

PART 4

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PART 4 - SECTION 1 – STANDING ORDERS FOR MEETINGS

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1.0 ANNUAL MEETING OF THE COUNCIL

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 ordinarily take place in May.

The Annual Meeting will:

- (i) elect a person to preside if the Chair and Vice-Chair of Council are not present;
- (ii) consider priority business;
- (iii) elect the Chair of the Council;
- (iv) elect the Vice-Chair of the Council;
- (v) approve the minutes of the last meeting;
- (vi) receive any apologies for non-attendance;
- (vii) receive any declarations of interest;
- (viii) at its first post election Annual Meeting, appoint a Leader of the Council for a term of office expiring at the next post election annual meeting (unless resigned, removed or disqualified from office in accordance with the Constitution);
- (ix) following his/her election the duly elected Leader of the Council shall assume the full powers of the Leader and will appoint a Deputy Leader of the Council who, in their absence or following a vote of no confidence (see paragraph 4.0 of this Article) will act as Leader, and advise the Council of the members they intend to appoint to the Cabinet;
- (x) appoint the Overview and Scrutiny Committee, the Audit and Member Standards Committee, the Planning Committee, the Employment Committee, the Regulatory and Licensing Committee and such other committees as the Council considers appropriate to deal with matters which are not reserved to the Council and are not Cabinet functions (as set out in Part 3 of this Constitution);
- (xi) agree the scheme of delegation for those matters not reserved to the Council and are not Cabinet functions (as set out in Part 3 of this Constitution);
- (xii) consider any business set out in the notice convening the meeting; and

- (xiii) receive any announcements from the Chair.

1.1 Selection of Councillors on Committees and Outside Bodies

At the annual meeting, the Council will:

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

2.0 ORDINARY MEETINGS

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

- (i) elect a person to preside if the Chair and Vice-Chair are not present;
- (ii) consider priority business;
- (iii) approve the minutes of the last meeting;
- (iv) apologies for absence;
- (v) receive any declarations of interest from members;
- (vi) questions pursuant to Council Procedure Rule 11.4;
- (vii) receive a report from the Leader of the Council and receive questions and answers thereon in accordance with Council Procedure Rule 11;
- (viii) receive reports from the Cabinet and statutory officers and receive questions and answers on any of those reports;
- (ix) receive minutes from the Council's Committees and receive questions and answers on any of those minutes;

- (x) consider motions;
- (xi) consider any other business specified in the summons to the meeting, including consideration of proposals from the Cabinet in relation to the Council's budget and policy framework and reports of the scrutiny committees for debate;
- (xii) receive the Chair's announcements.

3.0 ELECTION OF LEADER OF THE COUNCIL

3.1 The Monitoring Officer will conduct the vote for the election of the Leader of the Council in accordance with the following procedure:

- (i) each member present at the time will have one vote;
- (ii) the vote will be taken by way of a named vote (roll call) and recorded in the minutes;
- (iii) the Chief Executive will call out the name of each nominated person in alphabetical order and invite Members to vote according to their preference; alternatively they may, if they wish, abstain;
- (iv) at the conclusion of the vote the Chief Executive will announce the number of votes cast for each nominated person. If any one nominated person receives an overall majority of the votes cast (abstentions will not be counted), they will be declared the winner and be elected as the Leader of the Council;
- (v) if no one nominated person receives an overall majority of the votes cast, then the nominated person receiving the least number of votes will be eliminated;
- (vi) the Monitoring Officer will then invite further round(s) of voting as necessary in accordance with the procedures set out in paragraphs 3.1 (i) to 3.1 (v) above until one nominated person receives an overall majority, for which any abstentions will not be counted;
- (vii) any member not present at the start of the first vote (iii) will not be entitled to a vote at a later round (vi) even if they have joined the meeting by that stage.

3.2 Paragraphs (ii) and (iii) will be waived if only one nomination is made. Voting will then be by a show of hands.

4.0 VOTE OF NO CONFIDENCE IN THE LEADER OF THE COUNCIL

- 4.1** Any motion of no confidence in the Leader of the Council must be received by the Chief Executive by no later than 10 clear working days before the meeting of the Council to which it is to be submitted. The motion must be signed by at least 15 members of the Council and must set out the reasons why the signatories have concluded that a vote of no confidence in the Leader is required.
- 4.2** The motion will be listed first on the agenda.
- 4.3** No amendments to a motion calling for a vote of no-confidence motion in the Leader of the Council will be allowed.
- 4.4** Each member present at the time will have one vote.
- 4.5** Voting will be by way of a named vote (roll call) recorded in the minutes.
- 4.6** In order to carry the motion, at least two thirds overall majority of those members present will be required.
- 4.7** In the event of the motion being carried, the Deputy Leader of the Council will assume the full powers of the Leader of the Council until a new Leader of the Council is appointed by the Council.

5.0 CALLING EXTRAORDINARY MEETINGS

- 5.1** Those listed below may request the Chief Executive to call Council meetings in addition to ordinary meetings:
- (i) the Council by resolution;
 - (ii) the Chair of the Council;
 - (iii) the Monitoring Officer;
 - (iv) the Appointments Committee for the purposes of appointing a new chief executive or other statutory officer
 - (v) any five members of the Council if they have signed a requisition presented to the Chair of the Council and they have refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

6.0 TIME AND PLACE OF MEETINGS

- 6.1** The time and place of meetings will be determined by the Chief Executive and notified in the summons.

7.0 NOTICE OF AND SUMMONS TO MEETINGS

- 7.1** The Chief Executive (in the case of Full Council meetings) or the Monitoring Officer will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules. At least five clear days before a meeting, the Chief Executive (for Full Council meeting) or the Monitoring Officer will send a summons signed by him or her to every councillor. The summons will give the date, time and place of the meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

8.0 CHAIR OF MEETING

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

9.0 QUORUM

- 9.1** The quorum of a meeting will be the whole number immediately greater than or equal to one quarter of the whole number of members or 3 whichever is the greater. See also Rule 32 (c) in relation to Committees and Sub-Committees. During any meeting if the Chair counts the number of members present and declares there is not a quorum present, the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chair. If they do not fix a date, the remaining business will be considered at the next ordinary meeting.

10.0 DURATION OF MEETING

- 10.1** Unless the majority of councillors present vote for the meeting to continue, any meeting shall stand adjourned after three hours provided that, if there is a quorum present and in the opinion of the Chair the matters remaining to be considered are either of such importance that it's in the interest of the Council that the consideration thereof should then take place or that the extension of time required is minimal, councillors may consent to the continuation of the meeting. Remaining business will be considered at a time and date fixed by the Chair. If they do not fix a date, the remaining business will be considered at the next ordinary meeting.

11.0 QUESTIONS BY MEMBERS

11.1 On Reports of the Cabinet or Committees

A member of the Council may ask the Leader or appropriate Cabinet Member or the Chair of a Committee any question without notice upon an item of the report of the Cabinet or by a Committee when that item is being received or under consideration (including debate) by the Council.

11.2 Questions on Notice at Full Council

Subject to Rule 11.4, a Councillor may ask:

- the Chair;
- a member of the Cabinet;
- the Chair of any committee, sub-committee or panel;

a question on any matter in relation to which the Council has powers or duties or which affects the District of Lichfield.

11.3 Questions on notice at Committees and Sub-committees

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

11.4 Notice of questions

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

- it is received by 12 noon at least two working days' prior to the meeting in writing or by email of the question to the clerk; or
- the question relates to urgent matters, they have the consent of the Cabinet Member/Chair to whom the question is to be put, and the content of the question is given to the Chief Executive by 10.00 a.m. on the day of the meeting. Every question shall be put and answered without discussion but the person to whom the question has been put may decline to answer.

The Chief Executive may reject a question if it:

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

11.5 Response

An answer may be:

- in writing available prior to the meeting;

- (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 at the meeting, a written answer circulated to all members as soon as is practicable.

11.6 Supplementary Question

A member having given notice of a question under Procedure Rule 11.2 and having received a reply under paragraph 11.5 may ask one supplementary question on the point of the original question. The response to the supplementary question shall be made in accordance with Procedure Rule 11.5.

11.7 No debate on questions

There shall be no debate on a question submitted under Procedure Rule 11.2 or on a supplementary question under Procedure Rule 11.6. A questioner may request that the matter under question be referred to the appropriate committee or sub-committee, if such a request is made the Chair will ask for a seconder to the proposal; the seconder will have no right to speak on the proposal. The Member responding to the question shall have the right to comment on the proposed referral. The question will then be put to the vote without further debate.

- 11.8** A member may not submit a question under Council Procedure Rule 11 relating to an individual determination made by the Planning; Regulatory and Licensing; or Audit and Member Standards Committees or any sub-committee thereof, or taken under powers delegated therefrom.

12.0 REPORT OF THE LEADER OF THE COUNCIL

- 12.1** The Leader of the Council shall at each ordinary meeting of the Council submit a report on the work of the Cabinet and shall be open to question thereon.
- 12.2** The Leader of the Council may invite (a) representative(s) of a partner organisation(s) to address the Council in respect of any matters referred to in the Leader's report relating to partnership working between the Council and the organisation(s).
- 12.3** A member of the Council may, at the discretion of the Chair, ask the Leader of the Council a question relating to a matter referred to in the Leader's report to Council and may, after having the response from the Leader (or at the Leader's discretion the relevant Cabinet Member, or representative of a partner organisation) ask one supplementary question on the point of the original question.
- 12.4** A member of the Council may question the Leader once (with the provision for a supplementary question) on each item in the Leader's report.

12.5 An answer by the Leader of the Council may take the form of:

- (a) a direct oral answer by the Leader of the Council;
- (b) a direct oral answer by a Cabinet Member with responsibility for the matter subject to question;
- (c) a direct oral answer from a representative of a partner organisation invited by the Leader of the Council to respond;
- (d) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (e) where the reply cannot conveniently be given orally, a written answer circulated to all members.

12.6 There shall be no debate on a question submitted under Procedure Rule 12.3. A questioner may request that the matter under question be referred to the Cabinet or appropriate committee or sub-committee, if such a request is made the Chair will ask for a seconder to the proposal, the seconder will have no right to speak on the proposal; the Member of the Council, in responding to the question shall have the right to comment on the proposed referral. The question will then be put to the vote without further debate.

13.0 MOTIONS ON NOTICE

13.1 Notice

Except for motions which can be moved without notice under Rule 14, written notice of every motion, signed by a councillor, must be delivered to the Chief Executive not later than six clear days before the date of the meeting. These will be entered in a book open to public inspection and maintained by the Monitoring Officer.

The Chief Executive may reject a motion if it:

- (i) is not about a matter for which the Council has a responsibility or which affects the District;
- (ii) is defamatory, frivolous or offensive;
- (iii) is substantially the same as a motion which has been put at a meeting of the Council in the past six months;
- (iv) requires the disclosure of confidential or exempt information.

13.2 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 councillor giving notice states, in writing, that they propose to move it at a later meeting or withdraw it.

13.3 Scope

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

13.4 Motions not moved

If a motion set out in the summons is not moved either by a councillor who gave notice thereof or by some other councillor on his/her behalf it shall be treated as withdrawn and shall not be moved without fresh notice.

13.5 Automatic reference to committee

If the subject matter of any motion of which notice has been duly given comes within the province of the Cabinet or any committee or sub-committee it shall, upon being moved and seconded, stand referred without discussion to the Cabinet or such committee or sub-committees, or to such other committee or sub-committee as the Council may determine, for consideration and report: provided that the Chair may, if they consider it convenient and conducive to the despatch of business, allow the motion to be dealt with at the meeting at which it is brought forward.

