any person in their official capacity

## **13. Whistleblowing**

The Council is committed to achieving high standards of integrity and accountability and expects the same commitment from those working for the Council. Officers are often the first to realise that there may be something seriously wrong within the Council, or have suspicions and could, by reporting their concerns at an early stage, help put things right and stop potential wrong doing.

The Council's Whistleblowing Policy provides a framework for officers to raise concerns which they believe are in the public interest any relate to illegal, improper or unethical conduct. Officers are encouraged to bring to the attention of management the Monitoring Officer or Internal Auditor, knowledge or any such activity and should be able to do so without fear of victimisation.

**14. Use of financial resources**

Officers must ensure that they use public funds entrusted to them in a responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid legal challenge to the Council.

**15. Public and Social Media**

The Council has a Communications Officer whose role it is to deal with the press and media and offer advice and guidance to officers.

Unless an officer is acting as a spokesperson for the Council as part of their duties, or is authorised to act as a spokesperson about a particular situation or event, officers should not speak, write or give interviews about the business of the Council to the media or make a public statement which concerns the business of the Council as to do so may result in reputational damage to the Council.

Officers should not use their own social media accounts in such a way as to bring the Council into disrepute.

**16. Hospitality and Gifts**

Hospitality should only be accepted if it is important to the business of the Council. There is a clear difference between authorised attendance in an official capacity at a function and the acceptance of hospitality from a private individual or private sector company with an actual or potential commercial interest with the Council.

Officers should only accept offers of hospitality if there is a genuine need to impart information or represent the Council in the community. Acceptance of offers of hospitality should be authorised by a manager and recorded.

Acceptance of hospitality through attendance at relevant conferences and courses is acceptable where it is clear the hospitality is corporate rather than personal, and where any purchasing decisions are not compromised. Where visits to inspect equipment etc. are required, officers should ensure that the Council meets the cost of such visits to avoid jeopardising the integrity of subsequent purchasing decisions.

When hospitality has to be declined, those making the offer should be courteously but firmly informed of the Council's policy.

Officers should not accept significant personal gifts from contractors and outside suppliers. Officers may use their judgement to keep insignificant items such as pens, diaries etc.

When receiving authorised hospitality officers should be particularly sensitive as to its timing in relation to decisions which the Council may be taking affecting those providing the hospitality.

Officers should use Form 3 to record receiving any gift or hospitality worth more than an estimated value of £25.

A copy of the record will be kept in the register maintained by the Monitoring Officer.

## **17. Sponsorship**

When an outside organisation wishes to sponsor a Council activity or an individual officer, the rules set out in paragraph 16 above about accepting hospitality and gifts apply.

When the Council wishes to sponsor an event/organisation/individual an officer should follow the rules set out in paragraph 9 above about personal, business, financial or other interests if they benefit, or it could be perceived they may benefit from the arrangement.



## STATUTORY OFFICER PROTOCOL

The Council will delegate the following posts as shown:

Post	Designation
Chief Executive	Head of Paid Service
Strategic Manager Financial Management	Chief Financial Officer – Section 151 Officer
Solicitor to the Council	Monitoring Officer

Such posts will have the functions described in 1 - 3 below.

### 1. Functions of the Head of Paid Service

1.1 **Discharge of Functions by the Council** – the Head of Paid Service will report to full Council on:

- the manner in which the discharge of the Council's functions is co-ordinated;
- the number and grade of officers required for the discharge of functions and;
- the organisation of officers.

1.2 **Restriction on Functions** – the Head of Paid Service may not be the Monitoring Officer but may hold the post of Chief Financial Officer (Section 151 Officer), if a qualified accountant.

### 2. Functions of the Chief Financial Officer (Section 151 Officer)

2.1 **Ensuring lawfulness and financial prudence of decision making** – after consulting the Head of Paid Service and the Monitoring Officer, the Chief Financial Officer (Section 151 Officer) will report to the full Council and the Council's external auditor if he or she considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.