14.0 MOTIONS WITHOUT NOTICE

The following motions may be moved without notice:

- (a) to appoint a Chair of the meeting at which the motion is moved;
- (b) in relation to the accuracy of the minutes;
- (c) to change the order of business in the agenda;
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a committee or member arising from an item on the summons for the meeting;
- (f) to receive reports or adoption of recommendations of the Cabinet or committees or officers and any resolutions following from them;
- (g) to withdraw a motion;
- (h) to extend the time limit for a speech;

- (i) to amend a motion;
- (j) to proceed to the next business;
- (k) that the question be now put;
- (l) to adjourn a debate;
- (m) to adjourn a meeting;
- (n) that the meeting continue beyond 3 hours in duration;
- (o) to take a named vote under Procedure Rule 16.4;
- (p) to suspend a particular Council Procedure rule;
- (q) to exclude the public and press in accordance with the Access to Information Rules;
- (r) to not hear further a councillor named under Rule 20.3 or to exclude them from the meeting under Rule 20.4; and
- (s) to give the consent of the Council where its consent is required by this Constitution.

15.0 RULES OF DEBATE

15.1 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.

15.2 Right to require motion in writing

Unless notice of the motion has already been given, the Chair may require it to be written down and handed to them before it is discussed.

15.3 Seconders' speech

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

15.4 Content and length of speeches

Speeches must be directed to the question under discussion or to a point of order or personal explanation. No speech may exceed 10 minutes without the consent of the Chair.

15.5 Only one councillor to stand at a time

A councillor when speaking shall stand, if they are able to do so, and address the Chair. If two or more councillors rise, the Chair shall call on one to speak; the other or others shall then sit. While a councillor is speaking the other councillors shall remain seated, unless rising to a point of order or personal explanation.

15.6 When a councillor may speak again

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

- (a) to speak once on an amendment moved by another councillor;
- (b) to move a further amendment if the motion has been amended since he/she last spoke;
- (c) if his/her first speech was on an amendment moved by another councillor, to speak on the main issue (whether or not the amendment on which they spoke was carried);
- (d) in exercise of a right of reply;
- (e) on a point of order or a personal explanation;
- (f) in accordance with Council Procedure Rules 12.3 and 12.4;
- (g) where a Councillor wishes to put forward a factual correction.

A councillor may speak more than once to ask questions of a Cabinet member or officer who is attending any Overview and Scrutiny Committee, save that when the Committee formally moves to debate the matter before it, the procedure set out above shall apply.

15.7 Amendments to motions

- (a) An amendment to a motion must be relevant to the motion and will either be:
 - (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
 - (ii) to leave out words and/or insert and/or add others;as long as the effect of (ii) is not to negate the motion.
- (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 are moved.
- (e) After an amendment has been carried, the Chair will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

15.8 Alteration of motion

- (a) A councillor may alter a motion of which they have given notice with the consent of the meeting. The meeting's consent will be signified without discussion.
- (b) A councillor may alter a motion which they have moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.
- (c) Only alterations which could be made as an amendment under Procedure Rule 15.7 may be made.

15.9 Withdrawal of motion

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

15.10 Right of reply

- (a) The mover of a motion has a right to reply at the end of the debate on the motion immediately before it is put to the vote.
- (b) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it.
- (c) The mover of the amendment has no right of reply to the debate on his or her amendment.
- (d) A right of reply having been exercised, the question shall immediately be put to the meeting by the Chair.

15.11 Motions which may be moved during debate

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

- (a) to withdraw a motion;
- (b) to amend a motion;
- (c) to proceed to the next business;
- (d) that the question be now put;
- (e) to adjourn a debate;
- (f) to adjourn a meeting;
- (g) that the meeting continue beyond 3 hours in duration;
- (h) to exclude the public and press in accordance with the Access to Information Rules;
- (i) to not hear further a member named under Procedure Rule 20.3 or to exclude them from the meeting under Rule 20.4;
- (j) a requisition for a named vote under Procedure Rule 16.4.

15.12 Closure motions

- (a) A member may move, without comment, the following motions at the end of a speech of another councillor:
 - (i) to proceed to the next business;
 - (ii) that the question be now put;
 - (iii) to adjourn a debate; or
 - (iv) to adjourn a meeting.
- (b) If a motion to proceed to next business is seconded and the Chair thinks the item has been sufficiently discussed, they will give the mover of the original motion a right of reply and then put the procedural motion to the vote without further debate or discussion.
- (c) If a motion that the question be now put is seconded and the Chair thinks the item has been sufficiently discussed, they will put the procedural motion to the vote without further debate or discussion. If it is passed they will give the mover of the original motion a right of reply before putting their motion to the vote.
- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Chair thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, they will put the procedural

motion to the vote without giving the mover of the original motion the right of reply and without further debate or discussion.

15.13 Point of Order and Personal Explanation

A point of order is a request from a councillor to the Chair to rule on an alleged irregularity in the procedure of the meeting. A councillor may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of the Council Rules of Procedure or the law. The councillor must indicate the rule or law and the way in which they consider it has been broken without which the alleged breach shall be disregarded. The ruling of the Chair on the matter will be final and shall not be open to debate.

A councillor may rise to give a personal explanation at any time and will be heard immediately. A personal explanation must be confined to some material part of a former speech either by or relating to the Member, at the same meeting which may have been misunderstood. The ruling of the Chair on the matter will be final and shall not be open to debate.

15.14 Motions affecting persons employed by the Council

If any question arises at a meeting of the Council (or of the Cabinet, a committee or a sub-committee) to which Section 100(A) of the Local Government Act 1972 applies as it relates to the appointment, promotion, dismissal, salary, superannuation or conditions of service, or the conduct of any person employed by the Council, such question shall not be subject of discussion until the Council, Cabinet, or relevant committee or sub-committee as the case may be, has decided whether or not the power of exclusion of the public under Section 100(A) of the Local Government Act 1972 shall be exercised.

15.15 Councillor with a Disclosable Pecuniary Interest

Where a Councillor has a Disclosable Pecuniary Interest in a matter to be considered at a meeting, the Councillor may attend the meeting when it considers the item only for the purposes of making representations, answering questions or giving evidence relating to the matter, provided that the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise. Once the Councillor has made these representations or the meeting considers that the Councillor has concluded making representations, the Councillor must leave the room during the discussion or vote on the matter.

16.0 VOTING

16.1 Majority

Unless this Constitution provides otherwise, any matter will be decided by a simple majority of those councillors voting and present in the room at the time the question was put. Only those councillors who have been present for the entirety of the debate on the item in question are entitled to vote.

16.2 Chair's casting vote

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

16.3 Method of Voting

Unless this Constitution provides otherwise, or a named vote is demanded under Rule 16.4, the Chair will take the vote by show of hands or, if there is no dissent, by the affirmation of the meeting.

16.4 Named vote

There shall be a named (or roll-call) vote if:

- (a) the majority of Councillors present at the meeting demand it or the Leader of the Principal Opposition Party demands it,
- (b) The law so requires it, including in relation to the adoption of the annual budget for the Council and the setting of the Council Tax

Where there is a named vote the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

16.5 Right to require individual vote to be recorded

Where any Councillor 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

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

17.0 MINUTES

17.1 Signing the minutes

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

17.2 Contents of Minutes

Minutes of meetings of the Council shall record the proposal (including any amendment) moved, duly seconded and adopted by the Council.

17.3 No requirement to sign minutes of previous meeting at extraordinary meeting

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

17.4 Form of minutes

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

18.0 RECORD OF ATTENDANCE

All councillors present during the whole or part of a meeting must sign their names on the attendance sheets before the conclusion of every meeting as a record of their attendance.

19.0 EXCLUSION OF PUBLIC

Members of the public and press may only be excluded either in accordance with the Access to Information Rules in Part 4 of this Constitution or Procedure Rule 20 (Disturbance by Public).

20.0 COUNCILLORS' CONDUCT

20.1 Standing to speak

When a councillor speaks at a Council meeting they must stand, if they are able to do so, and address the meeting through the Chair. If more than one councillor stands, the Chair will ask one to speak and the others must sit. Other councillors must remain seated whilst a councillor is speaking unless they wish to make a point of order or give a personal explanation.

20.2 Chair standing

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

20.3 Councillor not to be heard further

If a councillor persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, either during their speech or at any point during the meeting, the Chair may move that the councillor be not heard further. If seconded, the motion will be voted on without discussion. If the motion is carried the Councillor concerned may still vote on the matter under debate.

20.4 Councillor to leave the meeting

If the councillor continues to behave improperly after such a motion is carried, the Chair may move that either the councillor leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

20.5 General disturbance

If there is a general disturbance making orderly business impossible, the Chair may adjourn the meeting for as long as they think necessary.

21.0 DISTURBANCE BY PUBLIC

21.1 Removal of member of the public

If a member of the public interrupts proceedings, the Chair will warn the person concerned. If they continue to interrupt, the Chair will 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 Chair may call for that part to be cleared.

22.0 SUSPENSION AND AMENDMENT OF COUNCIL PROCEDURE RULES

22.1 Suspension

All of these Council Rules of Procedure except Rule 13.5 and 15.3 may be suspended by motion on notice or without notice if at least one half of the whole number of councillors are present. Suspension can only be for the duration of the meeting.

22.2 Amendment

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

23.0 DELEGATION

Where there has been any delegation of a power duty or function to a committee, the committee, shall in turn be duly authorised to further delegate the same provided that such delegation does not contravene any other decision of the Council.

24.0 SUBSTITUTE MEMBERS

24.1 The substitution rules will not apply to meetings of the Cabinet or the Audit and Member Standards Committee.

24.2 Subject to any other restrictions elsewhere in the Constitution, any Member of the Council will be permitted to act as a substitute on a Council Body.

24.3 The Monitoring Officer may consider a request from a Member of a Council Body to appoint a substitute Member, providing that substitute Member is from the same political group.

24.4 In order to be eligible to sit as substitutes on regulatory or quasi-judicial committees or panels or staff appointments or disciplinary bodies established by the Council, Members must have received the required training in relevant procedures and the law.

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

24.6 Substitute Members may attend meetings in that capacity only:

- (i) to take the place of the ordinary Member for whom they are designated substitute;
- (ii) where the ordinary Member will be absent for the whole of the meeting;
- (iii) where the ordinary Member has notified the Monitoring Officer of the intended substitution by 10 am on the day of the relevant meeting.

25.0 REPORTS OF OFFICERS

- (a) Every such report to the Cabinet or any committee or sub-committee shall be issued by the Head of Governance and Performance to all councillors via the committee meeting system, or to all members of the Cabinet, committee, or sub-committee, as the case may be, with the summons or agenda which provides for the consideration thereof, at least 5 working days before the date on which the meeting is to be held, or, exceptionally, as soon as practicable before the meeting.

- (b) All business to be discussed at meetings of the Cabinet or any committee or sub-committee shall be set out in the agenda or in a report thereto.
- (c) The Leader of the Council (or other Councillor presiding at a meeting of the Cabinet) and the Chair of the appropriate committee shall be authorised to allow urgent business to be brought forward at the conclusion of the business set out on the agenda, provided a written report detailing the subject matter has been circulated to the councillors present at the commencement of the meeting and the reasons for the urgency given.

26.0 URGENT ACTION

The Chief Executive, in consultation with the Leader of the Council, relevant Cabinet Member, or the Chair of the relevant committee, as appropriate, shall authorise any urgent action when it would be in the best interests of the Council to act prior to the appropriate Council or Committee meeting or prior to an executive decision being made; subject to such action being reported to the next meeting of the Council, the Cabinet or the committee.

27.0 INTERESTS OF COUNCILLORS IN CONTRACTS AND OTHER MATTERS

- (a) If any councillor has a Disclosable Pecuniary Interest in a matter as defined in the Code of Conduct (see Part 5 hereof) and attends a meeting at which the matter is considered the councillor shall disclose to the meeting the existence and nature of that interest at the commencement of that consideration or when the interest becomes apparent.
- (b) If any councillor has a Disclosable Pecuniary Interest in a matter as defined in the Code of Conduct (see Part 5 hereof) then that member shall:
 - (i) withdraw from the room where the meeting is being held whenever it becomes apparent that the matter is being considered at that meeting unless a dispensation has been obtained from the Audit and Member Standards Committee or has been granted by the Monitoring Officer in accordance with any delegated authority therefrom:
 - (ii) not exercise executive functions in relation to that matter; and
 - (iii) not seek improperly to influence a decision about that matter.

28.0 INTEREST OF EMPLOYEES AND COUNCILLORS IN CONTRACTS ETC

The Monitoring Officer shall record particulars of any notice given by an employee of the Council under section 117 of the Local Government Act 1972 of a pecuniary interest in a contract, and the record shall be available during office hours to the inspection of any councillor and a similar record shall be kept of such interests declared by councillors and published on the website.

29.0 PROCEDURE RULES TO BE GIVEN TO COUNCILLORS

A copy of these Procedure Rules, and of such statutory provisions as regulate the proceedings and business of the Council shall be provided electronically to each councillor by the Monitoring Officer on or before the councillor signs a Declaration of Acceptance of Office on being first elected to the Council.

30.0 INSPECTION OF DOCUMENTS

- (a) A councillor may, for purposes of his/her duty as such councillor but not otherwise, on application in writing to the Chief Executive, inspect any document which has been considered by a committee or by the Council, and if copies are available shall on request be supplied for the like purposes with a copy of such a document.
- (b) The written application shall set out the duty which the councillor is seeking to discharge in inspecting the document and the reasoning underlying the same.
- (c) A councillor shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which they are professionally interested or in which they have a Disclosable Pecuniary Interest as defined in the Code of Conduct (see Part 5 hereof) or, directly or indirectly, any pecuniary interest within the meaning of section 94 of the Local Government Act, 1972. This Procedure Rule shall not preclude the Chief Executive from declining to allow inspection of any document which, in the event of legal proceedings, would be protected by privilege arising from the relationship of solicitor and client.

31.0 INSPECTION OF LAND, PREMISES, ETC. BY COUNCILLORS

A councillor shall not issue any order for goods, works or services on behalf of the Council or claim by virtue of his/her membership of the Council any right to inspect, or to enter upon any lands, offices, or premises which the Council has the power or duty to inspect or enter,

32.0 APPLICATION TO COMMITTEES AND SUB-COMMITTEES

All of the Council Rules of Procedure apply to meetings of the Council. None of the rules apply to meetings of the Cabinet. Only Rules 6-27 (but not Rules 12, 13) and 26), apply to meetings of committees and sub-committees save that:

- (a) the Chair of the meeting may at his discretion waive the prohibition on members speaking more than once as contained in Rule 15.6;
- (b) Rule 17.2 shall apply to meetings of the Planning Committee or the Licensing and Regulatory Committee only when those committees are not considering individual applications.

- (c) Rule 9 shall apply to committees and sub-committees subject to a quorum being no fewer than 3 members of the committee/sub-committee.

33.0 DETERMINATION OF PLANNING APPLICATIONS BY THE PLANNING COMMITTEE CONTRARY TO OFFICER RECOMMENDATIONS

The Chair of the Planning Committee shall not accept a proposal to determine a planning application contrary to officers' recommendations unless:

- (a) a motion to approve a planning application incorporates any conditions to be attached to such approval and also includes reasons for planning permission being granted and reasons for such conditions as may be imposed.
- (b) a motion to refuse a planning application incorporates the grounds for planning permission being refused.

PART 4 - SECTION 2 – ACCESS TO INFORMATION PROCEDURE RULES

1.0 Introduction

These rules apply to all meetings of the Council, the Cabinet and any committees or sub-committees (together referred to in this Section as meetings).

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law. In addition to the specific measures set out below the Council will ensure that it complies with the Openness of Local Government Bodies Regulations 2014 in making all relevant papers and documents available to members of the public.

2.0 Additional rights to information

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law nor do these rules limit or diminish the Council's duties to protect certain information, including personal information. This includes the rights and duties from the provisions of the Freedom of Information Act 2000 and the Data Protection Act 2018).

3.0 Rights to Attend Meetings, Record Meetings and Public Speaking

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

Members of the public have a right to speak at Planning Committee in accordance with the Public Speaking at Planning Committee guidance.

Applicants or Licence Holders have a right to speak at Licensing and Regulatory Committee or Licensing Sub-Committee at a hearing relating to their application/licence.

All public meetings of the Council may be recorded; a protocol in respect of the recording of meetings is in place (Appendix B to this Section).

The Council Procedure Rules of this Constitution allow that, if a member of the public or press interrupts the proceedings at any meeting, the Chair may warn them. If they continue the interruption and a warning has been given, the Chair may order their removal from the meeting place. In the event of a general disturbance in any part of the meeting place open to the public, the Chair may order that part to be cleared. If the Chair considers the orderly dispatch of business impossible, the Chair may without question adjourn the meeting.

4.0 Notices of Meetings

The Council will give at least five clear days' notice of any meeting by posting details of the meeting on its website at [Council Meetings](#) or via subscription to the committee management system app.

5.0 Access to Agenda and Reports before the Meeting

The Council will make copies of the agenda and reports open to the public available for inspection (by appointment at the Council Offices, Lichfield) on the website 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 agenda has been sent out, the Monitoring Officer shall make each such report available to the public as soon as the report is completed and sent to Councillors.

6.0 Supply of Copies

Copies of :

- (i) any agenda and reports which are open to public inspection;
- (ii) any further statements or particulars necessary to indicate the nature of the items in the agenda

will be available to members of the public attending a meeting on the Council's website [Council Meetings](#) 5 working days prior to the meeting. .

7.0 Access to Minutes etc, after the Meeting

The Council will continue to publish on its website the following for six years after a meeting:

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

8.0 Background Papers

- (a) Every report will set out a list of those documents (called background papers) relating to the subject matter of the report which in the Monitoring Officer's opinion:
 - (i) disclose any facts or matters on which the report or an important part of the report is based; and
 - (ii) which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information.
- (b) The Council will retain 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.

9.0 Exclusion of Access by the Public to Meetings

- 9.1** The public may only be excluded under rule 9.2 or 9.4 for the part or parts of the meeting during which it is likely that confidential or exempt information would be divulged.

9.2 Confidential Information – Requirement to exclude public

The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

9.3 Meaning of Confidential Information

Confidential information means information given to the Council by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by any enactment or Court Order.

9.4 Exempt Information – Discretion to exclude public

The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted, or due to the nature of the proceedings, that exempt information would be disclosed. A decision to exclude the public is to be made by a formal resolution of Council, committee or sub-Committee.

When 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.

9.5 Meaning of Exempt Information

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

<u>Category</u>
1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes— (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
<u>Conditions</u>
A. Information falling within paragraph 3 above is not exempt information by virtue of that paragraph if it is required to be registered under— (a) the Companies Acts (as defined in Section 2 of the Companies Act 2006) (b) the Friendly Societies Act, 1974; (c) the Friendly Societies Act, 1992; (d) the Industrial and Provident Societies Acts, 1965 to 1978; (e) the Building Societies Act, 1986; or (f) the Charities Act, 1993.
B. Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town and Country Planning General Regulations, 1992.

- C. Information which—
- (a) falls within any of paragraphs 1 to 7 above; and
 - (b) is not prevented from being exempt by virtue of paragraph 8 or 9 above, is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

D. (1) In parts 1 and 2 of this Part of this Schedule—

"employee" means a person employed under a contract of service;

"financial or business affairs" includes contemplated, as well as past or current, activities;

"labour relations matters" means—

(a) any of the matters specified in paragraphs (a) to (g) of Section 218(1) of the Trade Union and Labour Relations (Consolidation) Act, 1992 (matters which may be the subject of a trade dispute, within the meaning of that Act); or

(b) any dispute about a matter falling within paragraph (a) above; and for the purposes of this definition the enactments mentioned in paragraph (a) above, with the necessary modifications, shall apply in relation to office-holders under the authority as they apply in relation to employees of the authority;

"office-holder", in relation to the authority, means the holder of any paid office appointments to which are or may be made or confirmed by the authority or by any joint board on which the authority is represented or by any person who holds any such office or is an employee of the authority;

"registered" in relation to information required to be registered under the Building Societies Act, 1986, means recorded in the public file of any building society (within the meaning of that Act).

(2) Any reference in Parts 1 and 2 and this Part of this Schedule to "the authority" is a reference to the principal council or, as the case may be, the committee or sub-committee in relation to whose proceedings or documents the question whether information is exempt or not falls to be determined and includes a reference—

(a) in the case of a principal council, to any committee or sub-committee of the council; and

(b) in the case of a committee, to

(i) any constituent principal council;

(ii) any other principal council by which appointments are made to the committee or whose functions the committee discharges; and

(iii) any other committee or sub-committee of a principal council falling within sub-paragraph (i) or (ii) above; and

(c) in the case of a sub-committee, to—

(i) the committee, or any of the committees, of which it is a sub-committee; and

(ii) any principal council which falls within paragraph (b) above in relation to that committee.

10.0 Exclusion of Access by the Public to Reports

With the approval of the Chief Executive, the Council may withhold public access to reports which, in the opinion of the Monitoring Officer, 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" together with the category of information likely to be disclosed. If the information is exempt information the category of exemption must also be marked in the report.

11.0 Cabinet and Officer Decisions

(a) Advance notice of key decisions

- (i) The Cabinet is required to give advance notice of forthcoming "Key Decisions", which are defined as any Cabinet, Committee of Cabinet, individual member or officer decision in the course of exercise of an executive function decision likely to:

- result in the Council incurring additional expenditure or the making of savings or additional income which are significant having regard to the Council's approved budget for the service or function to which the decision relates or
- be significant in terms of its effects on communities living or working in an area comprising two or more wards within the area of the Council

In addition, any decision involving additional expenditure or savings of over £150,000 (but excluding any decision relating to investment/withdrawal of Council monies as part of Treasury Management Procedures and the approved budget) will be considered to be a key decision. The receipt of income over £150,000 will be a key decision where there are significant resource implications/obligations for the Council as determined by the Section 151 officer.

Subject to Rule 11(d) (general exception) and Rule 11(e) (special urgency), a key decision may not be taken unless:

- A Notice of Key Decision has been published in connection with the matter in question;
- at least 28 clear days has elapsed since the publication of the Notice of Key Decision; and
- where the decision is to be taken at a meeting of the Cabinet notice of the meeting has been given in accordance with Rule 4 (Notice of Meetings).

(b) Contents of Notice of Key Decision

The Notice of Key Decision will state that a key decision is to be taken by the Cabinet, an individual Cabinet Member or an officer in the course of the discharge of an executive function. It will describe the following particulars:

- (i) the matter in respect of which the decision is to be made;
- (ii) where the decision maker is an individual, the name and title of the decision maker, and where the decision maker is a body, its name and a list of its membership;
- (iii) the date on which, or the period within which, the decision is to be made;
- (iv) a list of the documents submitted to the decision maker for consideration in relation to the matter;
- (v) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed is available;
- (vi) that other documents relevant to the matter may be submitted to the decision maker; and
- (vii) the procedure for requesting details of those documents (if any) as they become available.

(c) Publication of the Notice of Key Decision

The Notice of Key Decision must be made available for inspection by the public at the Council Offices, Lichfield and on the Council's website [Forward Plan](#) and a link to the Forward Plan will be sent to all Members of the Council digitally.