2.2 **Administration of financial affairs** – the Chief Financial Officer (Section 151 Officer) will have responsibility for the administration of the financial affairs of the Council.

2.3 **Contributing to corporate management** – the Chief Financial Officer (Section 151 Officer) will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.

2.4 **Providing advice** – the Chief Financial Officer (Section 151 Officer) will provide advice on

- the scope of powers and authority to take decisions;
- maladministration, financial impropriety and probity and budget and policy framework issues to all Councillors and;
- will support and advise Councillors and officers in their respective roles.

- 2.5 **Give financial information** – the Chief Financial Officer (Section 151 Officer) will provide financial information to the media, members of the public and the community.
- 2.6 **Appointing a deputy** – the Chief Financial Officer (Section 151 Officer) will appoint a deputy who will carry out the functions of the Chief Financial Officer (Section 151 Officer) in his or her absence.
- 2.7 The Chief Financial Officer (Section 151 Officer) will be a member of a specified accountancy body as required by Section 113 of the Local Government Finance Act 1988 and will be an officer of the Council.
- 2.8 **Restrictions on post** – The Chief Financial Officer (Section 151 Officer) may hold the post of Head of Paid Service but not the post of Monitoring Officer.

### 3. Functions of the Monitoring Officer

- 3.1 **Maintaining the Constitution** – the Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is widely available for consultation by Members, officers and the public.
- 3.2 **Ensuring lawfulness and fairness of decision making** – after consulting the Head of Paid Services and Chief Financial Officer (Section 151 Officer), the Monitoring Officer will report to the full Council if he or she considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.
- 3.3 **Supporting the Standards Committee** – the Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Standards Committee.
- 3.4 **Conducting investigations** – the Monitoring Officer will conduct investigations into matters and make reports or recommendations in respect of them to the Standards Committee or its Hearings Panel.
- 3.5 **Providing advice** – the Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety and probity to all Councillors.
- 3.6 **Restrictions on post** – the Monitoring Officer cannot be the Head of Paid Service or the Chief Financial Officer (Section 151 Officer).
- 3.7 **Appointing a deputy** – the Monitoring Officer will appoint a deputy who will carry out the functions of the Monitoring Officer in his or her absence.

### 4. Provision of sufficient resources to the Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer

The Council will provide the Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer with such offices, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

## **5. Relationships**

Having excellent working relations with Members and officers, access to relevant information and debate will assist in the discharge of statutory responsibilities by the Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer. All Members and officers will work with the Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer to discharge the Council's statutory responsibilities.

## **6. Access to Information and Meetings**

Members and officers will alert the Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer to any issue which may become of concern to the Council including in particular issues associated with their statutory responsibilities.

The Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer will have advance notice of, and the right to attend, any meeting of the Council (including meetings at which officer delegated decisions are taken) at which a binding decision may be made.

The Head of Paid Service, the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer will have unqualified and unrestricted access to any information held by the Council and to any Member or officer who can assist in the discharge of their statutory responsibilities.

## **7. Conduct**

Officers will comply with the Officers' Code of Conduct and the Member Officer Protocol set out in Part 5 of this Constitution.

## **8. Employment**

The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out in Part 4 of this Constitution.

## WHISTLEBLOWING CODE

### 1. INTRODUCTION

1.1 Craven District Council is committed to providing an environment of openness where individuals feel that they are able to raise concerns regarding serious malpractice. This Policy formulated in accordance with the provisions of the Public Interest Disclosure Act 1998 (PDA) sets out the procedure for raising concerns about such matters and affords anyone raising concerns under the policy protection from reprisal.

1.2 Employees are often the first to realise that there may be something seriously wrong within the Council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice.

1.3 It is one of the Council's aims to promote democracy and accountability, by conducting business in an open and accountable way and operating to the highest ethical standards. As a result, the Council is committed to the highest possible standards of openness, probity and accountability. In line with that commitment, we expect employees, and others that we deal with, who have serious concerns about any aspect of the Council's work to come forward and voice those concerns. It is recognised that most cases will have to proceed on a confidential basis.

1.4 This policy document makes it clear that you can come forward and voice your concerns without fear of victimisation, subsequent discrimination or disadvantage. This **Whistleblowing Policy** is intended to encourage and enable employees to raise serious concerns **within** the Council rather than overlooking a problem or 'blowing the whistle' outside.

1.5 This policy applies to you, whether you are a permanent or temporary employee, agency or casual member of staff or if you work as a contractor or volunteer.

1.6 These procedures are in addition to the Council's complaints procedure and other statutory reporting procedures applying to some service units. You are responsible for making service users aware of the existence of these procedures.

1.7 This policy has been discussed with the relevant trade unions and professional organisations and has their support.

### 2. AIMS AND SCOPE OF THIS POLICY

2.1 This policy aims to:

- Encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice;

- Provide avenues for you to raise those concerns and receive feedback on any action taken;
- Ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied; and
- Reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure in good faith.

2.2 There are existing procedures in place to enable you to lodge a grievance relating to your own employment. This Whistleblowing Policy is intended to cover major concerns that fall outside the scope of other procedures. These include:

- a criminal offence has been, is being, or is about to be committed;
- there has been, or is about to be, a serious miscarriage of justice;
- the health and safety of individuals or groups has been, is being, or is about to be, jeopardised;
- the environment has been, is being, or is about to be, severely damaged;
- the unauthorised use of public funds;
- discrimination, bullying, victimisation or harassment;
- improper conduct or unethical behaviour;
- other unethical conduct;
- there has been, is, or is about to be, a failure to comply with legal obligations; and;
- information about the above has been concealed or there have been attempts to conceal any of these.

*The overriding concern should be that it would be in the public interest for the malpractice to be corrected and, if appropriate, for sanctions to be applied.*

2.3 **Any serious concerns that you have about any aspect of service provision or the conduct of officers or Members of the Council, or others acting on behalf of the Council can be reported under the Whistleblowing Policy.** This may be about something that:

- makes you feel uncomfortable in terms of known standards, your experience, or the standards you believe the Council subscribes to;
- is against the Council's Standing Orders and policies;
- falls below established standards of practice; or

amounts to improper conduct

2.1 This policy does **not** replace the Corporate Complaints' Procedure.

### 3. SAFEGUARDS

#### Harassment or Victimisation

3.1 The Council will not tolerate the harassment or victimisation of anyone raising a genuine concern. However, we recognise that you may nonetheless want to raise a concern in confidence under this Policy. If you ask us to protect your identity by keeping your confidence, we will not disclose it without your consent. If the situation arises where we are not able to resolve the concern without revealing your identity (for instance because your evidence is needed in court), we will discuss with you whether and how we can proceed.

3.2 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy procedures that already affect you.

### **Confidentiality**

3.3 All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness.

### **Anonymous Allegations**

3.4 This policy encourages individuals to raise concerns and affords them the appropriate protection for doing so.

3.5 Allegations raised anonymously are much less powerful but will be dealt with at the discretion of the Council.

3.6 In exercising this discretion, the factors to be taken into account would include:

- the seriousness of the issues raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

### **Deliberately False and Malicious Allegations**

3.7 The Council will ensure that adequate resources are put into investigating any allegations of fraud, corruption or malpractice that it receives. Accordingly, it will view very seriously any false or malicious allegations, which it receives. The making of deliberately false or malicious allegations by any employee of the Council will be regarded as a serious disciplinary offence.