(d) General Exception

If a Notice of Key Decision has not been published, then subject to Rule 11(e) (special urgency), the decision may still be taken if:

- (i) the decision must be taken by such a date that it is impracticable to publish a Notice of Key Decision;
- (ii) the Monitoring Officer has informed the Chair of the Overview and Scrutiny Committee, or in their absence the Vice-Chair, in writing, or if there is no such person, each member of that committee in writing, by notice, of the matter about which the decision is to be made;

- (iii) the Monitoring Officer has made copies of that notice available to the public at the Council Offices, Lichfield, and publish the notice on the [Forward Plan](#) and
- (iv) at least 5 clear days have elapsed since the Monitoring Officer complied with 11 (d) (ii) and (iii).

As soon as reasonably practicable after the Monitoring Officer has complied with Rule 11(e), they must make available at Council Offices Lichfield and publish on the [Forward Plan](#) the reasons why compliance with Rule 11(a) is impractical.

At least once a year a report must be taken to full Council setting out all executive decisions taken under urgency provisions.

(e) Special Urgency

If by virtue of the date by which a key decision must be taken Rule 11(d) (general exception) cannot be followed, then the key decision can only be taken with the agreement of the Chair of the Overview and Scrutiny Committee that the taking of the decision cannot be reasonably deferred.

As soon as reasonably practicable after agreement has been obtained under Rule 11(e), the decision maker must make available at Council Offices Lichfield and publish on [Forward Plan](#) a notice setting out the reasons that the decision is urgent and cannot reasonably be deferred.

(f) Notice of Private Meetings of the Cabinet

At least 28 clear days before a private meeting the Cabinet must:-

- (i) make available at the offices of the Council a notice of its intention to hold the meeting in private (a "Notice of Private Meeting") including reasons for doing so; and
- (ii) publish that notice on the Council's website.

At least five clear days before a private meeting, the Cabinet must:-

- (i) make available at the Council Offices, Lichfield, a further notice of its intention to hold the meeting in private; and
- (ii) publish that notice on the Council's website.

This further notice must include:-

- (i) a statement of the reasons for the meeting to be held in private

- (ii) details of any representations received by the Cabinet about why the meeting should be open to the public; and
- (iii) a statement of the response of the Cabinet to any such representations.

Where the date by which a meeting must be held makes compliance with this Rule impractical, the meeting may only be held in private where the Cabinet has obtained agreement that the meeting is urgent and cannot reasonably be deferred from the Chair of the Overview and Scrutiny Committee

As soon as reasonably practicable after the Cabinet has obtained agreement to hold a private meeting, it must

- (i) make available at the Council Offices, Lichfield, a notice setting out the reasons why the meeting is urgent and cannot reasonably be deferred; and
- (ii) publish that notice on the Council's website.

(g) Where the Chair of the Overview and Scrutiny Committee is Unable to Act

Where the agreement of the Chair of the Overview and Scrutiny is required by 11(d) or 11(e) and where there is no Chair of the Overview and Scrutiny Committee, or if the Chair of the Overview and Scrutiny Committee is unable to act, then agreement shall be sought from the Vice-Chair of the Overview and Scrutiny Committee.

If there is no Vice-Chair of the Overview and Scrutiny Committee or the Vice-Chair of the Overview and Scrutiny Committee are unable to act, then the agreement of the Chair of the Council, or in their absence the Vice Chair of the Council will suffice.

(h) Attendance at Private Meetings of the Cabinet

All members of the Cabinet will be served notice of all private meetings of the Cabinet and shall be entitled to attend private meetings of the Cabinet unless precluded from doing so by law or by the Code of Conduct for Members. Members other than Cabinet members will not be entitled to attend private meetings of the Cabinet.

(i) Recording a Decision by the Cabinet or other Individual Cabinet Member or a Key Decision by an officer

As soon as reasonably practicable after a Cabinet decision has been made by the Cabinet collectively or by an individual Cabinet Member, the Cabinet or Cabinet

Member, or in the case of a key decision made by an officer, the officer shall make a written record of that decision which shall include:

- (a) record of the decision including the date;
- (b) record of reasons for the decision;
- (c) details of alternative options considered;
- (d) record of any conflict of interest declared; and
- (e) any dispensation granted by Audit and Member Standards Committee or Monitoring Officer, where appropriate.

Records of Cabinet and Key officer decisions shall be sent to the Monitoring Officer who shall maintain such records and shall publish them on the Council's website, together with a copy of any report considered and any background papers.

Rules 11(i)(b) and 11(i)(c) do not apply where the publication of a report or background paper would be likely to disclose exempt or confidential information

Filming, Videoing, Photography and

Audio Recording at council meetings

Lichfield District Council is committed to being open and transparent in the way it conducts its business. The press and members of the public are therefore welcome to film, photograph or record decision making in action at any meeting that is open to the public.

The Council also welcomes the use of social media.

This Protocol provides practical information to assist anyone considering filming, videoing, photographing or making audio recordings of meetings.

Before the meeting

Anyone intending to film or record a meeting is encouraged to contact the Head of Legal, Property and Democratic Services for advice and guidance. Reasonable advance notice will enable practical arrangements to be made and any special requirements to be discussed.

Flash photography, additional lighting or large equipment will not be permitted, unless agreed in advance and it can be accommodated without causing disruption to the proceedings. Requests to use equipment of this nature will be subject to consideration of the constraints of the meeting rooms.

General

The Chair of the meeting or the relevant Cabinet Member will be informed of any intention to film and s/he will make an announcement to attendees before the start of the meeting informing attendees that the meeting may be filmed.

Notice of the filming/recording/broadcasting of meetings will be displayed in and outside the place of meeting and meeting agendas will include the following:

“The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded. Any member of the public who attends a meeting and objects to being filmed should advise the Monitoring Officer (in advance) who will instruct that they are not included in the filming.”

Members of the public speaking at, or attending, the meeting (including asking questions or presenting petitions) must not be filmed if they have indicated that they do not wish to be

included.

Recording and reporting the council's meetings is subject to the law and it is the responsibility of those doing the recording and reporting to ensure compliance. This will include the Human Rights Act, the Data Protection Act, GDPR and the laws of libel and defamation.

Any person or organisation choosing to film, record or broadcast any meeting of the Council, its Cabinet or committees is responsible for any claims or other liability resulting from them so doing and by choosing to film, record or broadcast proceedings they accept that they are required to indemnify the Council, its members and officers in relation to any such claims or liabilities.

The Council will display the requirements as to filming, recording and broadcasting at its meeting venues and those undertaking these activities will be deemed to have accepted them whether they have read them or not.

The Council will publish the guidance on the filming, recording and broadcasting of meetings on its website.

Filming or recording must be non-intrusive and the Council's Rules of Procedure Rule 22 provides for the removal of a member of the public from a meeting should that person, having been warned, continue to interrupt proceedings. The Chair of a meeting or an individual Cabinet Member may also call any part of the meeting room to be cleared in the event of a general disturbance.

It should be noted that the Chair of a meeting will have absolute discretion to terminate or suspend any of the above activities if, in his/her opinion, continuing to do so would prejudice the running of the meeting. The circumstances in which termination or suspension might occur could include:

- public disturbance, disruption or suspension of the meeting.
- the meeting agreeing to formally exclude the press and public from the meeting due to the exempt/confidential nature of the business being discussed, in accordance with statutory procedures.
- where it is considered that continued recording/ photography/ filming/ webcasting might infringe the rights or privacy of any individual (including staff members), or intimidate them.
- for any other reason which the Chair considers reasonable in the circumstances.

During the meeting

Filming or recording of Meetings should:

- Not interfere with the effective conduct of the meeting, nor should it be disruptive or distracting. The Chair or the Cabinet Member has discretion to suspend or stop

filming or recording at any time if and to take appropriate action if anyone is, in their opinion, doing so in a disruptive manner.

- Not seek to 'overview' sensitive information such as close ups of confidential papers or private notes
- Usually take place from a specified location(s) within the room.
- Not obstruct others from observing and participating in the proceedings.
- Cease immediately if and when the meeting agrees to formally exclude the Press and public due to business of an Exempt or Confidential nature (see 'Exempt or confidential business' below).
- Not be edited in a way that could lead to misinterpretation of the proceedings or the comments made, or that ridicules those being filmed.
- When published or broadcast, recordings should be accompanied by information including when and where the recording was made and the context in which the discussion took place.
- Be overt (i.e. clearly visible to anyone at the meeting).
- Cease, unless continued filming has been explicitly agreed in advance with the Monitoring Officer, when the meeting is formally concluded.

Exempt or confidential business

All meetings of the Cabinet, Committee, Sub Committee and Panel meetings are open to the public except in limited circumstances where the Council is legally required, or allowed, to close the meeting to the public. The circumstances where business is 'exempt' or 'confidential' are set out in Section 2 Part 4 of the Council's Constitution.

PART 4 - SECTION 3 - BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1.0 The Framework for Cabinet Decisions

The Council will be responsible for the adoption of its Budget and Policy Framework as set out in Article 4. Once a Budget or a Policy Framework is in place, it will be the responsibility of the Cabinet to implement it. References in these rules to the Policy Framework are to the plans and strategies required by law to be adopted by the Council as set out in Article 4.

Process for developing Policy Framework

- 1.1 The Leader of the Council will publicise at the Council's offices and on its website, a timetable for making proposals to the Council for the adoption of any plan, strategy, or budget that forms part of the Budget and Policy Framework, and its arrangements for consultation after publication of those initial proposals. The Chair of the Overview and Scrutiny Committee and the Chair of the Audit and Member Standards Committee will also be notified. The consultation period shall, in each instance, be dependent on the nature or complexity of the plan strategy or budget in question."
- 1.2 At the end of that period, the Cabinet will then draw up firm proposals having regard to the responses to that consultation. The Cabinet will then consult the relevant Overview and Scrutiny Committee on the proposals. It will be open to the Overview and Scrutiny Committee to investigate, research or report in detail with policy recommendations before the end of the consultation period. The Cabinet will take any response submitted from the Overview and Scrutiny Committee into account in drawing up firm proposals for submission to the Council, and its report to Council will reflect the comments made by consultees, and the Cabinet's further response.
- 1.3 Once the Cabinet has approved the firm proposals, they will be referred at the earliest opportunity to the Council for decision.
- 1.4 In reaching a decision, the Council may adopt the Cabinet's proposals, amend them, refer them back to the Cabinet for further consideration, or in principle, substitute its own proposals in their place.
- 1.5 If it accepts the recommendation of the Cabinet without amendment, the Council may make a decision which has immediate effect. Otherwise, it may only make an in-principle decision. In either case, the decision will be made on the basis of a simple majority of votes cast at the meeting.
- 1.6 The decision will be publicised.
- 1.7 Where the Cabinet has submitted a draft plan or strategy to the Council for its consideration and, following consideration of that draft plan or strategy, the Council has any objections to it, the Council must take the action set out in Rule 1.8 below.

1.8. Before the Council:

1.8.1 amends the draft plan or strategy;

1.8.2 approves, for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft) of which any part is required to be so submitted; or

1.8.3 adopts (with or without modification) the plan or strategy,

it must inform the Leader of the Council of any objections which it has to the draft plan or strategy and must give to him instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.

1.9 Where the Council gives instructions in accordance with Rule.1.8, it must specify a period of at least five working days beginning on the day after the date on which the Leader of the Council receives the instructions within which the Leader of the Council may:-

1.9.1 submit a revision of the draft plan or strategy as amended by the Cabinet (the “revised draft plan or strategy”), with the Cabinet’s reasons for any amendments made to the draft plan or strategy, to the Council for its consideration; or

1.9.2 inform the Council of any disagreement that the Cabinet has with any of the Council’s objections and the Cabinet’s reasons for any such disagreement.