## **4. HOW TO RAISE A CONCERN**

4.1 As a first step, you should normally raise the concern with your immediate manager or their superior. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that your manager is involved, you should raise the matter with the next more senior managerial level within your service/department. You should indicate if you want to raise the matter in confidence so that appropriate arrangements can be made when taking the matter forward, if you cannot raise the matter in your service/department because you feel the people whom you would

report it to may be involved in the malpractice or if you feel that the matter is so serious that you cannot discuss it with any of the above, please write to:

The Chief Executive  
Craven District Council  
1 Belle Vue Square  
Broughton Road  
SKIPTON  
North Yorkshire  
BD23 1FJ

Or

The Monitoring Officer – at the same address

4.2 Concerns may be raised verbally or in writing. Staff who wish to make a written report are asked to include the following information:

- the background and history of the concern (giving relevant dates); and
- the reasons why you are particularly concerned about the situation.

4.3 The earlier you express concern; the easier it is to take action.

4.4 Although you are not expected to prove beyond doubt the truth of an allegation, you will need to demonstrate to the person contacted that there are reasonable grounds for your concern.

#### **4.5 IF IN DOUBT, RAISE IT**

### **5. INDEPENDENT ADVICE**

5.1 If you are unsure whether to use this procedure or you want independent advice at any stage, you may contact:

- Staff may invite a trade union representative to raise a matter on their behalf
- Human Resources
- Internal Audit
- Public Concern at Work

#### **Internal Audit**

5.2 We have arrangements in place for Harrogate Borough Council to carry out our audit and review function. The Chief Auditor at Harrogate Borough Council may also be contacted if you have any suspicions of fraud or corruption.

The contact details are:

Chief Auditor  
Harrogate Borough Council  
Crescent Gardens  
HARROGATE, HG1 2SG

## Public Concern at Work

5.3 The independent charity Public Concern at Work on 0207 404 6609. Their lawyers can give you free confidential advice at any stage on how to raise a concern about serious malpractice at work. They can be contacted as follows:

Public Concern at Work  
3<sup>rd</sup> Floor Bank Chambers  
6-10 Borough High Street  
LONDON  
SE1 9QQ

Tel: 020 7404 6609

Fax: 020 7403 8823

E-mail: [whistle@pcaw.co.uk](mailto:whistle@pcaw.co.uk)

Website: [www.pcaw.co.uk](http://www.pcaw.co.uk)

## 6. HOW THE COUNCIL WILL RESPOND

6.1 The Council will respond to your concerns. Do not forget that testing out your concerns is not the same as either accepting or rejecting them.

6.2 Where appropriate, the matters raised may:

- be investigated by the management, internal audit, or through the disciplinary process;
- be referred to the police;
- be referred to the external auditor; and/or
- form the subject of an independent inquiry.

6.3 In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will have in mind is the public interest. Concerns or allegations which fall within the scope of specific procedures (for example, harassment or discrimination issues) will normally be referred for consideration under those procedures.

6.4 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before any investigation is conducted.

6.5 Within ten working days of a concern being raised, the Council will write to you:

- acknowledging that the concern has been received;
- indicating how we propose to deal with the matter;
- giving an estimate of how long it will take to provide a full response;
- telling you whether any initial enquiries have been made;
- supplying you with information on staff support mechanisms; and
- telling you whether further investigations will take place; and if not, why not.

6.6 The amount of contact between the officers considering the issues and you, will depend on the nature of the matters raised, the potential difficulties involved and the clarity of information provided. If necessary, the Council will seek further information from you.



6.7 Where any meeting is arranged, off-site if you so wish, you can be accompanied by a union or professional association representative or a friend.

6.8 The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings the Council will arrange for you to receive advice about the procedure.

6.9 The Council accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, we will inform you of the outcome of any investigation

## **7. MANAGERS' RESPONSIBILITY**

7.1 It is a manager's responsibility to:

- deal with any concerns that are raised in accordance with the policy ensuring that they are treated seriously and investigated as appropriate;
- ensure that appropriate arrangements are made if the individual wishes to raise the matter in confidence;
- ensure that anyone raising a concern in accordance with the term of the policy is protected from reprisal; and
- notify the HR Group of any concerns that are formally brought to their attention.

7.2 All managers will receive training in the legislative framework governing 'whistleblowing' in accordance with the provisions of the Public Interest Disclosure Act 1998 and the Council's Whistleblowing Policy.

## **8 THE MONITORING OFFICER**

8.1 The Monitoring Officer has overall responsibility for the maintenance and operation of this policy and will liaise where necessary with Internal Audit and/or the Chairman of Audit and Governance Committee. That officer maintains a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Audit and Governance Committee.

## **9 WHAT NOT TO DO IF YOU SUSPECT FRAUD, CORRUPTION OR MALPRACTICE**

9.1 **Don't:**

- Be afraid of raising your concerns; you will not suffer any recrimination.
- Approach or accuse individuals directly.
- Try to investigate the matter yourself.
- Convey your suspicions to anyone other than those with the proper authority.

## **10 EXTERNAL CONTACTS**

10.1 Whilst we hope this policy gives you the reassurance you need to raise such matters internally or as a contract or agency worker, we would rather you raised a matter with the appropriate regulator than not at all. Therefore, provided you are acting in good

faith, you feel you have exhausted or are unable to use internal channels to report the malpractice and you have evidence to back up your concern, you may also wish to contact:

- The *External Auditor* (if you believe there has been financial or procedural irregularity).
- The Police (if you believe that a criminal act is about to or has taken place) Tel: 101 or if outside the force area 01904 618961 (North Yorkshire Police).
- Relevant professional bodies (if you believe that professional misconduct has taken place).
- The Health and Safety Executive (if you believe that a serious breach of health and safety legislation has occurred). Tel: 0845 345 00 55.

## **11 SUPPORT FOR ANYONE INVOLVED IN A COMPLAINT**

11.1 It is recognised that all those involved in a ‘whistleblowing’ issue may experience different emotional or psychological reactions to their experiences. The Council’s independent and confidential counselling service (accessed via the Occupational Health Service) is available to all concerned. Further details can be obtained from the HR Group or via the HR. Or contact Oasis Peoplecare directly Tel: 0800 975714.

## **12 REVIEW**

12.1 This policy will be reviewed on a regular basis in the light of operating experience and/or change in legislation or at intervals of two years.

## **13 LINKS TO OTHER POLICIES**

13.1 This policy should be cross-referenced with other Councils’ policies and procedures, for example:

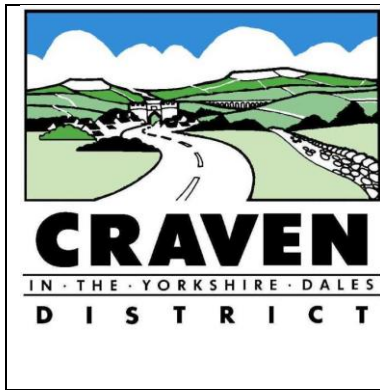
- Anti-Fraud and Corruption Strategy
- Management of Sickness
- Disciplinary Policy
- Grievance Policy
- Incident Reporting Policy
- Register of Gifts and Hospitality
- Serious Untoward Incident Policy
- Standing Financial Instructions and Standing Orders
- Health and Safety Policies
- The Regulation of Investigatory Powers Act (RIPA) Procedure
- Money Laundering Procedure
- Any other relevant formal Trust Policies and Procedures.

## **14. THE LAW**

14.1 This policy and procedure has been written down to take account of the Public Interest Disclosure Act 1998, which protects staff making disclosures about certain matters of concern, where those disclosures are made in accordance with the Act’s provisions.

14.2 The Act is incorporated in the Employment Rights Act 1996, which also already protects employees who take action over, or raise concerns about health and safety at work.

For the avoidance of doubt, financial issues are covered by section 151 of the Local Government Act 1988, the Local Government and Housing Act 1989, and Accounts and Audit Regulations 2003.