1.10 When the period specified by the authority, referred to in paragraph 1.9, has expired, the Council must, when:-

1.10.1 amending the draft plan or strategy or, if there is one, the revised draft plan or strategy;

1.10.2 approving, for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft or revised draft) of which any part is required to be so submitted; or

1.10.3 adopting (with or without modification) the plan or strategy,

take into account any amendments made to the draft plan or strategy that are included in any revised draft plan or strategy, the Cabinet’s reasons for those amendments, any disagreement that the Cabinet has with any of the Council’s objections and the Cabinet’s reasons for that disagreement, which the Leader of the Council submitted to the Council, or informed the Council of, within the period specified.

Process for developing the Budget/MTFS

- 1.11 Subject to Rule 1.15, where the Cabinet submits to the Council for its consideration in relation to the following financial year:-
 - 1.11.1 estimates of the amounts to be aggregated in making a calculation (whether originally or by way of substitute) in accordance with any of sections 32 to 37 or 43 to 49, of the Local Government Finance Act 1992;
 - 1.11.2 estimates of other amounts to be used for the purposes of such a calculation;
 - 1.11.3 estimates of such a calculation; or
 - 1.11.4 amounts required to be stated in a precept under Chapter IV of Part I of the Local Government Finance Act 1992,and following consideration of these estimates or amounts the Council has any objections to them, it must take the action set out in Rule 1.12.
- 1.12 Before the Council makes a calculation (whether originally or by way of substitute) in accordance with any of the sections referred to in Rule 1.11.1, or issues a precept under Chapter IV of Part I of the Local Government Finance Act 1992, it must inform the Leader of the Council of any objections which it has to the Cabinet's estimates or amounts and must give to him instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with the Council's requirements.
- 1.13 Where the Council gives instructions in accordance with Rule 1.12, it must specify a period of at least five working days beginning on the day after the date on which the Leader of the Council receives the instructions on behalf of the Cabinet within which the Leader of the Council may:-
 - 1.13.1 submit a revision of the estimates or amounts as amended by the Cabinet ("revised estimates or amounts"), which have been reconsidered in accordance with the Council's requirements, with the Cabinet's reasons for any amendments made to the estimates or amounts, to the Council for the Council's consideration; or
 - 1.13.2 inform the Council of any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for any such disagreement.
- 1.14 When the period specified by the Council, referred to in Rule 1.13, has expired, the Council must, when making calculations (whether originally or by way of substitute) in accordance with the sections referred to in Rule 1.13, or issuing a precept under Chapter IV of Part I of the Local Government Finance Act 1992, take into account:-
 - 1.14.1 any amendments to the estimates or amounts that are included in any revised estimates or amounts;

1.14.2 the Cabinet's reasons for those amendments;

1.14.3 any disagreement that the Cabinet has with any of the Council's objections;
and

1.14.4 the Cabinet's reasons for that disagreement,

which the Leader of the Council submitted to the Council, or informed the Council of, within the period specified.

1.15 The above Rules shall not apply in relation to -

1.15.1 calculations or substitute calculations which the Council is required to make in accordance with relevant legislation; and

1.15.2 amounts stated in a precept issued to give effect to calculations or substitute calculations made in accordance with relevant legislation.

1.16 In approving the Budget and Policy Framework, the Council will also specify the extent of virement within the Budget and degree of in-year adjustments to the Policy Framework which may be undertaken by the Cabinet, in accordance with these Rules and the Financial Procedure Rules. Any other changes to the policy and budgetary framework are reserved to the Council.

1.17 The Cabinet will in addition to the above provisions consult the Scrutiny Committee regularly in the process of preparing the draft budget and draft plans and strategies and, where appropriate, stakeholders.

2.0 Decisions outside the Budget and Policy Framework

2.1 Subject to the provisions of Rule 1.16 and Rule 3.3 below the Cabinet members of the Cabinet, and any officers discharging Cabinet functions may only take decisions which are in line with the Budget and Policy Framework. If any of these bodies or persons considers it desirable for a decision to be made which is contrary to the Policy Framework, or contrary to or not wholly in accordance with the Budget approved by the Council, that decision may only be taken by the Council, subject to Rule 3.3 below.

3.0 Urgent decisions outside the Budget or Policy Framework

3.1 The Cabinet may take a decision which is contrary to the Council's Policy Framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. However, the decision may only be taken if it is not practical to convene a meeting of the full Council and the Chair of the Overview and Scrutiny Committee or in his absence the Vice-Chairmen of the Overview and Scrutiny Committee agrees that the decision needs to be taken as a matter of urgency.

- 3.2 The reasons why it is not practical to convene a meeting of the Council and the Chair of the Overview and Scrutiny Committee's consent to the decision being taken as a matter of urgency must be noted on the record of the decision.
- 3.3 Following the decision, the Cabinet will provide a full report to the next available Council meeting explaining the decision, the reasons for it, and why the decision was treated as a matter of urgency.

4.0 Virement

- 4.1 The Financial Procedure Rules set out the arrangements for authorising virement between budget heads. Virement of expenditure permitted under the Financial Procedure Rules shall be deemed to be expenditure within the Council's Budget. Virement between budget heads is an integral and important feature of budgetary control. It allows service providers to adapt to service changes within the Council Policy Framework. The details of virement can be found in Financial Procedures Rules in Part 4 of the Constitution.

5.0 In-year changes to Policy Framework

The responsibility for agreeing the Budget and Policy Framework lies with the Council, and decisions by the Cabinet, members of the Cabinet, or officers discharging Cabinet functions must be in line with it. No changes to any policy and strategy which make up the Policy Framework may be made by those bodies or individuals except as set out in Rules 2.0, 3.0 and 4.0 above.

6.0 Call-in of decisions outside the Budget or Policy Framework

Save in the circumstances referred to in Rule 3.0 above, if the Monitoring Officer and/or Chief Finance Officer consider that a proposed decision would be contrary to the Policy Framework or contrary to or not wholly in accordance with the Budget, no action may be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council may:

- (a) determine that the proposed decision falls within the existing Budget and Policy Framework. In this case no further action is required, save that the decision of the Council shall be minuted and circulated to all councillors in the normal way; or
- (b) amend the Council's policy concerned to encompass the decision or proposal of the body or individual responsible for that Cabinet function and agree to the decision with immediate effect. In this case, no further action is required save that decision of the Council shall be minuted and circulated to all councillors in the normal way; or
- (c) where the Council accepts that decision or proposal is contrary to the Policy Framework or contrary to or not wholly in accordance with the Budget, and

does not amend the existing policy or budget to accommodate it, require the Cabinet to reconsider the matter; or

- (d) approve the decision or proposal as an exception to the policy; or
- (e) provide the relevant budgetary provision for the decision or proposal.

PART 4 - SECTION 4 - CABINET PROCEDURE RULES

1.0 How Does the Cabinet Operate

1.1 Who may make Cabinet decisions?

Cabinet functions may be discharged by:

- (i) the Cabinet as a whole;
- (ii) an individual member of the Cabinet;
- (iii) an officer;

1.2 Delegation by the Leader

Following the annual meeting of the Council, the Monitoring Officer will, at the direction of the Leader, draw up a written record of executive delegations made by the Leader for inclusion in the Council's scheme of delegation at Part 3 to this Constitution. This will contain the following information about executive functions in relation to the coming year:

- 1.2.1 the extent of any authority delegated to Cabinet members individually, including details of the limitation on their authority;
- 1.2.2 the nature and extent of any delegation to officers with details of any limitation on that delegation, and the title of the officer to whom the delegation is made.

1.3 Sub-delegation of executive functions

- 1.3.1 Where the Cabinet or an individual member of the Cabinet is responsible for an executive function, they may delegate further to an officer.
- 1.3.2 Where executive functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated.

1.4 The Council's scheme of delegation and executive functions

- 1.4.1 The Leader may amend the scheme of delegation relating to executive functions at any time. In doing so the Leader will give written notice to the Monitoring Officer and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body or committee. The Monitoring Officer will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.

1.5 Cabinet meetings – when and where?

The frequency and timing of meetings of the Cabinet will be determined by the Leader. The Cabinet will meet at the Council's Main Offices, Lichfield or another location to be agreed by the Leader of the Council.

1.6 Public or private meetings of the Cabinet?

The Cabinet will meet in public subject to the right to meet in private under the Local Government Act 1972 (as reflected in the Access to Information Rules in Part 4 of this constitution).

1.7 Quorum

The quorum for a meeting of the Cabinet shall be 3 including either the Leader or the Deputy Leader.

1.8 How are decisions to be taken by the Cabinet?

Cabinet decisions which have been delegated to the Cabinet will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of this Constitution.

2.0 How Are Cabinet Meetings Conducted?

2.1 Who presides?

If the Leader of the Council is present, they will preside. In their absence, the Deputy Leader of the Council will preside.

2.2 Who may attend?

Details are set out in the Access to Information Rules in Part 4 of this Constitution.

2.3 What business?

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

- (i) apologies for absence;
- (ii) declarations of interest, if any;
- (iii) matters set out in the agenda for the meeting, including matters referred to the Cabinet (whether by a scrutiny committee, or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Part 4 of this Constitution; and consideration of reports from the Overview and Scrutiny Committees. The agenda shall indicate which are key decisions and which are not to be

considered in public in accordance with the Access to Information Procedure Rules set out in Part 4 of this Constitution.

2.4 Consultation

All reports to the Cabinet from any member of the Cabinet on proposals relating to the budget and policy framework must contain in a standard paragraph of the report details of the nature and extent of consultation with stakeholders and the relevant scrutiny committee, and the outcome of that consultation. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

2.5 Who can put items on the Cabinet agenda?

- (i) The Leader of the Council will decide upon the schedule for the meetings of the Cabinet. They may put on the agenda of any Cabinet meeting any matter which they wish and which is a matter which may be the responsibility of the Cabinet or a Cabinet Member. The Chief Executive shall comply with the Leader of the Council's requests in this respect.
- (ii) Any member of the Cabinet may require the Chief Executive to place an item on the agenda of the next available meeting of the Cabinet for consideration. If they receive such a requirement in writing the Leader of the Council will comply with it;
- (iii) The Chief Executive will place on the agenda of the next or next but one meeting of the Cabinet any item which the Council or a scrutiny committee have resolved that be considered by the Cabinet;
- (iv) Any councillor may ask the Leader of the Council to put an item on the agenda of a Cabinet meeting for consideration, and if the Leader of the Council agrees the item will be considered at the next or next but one meeting of the Cabinet. The notice of the meeting will give the name of the councillor who asked for the item to be considered. The councillor will be invited to attend the meeting, whether or not it is a public meeting.
- (v) The Monitoring Officer and/or the Section 151 Officer and/or the Chief Executive may place an item for consideration on the agenda of a Cabinet meeting and may request the Chief Executive to call such a meeting in pursuance of their statutory duties. The Chief Executive will comply with that request. If there is no meeting of the Cabinet timely enough to deal with the issue in question, the Chief Executive shall convene an earlier meeting of it at which the matter will be considered.

PART 4 - SECTION 5 – OVERVIEW AND SCRUTINY PROCEDURE RULES

1.0 The Council at its annual meeting will appoint a Overview and Scrutiny Committee
The committee may appoint sub-committees, panels or task groups.

1.1 The Overview & Scrutiny Committee will perform all overview and scrutiny functions on behalf of the Council, in accordance with this Constitution.