Craven District Council

# MEMBERS’ ALLOWANCES SCHEME

(Approved by Council on 25 February 2020)

(Updated November 2022 to reflect National Pay Award)

## COMPONENTS OF THE SCHEME

The Scheme of Allowances is made up of the following:

- The Basic Allowance – paid to all Councillors;
- The Special Responsibility Allowances – paid to certain Councillors, in addition to the Basic Allowance, in recognition of additional responsibilities they undertake;
- Dependant Carers’ Allowance;
- Travelling and Subsistence Allowances;
- Co-optees Allowance; and
- Civic Allowances to the Chair of the Council and Vice-Chair of the Council.

## 1. LEVELS OF ALLOWANCES

In accordance with the recommendations to the Council Meeting on 25 February 2020 the level of Members’ Allowances, will be as follows:

### **a) Basic Allowance**

**(backdated to 1 May 2022)**

The basic allowance covers the costs of attending Council meetings; acting as a representative of the Council, such as parish councils / meetings, and other organisations; and incidentals such as telephone calls, postage, etc.; and the purchase and use of IT not directly supplied by the Council.

### **b) Special Responsibility Allowances (SRA)**

**(backdated to 1 May 2022)**

The amounts listed below to be paid in addition to the Basic Allowance.

(Members are only entitled to claim one SRA.)

Special Responsibility Allowances are valued as a quantum of the Basic Allowance.

The Special Responsibility Allowance will be the Basic Allowance multiplied by the quantum given as set out in the table below.

	<b>Number of Positions</b>	<b>Allowance £</b>	<b>Quantum of Basic Allowance</b>
Basic	30	5,010.12	
Leader of the Council and Chairman of Policy Committee	1	9,519.23	1.9
Deputy Leader of the Council and Deputy Chairman of Policy	1	5,010.12	1.0
Committee Chairman: Audit and Governance Licensing Planning Select Standards	5	2,505.06	0.5
Committee Vice Chairman (As above)	5	501.01	0.1
Group Leader	4	1,002.02	0.2
Lead Members	6	1,252.53	0.25

### c) Dependent / Child Carer’s Allowances

The Council’s Scheme of Members’ Allowances includes the reimbursement of dependants’ carers’ allowance to those Councillors who incur expenditure for the care of children, or other dependants, whilst undertaking official duties.

(Claims are not permitted for a member of the family undertaking care duties. Members claiming dependant (not child) care allowance should provide evidence that they, or their partner, are in receipt of a carers’ allowance.)

The rate payable is actual cost, up to a maximum of £11 per hour, the duration of the meeting attended, plus travelling time to and from the meeting.

### d) Travel and Subsistence Allowances

**Travel** – Where Members use their own vehicles to carry out their official duties (please see notes below), the mileage rates will be paid in accordance with the Inland Revenue Approved Mileage Rates. Subsistence allowances are aligned with the Craven District Council Staff scheme. Travel and Subsistence payments will continue to be paid in accordance with the Council’s travel policy.

(1) “Official Duties” would generally be defined as:

- Attending meetings of the Council and its committees, sub-committees, etc. to which the Member has been appointed;
- Attending and participating in meetings of committees, sub-committees, etc. in accordance with Council Procedure Rule 23.7;
- Attending events relating to outside bodies to which the Member has been appointed by the Council, except where the outside body concerned has a scheme which enables the Member to claim those expenses from that body;

- Where the Member attends previously arranged meetings with chief and senior officers in connection with the business of committees, sub-committees, etc. of which he or she is a member or on business concerning that Member’s Ward;
- Attending up to 6 meetings of a Member’s political group each year between one Annual Council Meeting and another, so long as the Group Leader has notified the Chief Executive of the dates the group meetings are to be held; and
- Attending up to one meeting per month of each of the Parish Councils and Parish Meetings in the Councillor’s Ward.

(2) The above does not purport to be exhaustive. If any Member is unsure as to whether a particular journey can be considered as ‘official duties’, they should seek advice from the Democratic Services Manager on (01756) 700600.