1.2 The terms of reference of the Overview & Scrutiny Committee is set out in Part 3 of this Constitution.

2.0 WHO MAY SIT ON THE SCRUTINY COMMITTEES

2.1 All Councillors except members of the Cabinet shall be eligible to serve on the Scrutiny Committee. However, no councillor may be involved in scrutinising a decision in which they have been directly involved.

3.0 CO-OPTES

3.1 The Scrutiny Committee shall be entitled to appoint persons as non-voting co-optees.

4.0 MEETINGS OF THE OVERVIEW & SCRUTINY COMMITTEE

4.1 Meetings will be held in accordance with the schedule of meetings approved by the Council and additional meetings may be called from time to time as and when appropriate. A scrutiny committee meeting may be called by the Chair of Overview & Scrutiny Committee, by any member of the committee, or by the Chief Executive if they consider it necessary or appropriate.

5.0 QUORUM

5.1 The quorum for the Overview & Scrutiny Committee shall be one quarter of the voting members of the committee or three voting members whichever is the greater number.

6.0 WHO CHAIRS OVERVIEW AND SCRUTINY COMMITTEE

6.1 The Chair of the committee will be drawn from among the members sitting on the committee, save that the Chair or Vice-Chair of the Council shall not be the Chair or vice-Chair of Overview & Scrutiny Committee.

7.0 SCRUTINY WORK PROGRAMME

Overview and Scrutiny Committee will prepare their work plan each year and update it regularly and convene such meetings as necessary and instigate task groups as required to undertake the work programme.

A Task Group shall be led by a Chair appointed by the Chair of Overview & Scrutiny Committee (having undertaken the relevant training or holding the necessary experience).

Member Task Groups

The Committee will report annually to Council on the working of the overview and scrutiny arrangements and may make recommendations for improvement.

8.0 AGENDA ITEMS

- 8.1 Any member of the Overview and Scrutiny Committee shall be entitled to give notice to the Chair that they wish an item relevant to the functions of the scrutiny committee to be included on the agenda for the next available meeting of the committee provided that seven working days has been given to the Monitoring Officer together with sufficient information to enable the Officer to advise about the nature and purpose of the item.

9.0 REVIEW OF COUNCIL ACTIVITIES

- 9.1 The Overview and Scrutiny Committee shall also respond, as soon as its work programme permits, to requests from the Council and, if it considers it appropriate, the Cabinet, to review particular areas of Council activity. Where it does so, the Overview and Scrutiny Committee shall report its findings and any recommendations back to the Cabinet and/or the Council. The Council and/or the Cabinet shall consider the report of the Overview and Scrutiny Committee at its next or next but one meeting.

10.0 COUNCILLOR CALL FOR ACTION

- 10.1 Any member of the Council may refer a matter which affects their ward to the Overview and Scrutiny Committee (except that a member may not exercise this right relevant to a matter upon which they may exercise Cabinet powers).
- 10.2 Any member referring a Councillor Call for Action shall have the right to:-
- make representations to the relevant Overview and Scrutiny Committee as to why the committee should scrutinise the matter
 - if the Overview and Scrutiny Committee decides not to scrutinise the matter, receive reasons from the committee for not doing so.
 - if the Overview and Scrutiny Committee decides to scrutinise the matter, receive the committee report and/or recommendation(s)

11.0 POLICY REVIEW AND DEVELOPMENTS

- 11.1 The role of the Overview and Scrutiny Committee in relation to the development of the Council's budget and policy framework is set out in detail in the Budget and Policy Framework Procedure Rules.
- 11.2 In relation to the development of the Council's approach to other matters not forming part of its policy and budget framework, the scrutiny committee may make proposals to the Cabinet for developments insofar as they relate to matters within their terms of reference;
- 11.3 The Overview & Scrutiny Committee may hold enquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist it in this process within the budgetary provision assigned to it. It may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that it reasonably considers necessary to inform its deliberations within such budgetary provision. It may ask witnesses to attend to address it on any matter under consideration and may pay to any advisers, assessors, and witnesses a reasonable fee and expenses for doing so within the budgetary provision assigned to it.

12.0 REPORTS FROM THE OVERVIEW & SCRUTINY COMMITTEE

- 12.1 Once it has formed recommendations on proposals, the Chair of the scrutiny committee will prepare a formal report and submit it to the Chief Executive for consideration by Council or by the Cabinet which shall consider and respond to the recommendations.
- 12.2 The Council or the Cabinet shall consider the report of the Overview & Scrutiny Committee at its next or next but one meeting.

13.0 MAKING SURE THAT SCRUTINY REPORTS ARE CONSIDERED BY THE CABINET

- 13.1 The reports of the Overview & Scrutiny Committee referred to the Cabinet shall be included in the agenda by the Chief Executive at the next or next but one meeting.
- 13.2 Where the Overview & Scrutiny Committee prepares a report for consideration in relation to a matter where the Council has delegated decision making power to an individual member of the Cabinet, the scrutiny committee, will submit a copy of its report to him/her for consideration and, at the same time send a copy of the report to the Chief Executive. The member with delegated decision making power must consider the report and respond in writing to the Overview & Scrutiny Committee, within four weeks of receiving it. A copy of his/her written response to it shall be sent to the Chief Executive and the Leader of the Council. The member will also, at the request of the Overview & Scrutiny Committee, attend a future meeting of the scrutiny committee, to present the response.

14.0 SCRUTINY OF CABINET DECISIONS

- 14.1 Once any proposed decision (whether or not the proposal constitutes a key decision) has been considered by the Overview and Scrutiny Committee, and subject to that committee having no adverse comments to make thereon, any decision of the Cabinet or a Cabinet Member in accordance with that proposal will not be subject to further call in and, unless prescribed by law or the Council's Constitution, not subject to any requirement for approval by Council.
- 14.3 Where a Cabinet decision has been made (either by the Cabinet, a Cabinet Member or an officer) and that decision was not treated as a key decision and the Overview and Scrutiny Committee are of the opinion that the decision should have been treated as a key decision, the Overview and Scrutiny Committee may require the Cabinet or officer to submit a report to full Council within a reasonable period. The report must include details of the decision and reasons for it, by whom the decision was taken and the reasons for not classing the decision as key.

15.0 COUNCILLORS AND CHIEF OFFICERS GIVING ACCOUNT

- 15.1 Within its terms of reference the Overview & Scrutiny Committee may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the scrutiny role, it may require, in accordance with any protocol the Council may adopt, any member of the Cabinet, the Chief Executive, or any Chief Officer to attend before it to explain in relation to matters within their remit:
- any particular decision or series of decisions;
 - the extent to which the actions taken implement Council policy; and/or
 - their performance,
- and it is the duty of those persons to attend if so required.
- 15.2 Where any member of the Cabinet or employee is required to attend Overview & Scrutiny Committee, under this provision, the Chair of that committee or panel will inform the Chief Executive. The Chief Executive shall inform the councillor or Chief Officer in writing giving at least 5 working days' notice of the meeting at which they are required to attend. The notice will state the nature of the item on which they are required to attend to give account and whether any papers are required to be produced for the committee. Where the account to be given to the committee will require the production of a report, the councillor or Chief Officer concerned will be given sufficient notice to allow for preparation of that documentation.
- 15.3 Where, in exceptional circumstances, the member of the Cabinet or Chief Officer is unable to attend on the required date, the Chair of the scrutiny committee, shall, in consultation with the councillor or Chief Officer, arrange an alternative date for attendance to take place within a maximum of 21 days from the date of the original request, unless an extended period is agreed by the relevant Chair.

16.0 ATTENDANCE BY OTHERS

- 16.1 The Overview & Scrutiny Committee or any member task group may invite people other than those people referred to in paragraph 16 above to address it, discuss issues of local concern, and/or answer questions. It may for example wish to hear from residents, stakeholders (including partner organisations), and councillors and employees in other local authorities and shall invite such people to attend.
- 16.2 With the agreement of the relevant Chair, all non-Cabinet members may make representations to the Overview & Scrutiny Committee, of which they are not a member, although they may not take part in the debate or formally put forward proposals.
- 16.3 With the agreement of the Chair, a Cabinet member may make representations to the Overview & Scrutiny Committee acting in his/her capacity as a Ward Councillor, subject to the matter under consideration not falling within that Member's responsibilities, but may not take part in the debate or formally put forward proposals.
- 16.4 With the agreement of the Chair, a non-Cabinet member excluded under Paragraph 2.1 may make representations to the Overview & Scrutiny committee acting in their capacity as Ward Councillor, but may not take part in the debate formally put forward proposals or vote on relating to a decision in which they have been directly involved and even if they are a member of the Committee
- 16.5 Nothing in the Overview and Scrutiny Procedure Rules 18.2 and 18.3 inhibits a member's ability to submit a Councillor Call for Action pursuant to Overview and Scrutiny Procedure Rule 10.

17.0 CALL-IN

- 17.1 When a decision is proposed by the Cabinet or an individual Cabinet Member, notice of it shall be published, by electronic means . All non-Cabinet members, together with the Monitoring Officer and Section 151 Officer will be sent copies within the same timescale by the person responsible for proposing the decision.
- 17.2 The notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of 5 working days after the publication of the proposed decision, unless the Chair or Vice-Chair of Overview and Scrutiny Committee or 5 members of Overview and Scrutiny Committee or the Leader of the Principal Opposition or 10 non-cabinet members object and call it in. Where a member calls in a decision for scrutiny that member shall specify the reason or reasons for requesting consideration by the Overview and Scrutiny Committee. The Monitoring Officer or the Section 151 Officer may also call-in a matter for scrutiny on the same terms as non-Cabinet members.

- 17.3 During the call-in period, the Chief Executive shall call in a decision for scrutiny by the Overview and Scrutiny Committee if so requested in accordance with 17.2 above, and shall then notify the decision-maker of the call-in. The Chief Executive shall call a meeting of the Overview and Scrutiny Committee, on such date as they may determine, where possible after consultation with the Chair of the committee.
- 17.4 If, having considered the proposed decision, the Overview and Scrutiny Committee is still concerned about it, it may refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns. If referred back, the decision maker shall then reconsider the decision, amending it, abandoning it, or pursuing it. If having taken account of the Overview and Scrutiny Committee recommendations the decision maker decides to amend, abandon or pursue the decision it shall be notified to members in accordance with the procedures set out at paragraph 17.1 and 17.2 but the decision shall not be further subject to the call-in procedure.
- 17.5 If having been taken back for reconsideration by the decision making person or body, proposes a decision in accordance with the recommendation(s) of the Overview and Scrutiny Committee then this decision shall be notified to members in accordance with the procedures set out at paragraph 17.1 and 17.2 but the decision shall not be further subject to the call-in procedure.
- 17.6 If having considered the proposed decision, the scrutiny committee does not refer the matter back to the decision making person or body for reconsideration, the decision shall take effect on the date of the Overview and Scrutiny Committee.
- 17.7 The call-in procedure shall not apply:
- where the decision being taken by the Cabinet is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public interest. The record of the decision, and notice by which it is made public shall state whether in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Chair of the Overview and Scrutiny Committee must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. In the absence of the Chair, the Vice-Chair's consent shall be required. Decisions taken as a matter of urgency must be reported to the Leader of the Principal Opposition Party and to the next available meeting of the Overview and Scrutiny Committee, together with the reasons for urgency.

18.0 CABINET DECISIONS SUBMITTED FOR SCRUTINY

- 18.1 The procedures at paragraphs 17.5 to 17.8 will be applied to all proposed decisions by the Cabinet or a member of the Cabinet considered by the Overview and Scrutiny Committee.

19.0 PROCEDURE AT OVERVIEW AND SCRUTINY COMMITTEE MEETINGS

19.1 The Overview and Scrutiny Committee shall consider the following business:

- (i) apologies
- (ii) declarations of interest;
- (iii) consideration of any matter referred to the committee for a decision in relation to call in of a decision;
- (iv) responses of the Cabinet to report of the Overview and Scrutiny Committee
- (v) a Councillor Call for Action
- (vi) the business otherwise set out on the agenda for the meeting.

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

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

19.3 Following any investigation or review, the Overview and Scrutiny Committee shall prepare a report for submission to the Cabinet and/or Council as appropriate.

19.4 Subject to Access to Information and Confidentiality rules, all reports and findings arising from investigations by the Overview and Scrutiny Committee shall be made public.

20.0 SCRUTINY COMMITTEE RECOMENDATIONS

20.1 When at a meeting of the Overview and Scrutiny Committee a proposition is made, at the request of the proposer that reference to that proposition shall be included in the scrutiny section of the subsequent report to Council, such reference shall be so included in the relevant section of that report.

21.0 SCRUTINY TASK GROUPS

- 21.1 The schedule of Scrutiny Task Groups proposed shall be presented to the Overview and Scrutiny Committee for consideration at least annually.
- 21.2 Upon commencement of a Scrutiny Task Group the scoping of the subject matter will be subject to consultation by the appropriate Head of Service and Cabinet Member(s) and must be approved by the Overview and Scrutiny Committee or in exceptional circumstances by the Chair and Vice Chair of Overview & Scrutiny Committee, but reported to the next meeting
- 21.3 Reports developed by the Scrutiny Task Group shall be reported to the Overview and Scrutiny Committee at the next available meeting for consideration and to make recommendations to the relevant body.

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SECTION 6

FINANCIAL PROCEDURE RULES

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STATUS OF FINANCIAL PROCEDURE RULES

- 1.1 Financial procedure rules provide the framework for managing the authority's financial affairs. They apply to every member and officer of the Council and anyone acting on its behalf.
- 1.2 They form an integral part of the regulations and procedures used within the Council and should not be considered in isolation to other parts of the Constitution particularly Contract Procedure Rules and other financial policies and procedures.
- 1.3 The procedure rules identify the financial responsibilities of the Council, Cabinet and scrutiny members, the Head of Paid Service, the Chief Finance Officer and Monitoring Officer.
- 1.4 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.
- 1.5 The Chief Finance 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. The official annual review takes place at the Annual General Meeting (AGM) of Full Council in May. All changes to the Constitution are documented within the minutes. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the financial procedure rules to the Council and/or to the Cabinet members.
- 1.6 The authority's detailed financial procedures, setting out how the procedure rules will be implemented, are contained in the appendices to the financial procedure rules.
- 1.7 Members of Leadership Team are responsible for ensuring that all staff in their service areas are aware of the existence and content of the authority's financial procedure rules and other internal regulatory documents and that they comply with them. They must also ensure there is a reference to access them on the internet/intranet via Mod Gov as appropriate.
- 1.8 The Chief Finance Officer is responsible for issuing advice and guidance to underpin the financial procedure rules that members, officers and others acting on behalf of the authority are required to follow.
- 1.9 Reference to Head of Paid Service, Monitoring Officer, Chief Finance Officer, Members of Leadership Team, and Heads of Service should be construed with reference to article 12 of this Constitution.
- 1.10 The Council's Leadership Team comprises the Chief Executive, and six Heads of Service.

Financial Regulation A: Financial Management

INTRODUCTION

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

THE COUNCIL

- A.2 The Council is responsible for adopting the authority's constitution and members' code of conduct and for approving the policy framework and budget within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the authority's overall framework of accountability and control. The framework is set out in its constitution. The Council is also responsible for monitoring compliance with the agreed policy and related Cabinet decisions.
- A.3 The Council is responsible for approving procedures for recording and reporting decisions taken. This includes those key decisions delegated by and decisions taken by the Council and its committees. These delegations and details of who has responsibility for which decisions are set out in the Constitution.

THE CABINET

- A.4 The Cabinet is responsible for proposing the policy framework and budget to the Council, and for discharging Cabinet functions in accordance with the policy framework and budget.
- A.5 Cabinet decisions can be delegated to an individual Cabinet member, an officer or a joint committee.
- A.6 The Cabinet is responsible for establishing protocols to ensure that individual Cabinet members consult with relevant officers before taking a decision within his or her delegated authority. In doing so, the individual member must take account of legal and financial liabilities and risk management issues that may arise from the decision.

COMMITTEES OF THE COUNCIL

- A.7 The Council has established the following committees:

Council

Cabinet

Statutory Committees

- Audit and Member Standards Committee
 - Assessment Sub Committee
 - Review Sub Committee
- Planning Committee
- Regulatory and Licensing Committee
 - Licensing and Consents Sub Committee

Overview and Scrutiny Committee

Staffing Committees

- Employment Committee
- Appointments Committee
- Disciplinary and Grievance Appeals Committee
- Investigatory and Disciplinary Committee

Other Meetings

- District Board (currently under review)
- Lichfield District Parish Forum (currently under review)
- Tamworth and Lichfield Joint Waste Committee

A.8 The functions of these Committees can be found at Part 3 of the Constitution.

THE STATUTORY OFFICERS

THROUGHOUT THESE PROCEDURE RULES REFERENCES TO THE HEAD OF PAID SERVICE, CHIEF FINANCE OFFICER, MONITORING OFFICER, LEADERSHIP TEAM AND HEADS OF SERVICE SHOULD BE CONSTRUED WITH REFERENCE TO DEFINITIONS IN ARTICLE 12 OF THE CONSTITUTION.

Head of Paid Service

- A.9 The Head of Paid Service is responsible for the corporate and overall strategic management of the authority as a whole. He or she must report to and provide information for the Cabinet, the Council, the Overview and Scrutiny Committee and other committees. He or she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Head of Paid Service is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the Council's decisions (see below).

Monitoring Officer

- A.10 The Monitoring Officer is responsible for promoting and maintaining high standards of conduct and therefore provides support to the Audit and Member Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or maladministration to the Council and/or to the Cabinet, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- A.11 The Monitoring Officer must ensure that Cabinet decisions and the reasons for them are made public. He or she must also ensure that council members are aware of decisions made by the Cabinet.
- A.12 The Monitoring Officer is responsible for advising all councillors and officers about who has authority to take a particular decision.
- A.13 The Monitoring Officer is responsible for advising the Cabinet or Council about whether a decision is likely to be considered contrary to or not wholly in accordance with the policy framework.
- A.14 The Monitoring Officer (together with the Chief Finance Officer) is responsible for advising the Cabinet or Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:
- initiating a new policy
 - committing expenditure in future years to above the budget level
 - incurring inter-service transfers above virement limits
 - causing the total expenditure financed from council tax, grants and corporately held reserves to increase, or to increase by more than a specified amount.
- A.15 The Monitoring Officer is responsible for maintaining an up-to-date Constitution.

Chief Finance Officer

- A.16 The Chief Finance Officer has statutory duties in relation to the financial administration and stewardship of the authority. This statutory responsibility cannot be overridden.

The statutory duties arise from:

- Section 151 of the Local Government Act 1972
- The Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Accounts and Audit Regulations 2015 and Coronavirus amendment 2020.

- A.17 The Chief Finance Officer is responsible for:

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

- A.18 Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to the Council, Cabinet and external auditor if the authority or one of its officers:

- has made, or is about to make, a decision which involves incurring unlawful expenditure
- has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the authority
- is about to make an unlawful entry in the authority's accounts.

Section 114 of the 1988 Act also requires:

- the Chief Finance 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 authority to provide the Chief Finance Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.

MEMBERS OF LEADERSHIP TEAM

- A.19 Members of Leadership Team are responsible for:
- ensuring that Cabinet members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Chief Finance Officer
- A.20 It is the responsibility of members of Leadership Team to consult with the Chief Finance Officer and seek approval on any matter liable to affect the authority's finances materially, before any commitments are incurred.

OTHER FINANCIAL ACCOUNTABILITIES

Virement

- A.21 The Council is responsible for agreeing procedures for virement of expenditure between budget headings.
- A.22 Members of Leadership Team are responsible for agreeing in-year virements
- A.23 within delegated limits, in consultation with the Chief Finance Officer where required. They must notify the Chief Finance Officer of all virements.

Accounting policies

- A.24 The Chief Finance Officer is responsible for selecting accounting policies and ensuring that they are applied consistently.

Accounting records and returns

- A.25 The Chief Finance Officer is responsible for determining the accounting procedures and records for the authority.

The annual statement of accounts

- A.26 The Chief Finance Officer is responsible for ensuring that the annual statement of accounts is prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC). The Audit Committee is responsible for approving the annual statement of accounts.

FINANCIAL REGULATION B: FINANCIAL PLANNING

INTRODUCTION

- B.1 The Council is responsible for agreeing the authority's policy framework and budget, which will be proposed by the Cabinet. In terms of financial planning, the key elements are:
- the Strategic Plan
 - the medium term financial strategy
 - the budget
 - the capital programme

POLICY FRAMEWORK

- B.2 The Council is responsible for approving the policy framework and budget. The policy framework comprises the following statutory plans and strategies:
- **Strategic Plan**
 - capital programme
 - treasury management policy statement
 - sustainable community strategy?
 - crime and disorder reduction strategy?
 - **plans and strategies which together comprise the development plan**
 - **local development framework**
 - risk management strategy
- B.3 The 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 Council by the Monitoring Officer.
- B.4 The Council is responsible for setting the level at which the Cabinet may vire budget funds from one service to another. The Cabinet is responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Council.

Preparation of the Strategic Plan

- B.5 The Chief Executive is responsible for proposing the Strategic Plan to the Cabinet for consideration before its submission to the Council for approval.

CABINET BUDGETING

Budget format

- B.6 The general format of the budget will be approved by the Council and proposed by the Cabinet on the advice of the Chief Finance Officer. The draft budget should include allocation to different services and projects, proposed taxation levels and contingency funds where necessary.

Budget preparation

- B.7 The Chief Finance Officer is responsible for ensuring that a revenue budget is prepared on an annual basis and a medium term financial strategy on a rolling five- yearly basis for consideration by the Cabinet, before submission to the Council. The Council may amend the budget or ask the Cabinet to reconsider it before approving it.
- B.8 The Cabinet is responsible for issuing guidance on the general content of the budget in consultation with the Chief Finance Officer as soon as possible following approval by the Council.
- B.9 It is the responsibility of members of Leadership Team to ensure that budget estimates reflecting agreed service plans are submitted to the Cabinet and that these estimates are prepared in line with guidance issued by the Cabinet.

Budget monitoring and control

- B.10 The Chief Finance Officer is responsible for providing appropriate financial information to enable budgets to be monitored effectively. He or she must monitor and control expenditure against budget allocations and report to the Cabinet on the overall position on a regular basis.
- B.11 It is the responsibility of members of Leadership Team to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Chief Finance Officer. They should report on variances within their own areas. They should also take any action necessary to avoid exceeding their budget allocation and alert the Chief Finance Officer to any problems.

Resource allocation

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

Preparation of the capital programme

- B.13 The Chief Finance Officer is responsible for ensuring that a capital programme is prepared on an annual basis for consideration by the Cabinet before submission to the Council.

Guidelines

B.14 Guidelines on budget preparation are issued to members and members of Leadership Team by the Cabinet following agreement with the Chief Finance Officer. The guidelines will take account of:

- legal requirements
- medium-term planning prospects
- the Council 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 Finance Officer to advise the Cabinet and/or the Council on prudent levels of reserves for the authority.

FINANCIAL REGULATION 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 operational risks to the authority. This should include the proactive participation of all those associated with planning and delivering services.