	<b>First 10,000 business miles in the tax year</b>	<b>Each business mile over 10,000 in the tax year</b>
Cars and vans	45p	25p
Passengers	5p per person	5p per person
Motor cycles	24p	24p
Bicycles	20p	20p

	<b>(CDC staff scheme) £</b>	<b>Basis of Payment (as staff scheme)</b>
Breakfast	7.77	when a journey commences before 7.30 am.
Lunch	10.71	when a journey commences before 12.00 noon and continues after 2.00 pm.
Tea	4.21	when the absence commences before the end of the working day and continues after 6.30 pm.
Evening Meal	13.29	when absence commences before the end of the working day and continues after 8.30 pm.
		Tea and dinner allowances are not paid consecutively. Under NO circumstances will reimbursement be made for alcohol beverages.

An alternative daily allowance, in lieu of the above subsistence allowances, is available to Members attending conferences. This is payable at a daily rate of £38.

### **e) Co-optees Allowances**

Where a co-opted or an appointed Member is appointed chairman of the committee on which they are co-opted or appointed, the co-optee’s allowance will be based on the Special Responsibility Allowance payable to District Council members when acting in the role of chairman of the equivalent Council committee.

Travel and Subsistence Allowances are available to the independent (external) and Parish Members of the Council's Standards Committee. The rates applicable are in line with those payable to Members under this Scheme.

#### **f) Allowances to Chair of the Council and the Vice-Chair of the Council**

The allowances paid to the Chair and Vice-Chair of the Council are primarily for expenses incurred whilst performing civic and ceremonial duties on behalf of the Council.

These allowances are valued as a quantum of the basic Allowance as follows:

	Allowance £	Quantum of Basic Allowance
Chair of the Council	4,008.10	0.8
Vice-Chair of the Council	501.01	0.1

- 1) To enable a holder of the office of the Chair of the Council to meet any special expenses in having to employ someone else to do their work so that they are able to carry out their official duties, the Council makes available, in addition to the usual Chair of the Council's Allowance, an amount up to a maximum of £2,000;
- 2) The Chief Finance Officer (s151 Officer) is authorised to make any payments from the additional amount provided he or she is satisfied that the sums claimed have been properly incurred in accordance with 1) above.

## **2. APPORTIONING ALLOWANCES**

Where a term of office starts or ends, otherwise than at the beginning or end of a financial year, a Member is entitled to payment of such part of the Basic, Special Responsibility, Chair and Vice-Chair of the Council's Allowances allowance as is in proportion to the number of days served in that year.

## **3. WITHOLDING ALLOWANCES**

Where a Member is suspended, or partially suspended, from his or her responsibilities or duties as a member of Craven District Council in accordance with Part III of the Local Government Act 2000, or regulations made under that Part, the portion of the Allowances highlighted below will, subject to a decision by the Council's Standards Committee, be withheld by this Council in respect of the period for which the Member is suspended:

- Basic Allowance
- Special Responsibility Allowance
- Travel and Subsistence Allowance (including Co-opted Members)

## **4. RENUNCIATION**

Members may renounce their entitlement to all or part of their Basic and Special Responsibility Allowances if they wish. Any such declaration should be made in writing to the Chief Finance Officer (s151 Officer). Once made, the renunciation will remain in force throughout that year.

An annual form for updating personal information will include an opportunity for Members to renounce the Basic Allowance, Special Responsibility Allowance or both in part or in full.

## **5. PENSIONS**

Craven District Council has agreed that there should be no introduction of pension entitlements for Members; that is, they may not be admitted to the Local Government Pension Scheme.

## **6. TIME AND METHOD OF PAYMENT**

Basic and Special Responsibility Allowances will be paid monthly. Members will be paid not later than the 20<sup>th</sup> day of each month by bank transfer.

Travel and subsistence claims should be submitted to payroll on a monthly basis. The Council is not obliged to pay late claims. Claims received, which exceed 2 months of the date on which the duty was carried out, will be paid at the discretion of the Chief Finance Officer (s151 Officer).

In order that payments can be made promptly, existing Members and all new Members will be sent a form to complete and return which will confirm personal details, bank details and other information required to process the payments.

## **7. PUBLISHING OF INFORMATION**

Information as to the level of allowances paid to each Member is published annually and is available for inspection at the Council’s main offices, as soon as possible after the end of each financial year. The publication is separated into the following categories:

- Basic Allowance;
- Special Responsibility Allowance;
- Travel and Subsistence Allowance;
- Co-optee’s Allowance;
- Dependant Carer’s Allowance; and
- Chairman / Vice Chairman of the Council Allowance.

## **8. MEMBERS’ ALLOWANCES – TAX AND NATIONAL INSURANCE**

### **a) Income Tax**

For tax purposes, Council Members and civic dignitaries are treated in the same way as any other individual who holds office or is an employee. Emoluments received from an office or employment are chargeable to income tax under Schedule E. Tax is deducted under PAYE. “Emoluments” has a wide meaning – it includes salaries, fees, wages and any other profits received from an office or employment.

The following Allowances are taxable under Schedule E:

- Basic Allowance;
- Special Responsibility Allowance; and
- Allowances paid to the Chair and Vice-Chair of the Council.



## **b) Travel and Subsistence Allowances**

**Travel Allowance** – Where a Councillor uses his or her car to undertake representative duties on behalf of the Council, a mileage allowance will be paid for travel between home and the Council Offices, or some other place, on council business. This payment will be subject to the Inland Revenues system of Authorised Mileage Rates. Full details of the scheme and the tax implications will be made available to all Members on request.

**Subsistence Allowances** – These Allowances are taxable unless they are paid for the extra expense of subsistence incurred as a consequence of travel on council business away from the Council Offices.

## **c) National Insurance Contributions**

For tax purposes, Members are treated similar to employees and are, therefore, liable to pay National Insurance contributions, as employed earners, when they receive remuneration allowances at or above the threshold for contributions. The earnings period for the assessment of National Insurance contributions is the shortest interval at which any allowance is paid. (Monthly for Craven District Council)

(Members with other employment can apply to defer payment of contributions if they expect to pay the annual maximum in that employment.)

## **9. UPDATING ALLOWANCES AND REVIEW OF THE SCHEME**

Basic and Special Responsibility Allowances will be updated as a matter of course to match local government pay settlements from the date of implementation of those settlements.

The structure of the Members' Allowances Scheme is to be reviewed every four years, unless an intermediate or partial review is requested by the Council.

## **CRAVEN DISTRICT COUNCIL**

### **MEMBERS’ ALLOWANCES SCHEME – PRINCIPLES**

#### **PRINCIPLES OF THE SCHEME**

The following are the general principles upon which the Council’s Members’ Allowances Scheme is based:-

- Councillors carry out a public service and, in order to reflect this, the Scheme acknowledges that some of their work ought to be done on a voluntary basis;
- The Council has agreed a mechanism to deal with non-attendance of Members at meetings and / or failure to carry out the duties expected of a Councillor;
- The Basic and Special Responsibility Allowances were set taking account of 2009 data from comparable authorities and across NY, along with other evidence.
- Additional remuneration is payable for Councillors undertaking a range of special responsibilities. (Special Responsibility Allowance)
- The Scheme seeks to be transparent and accountability is essential. To assist with budgeting, the level of allowances, once approved, will be subject to a comprehensive review every four years, with the monetary value of the allowances being reviewed annually;
- Regard is had to the cost and ease of administration of the Scheme;
- Account is taken of the impact being a Councillor has on family life and the unsocial hours, during which a lot of council business is conducted;
- The Basic Allowance is sufficient to cover the costs incurred in publishing a newsletter, postage, telephone calls and providing fax facilities and the capital and running costs of IT provision, which is expected of Councillors.

-----0-0-0-----

Part 7 – Management Structure