RISK MANAGEMENT

- C.2 The Audit and Member Standards Committee is responsible for approving the authority's risk management policy statement and strategy and for reviewing the effectiveness of risk management. The Chief Finance Officer is responsible for ensuring that proper insurance exists where appropriate.
- C.3 The Chief Finance Officer is responsible for preparing the authority's risk management policy statement, for promoting it throughout the authority and for advising the Cabinet on proper insurance cover where appropriate.

INTERNAL CONTROL

- C.4 Internal control refers to the systems of control devised by management to help ensure the authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the authority's assets and interests are safeguarded.
- C.5 The Chief Finance 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 members of Leadership Team 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 performance targets.

AUDIT REQUIREMENTS

- C.7 The Accounts and Audit Regulations 2015 and (Coronavirus amendment 2020) issued by the Secretary of State for Communities and Local Government require every local authority to maintain an adequate and effective internal audit.
- C.8 The Public Sector Audit Appointments Ltd is responsible for appointing external auditors to each local authority. The basic duties of the external auditor are governed by part 5 of the Local Audit and Accountability Act 2014.
- C.9 The authority may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

PREVENTING FRAUD AND CORRUPTION

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

ASSETS

- C.11 Members of Leadership Team should ensure that records and assets are properly maintained and securely held. They should 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 authority has adopted CIPFA's Code of Practice for Treasury Management in the Public Services.
- C.13 The Council is responsible for approving the treasury management policy statement setting out the matters detailed in chapter 6 of CIPFA's Code of Practice for Treasury Management in the Public Services. The policy statement is proposed to the Council by the Chief Finance Officer. The Chief Finance Officer has delegated responsibility for implementing and monitoring the statement.
- C.14 All money in the hands of the authority is controlled by the officer designated for the purposes of section 151 of the Local Government Act 1972, the Chief Finance Officer.
- C.15 The Chief Finance Officer is responsible for reporting to the Audit Committee a proposed treasury management strategy for the coming financial year at or before the start of each financial year.
- C.16 All Cabinet decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer, who is required to act in accordance with CIPFA's *Code of Practice for Treasury Management in the Public Services*.
- C.17 The Chief Finance Officer is responsible for reporting to the Audit and member Standards Committee each financial year on the activities of the treasury management operation and on the exercise of his or her delegated treasury management powers. The reports are the Treasury Management Strategy, followed by a mid-year review report and an annual report. Treasury Management performance is also reported to Cabinet in Money Matters at Quarter 1, Quarter 2, Period 8 (Revised Estimate) and year end outturn.

STAFFING

- C.18 The Council is responsible for determining how officer support for Cabinet and non- Cabinet roles within the authority will be organised.
- C.19 The Head of Paid Service is responsible for providing overall management to staff. He or she is also responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration of a job.

FINANCIAL REGULATION 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 Finance Officer is responsible for the operation of the authority's accounting systems, the form of accounts and the supporting financial records. Any changes made by members of the Leadership Team to the existing financial systems or the establishment of new systems must be approved by the Chief Finance Officer. However, members of the Leadership Team are responsible for the proper operation of financial processes in their own service areas.
- D.3 Any changes to agreed procedures by members of the Leadership Team to meet their own specific service needs should be agreed with the Chief Finance Officer.
- D.4 Members of Leadership Team should ensure that their staff receive relevant financial training that has been approved by the Chief Finance Officer.
- D.5 Members of the Leadership Team must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation. Members of the Leadership Team must ensure that staff are aware of their responsibilities under freedom of information legislation.

INCOME AND EXPENDITURE

- D.6 It is the responsibility of members of the Leadership Team 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 member of the Leadership Team's behalf, or on behalf of the Cabinet, in respect of payments, income collection and placing orders, together with the limits of their authority. The Cabinet 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 Finance Officer is responsible for all payments of salaries and wages to all staff, including payments for overtime, and for payment of allowances to members.

TAXATION

- D.8 The Chief Finance Officer is responsible for advising members of Leadership Team, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the authority.
- D.9 The Chief Finance Officer is responsible for maintaining the authority'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 Finance Officer to advise on the establishment and operation of trading accounts and business units.

FINANCIAL REGULATION E: EXTERNAL ARRANGEMENTS

INTRODUCTION

- E.1 The local authority provides a distinctive 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 Cabinet is responsible for approving frameworks for partnerships. The Cabinet is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.
- E.3 The Cabinet can delegate its functions - including those relating to partnerships - to officers. The functions of the Cabinet, including a scheme of delegation, are approved by the Council and form Part 3 of this Constitution. Where functions are further delegated, the Cabinet remains accountable for them to the Council.
- E.4 The Authority is represented on partnership and external bodies at member and officer levels as appropriate.
- E.5 The Monitoring Officer is responsible for promoting and maintaining the same high standards of conduct with regard to administration in partnerships that apply throughout the authority.
- E.6 The Chief Finance 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 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 Members of Leadership Team are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.

EXTERNAL FUNDING

- E.8 The Chief Finance Officer is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the authority's accounts.
- E.9 Approval to accept external funding (including grants) must be sought in line with the Key Decision process. Below this value, Heads of Service can approve the acceptance of external funding as long as any financial implications can be managed within the approved budget framework (if they cannot, then Cabinet and Council Approval will be required). Approval to accept can be applied for at application stage on the basis of being successful or once the award has been confirmed.

WORK FOR THIRD PARTIES

- E.10 The Cabinet is responsible for approving the contractual arrangements for any work for third parties or external bodies.

Appendix A Financial Management

FINANCIAL MANAGEMENT STANDARDS

Why is this important?

- 1.1 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

- 1.2 The key controls and control objectives for financial management standards are:
- (a) their promotion throughout the authority
 - (b) a monitoring system to review compliance with financial standards, and regular comparisons of performance indicators and benchmark standards that are reported to the Cabinet and Council.

Responsibilities of the Chief Finance Officer

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

Responsibilities of members of the Leadership Team

- 1.8 To promote the financial management standards set by the Chief Finance Officer in their service areas and to monitor adherence to the standards and practices, liaising as necessary with the Chief Finance Officer.
- 1.9 To promote sound financial practices in relation to the standards, performance and development of staff in their service areas.

MANAGING EXPENDITURE

Scheme of virement

Why is this important?

- 1.10 The scheme of virement is intended to enable the Cabinet, members of the Leadership Team and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the 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 Finance Officer within guidelines set by the Council. Any variation from this scheme requires the approval of the Council.
 - (b) the overall budget is agreed by the Cabinet and approved by the Council. Members of the Leadership Team and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The rules below cover virement; that is, switching resources between approved estimates or heads of expenditure. For the purposes of this scheme, a budget head is considered to be a line in the approved estimates report, for example the “Supplies and Services” line within a service’s budget.
 - (c) virement does not create additional overall budget liability. Members of the Leadership Team are expected to exercise their discretion in managing their budgets responsibly and prudently. Any virement that would result in a change of policy or a new policy, or that would result in an increased ongoing commitment for the Council will require the approval of the Council.
- 2 a proposed virement in excess of £150,000 must be the subject of a joint report by the Chief Finance Officer and the proposing member of the Leadership Team or included in a scheduled Money Matters or MTFS Report to the Cabinet. All other virements below £150,000 are also reported in the Money Matters or MTFS Reports and are included in the Revised Budget Approved by Council in February each year.

Responsibilities of the Chief Finance Officer

- 2.1 To prepare jointly with the member of the Leadership Team a report or include in a scheduled Money Matters or MTFS Report to the Cabinet where virements in excess of £150,000 are proposed.

Responsibilities of members of Leadership Team

- 2.2 A member of the Leadership Team may exercise virement on budgets under his or her control on any one budget head during the year, following notification to the Chief Finance Officer.
- 2.3 The prior approval of the relevant member of the Cabinet is required for any virement, of whatever amount, where it is proposed to:
- vire between budget heads within a single service budget
 - vire between two or more service budgets

- 2.4 The prior approval of the Cabinet is required for any virement, of whatever amount, where it is proposed to:
- vire between budgets of different Cabinet members
 - vire between budgets managed by different members of the Leadership Team
- 2.5 Virement that is likely to impact on the level of service activity of another member of the Leadership Team should be implemented only after agreement with the relevant member of the Leadership Team.
- 2.6 No virement relating to a specific financial year should be made after 31 March in that year.
- 2.7 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 Cabinet has approved the basis and the terms, including financial limits, on which it will be allocated. Individual allocations in excess of the financial limits should be reported to the Cabinet.

ACCOUNTING POLICIES

Why is this important?

- 2.8 The Chief Finance Officer is responsible for the preparation of the authority's statement of accounts, in accordance with proper practices as set out in the format required by the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC), for each financial year ending 31 March.

Key controls

- 2.9 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 authority and its expenditure and income.

Responsibilities of the Chief Finance Officer

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

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

Responsibilities of members of Leadership Team

- 2.11 To adhere to the accounting policies and guidelines approved by the Chief Finance Officer.

ACCOUNTING RECORDS AND RETURNS

Why is this important?

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

Key controls

- 2.13 The key controls for accounting records and returns are:
- (a) all Cabinet members, finance staff and budget managers operate within the required accounting standards and timetables
 - (b) all the authority's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis
 - (c) procedures are in place to enable accounting records to be reconstituted in the event of systems failure
 - (d) reconciliation procedures are carried out to ensure transactions are correctly recorded
 - (e) prime records are retained in accordance with legislative and other requirements.

Responsibilities of the Chief Finance Officer

- 2.14 To determine the accounting procedures and records for the authority. Where these are maintained outside the finance service area, the Chief Finance Officer should consult the member of the Leadership Team concerned.
- 2.15 To arrange for the compilation of all accounts and accounting records under his or her direction.
- 2.16 To comply with the following principles when allocating accounting duties:
- (a) separating the duties of providing information about sums due to or from the authority and calculating, checking and recording these sums from the duty of collecting or disbursing them

(b) employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

- 2.17 To make proper arrangements for the audit of the authority's accounts in accordance with the Accounts and Audit Regulations 2015 and Coronavirus amendment 2020.
- 2.18 To ensure that all claims for funds including grants are made by the due date.
- 2.19 To prepare and publish the audited accounts of the authority for each financial year, in accordance with the statutory timetable.
- 2.20 To ensure the proper retention of financial documents in accordance with the requirements set out in the authority's document retention schedule.

Responsibilities of members of the Leadership Team

- 2.21 To consult and obtain the approval of the Chief Finance Officer before making any changes to accounting records and procedures.
- 2.22 To comply with the policies referred to in paragraph 1.27-when allocating accounting duties.
- 2.23 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.
- 2.24 To supply information required to enable the statement of accounts to be completed in accordance with guidelines issued by the Chief Finance Officer.

THE ANNUAL STATEMENT OF ACCOUNTS

Why is this important?

- 2.25 The authority has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. The Audit and Member Standards Committee is responsible for approving the statutory annual statement of accounts.

Key controls

- 2.26 The key controls for the annual statement of accounts are:
- the authority is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of these affairs. In this authority, that officer is the Chief Finance Officer
 - the authority'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).

Responsibilities of the Chief Finance Officer

- 2.27 To select suitable accounting policies and to apply them consistently.
- 2.28 To make judgments and estimates that are reasonable and prudent.
- 2.29 To comply with the Code of Practice on Local Authority Accounting in the United Kingdom.
- 2.30 To sign and date the statement of accounts, stating that it gives a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 20xx.
- 2.31 To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

Responsibilities of members of the Leadership Team

- 2.32 To comply with accounting guidance provided by the Chief Finance Officer and to supply the Chief Finance Officer with information when required.

Appendix B Financial Planning

PERFORMANCE PLANS

Why is this important?

- 2.1 Each local authority has a statutory responsibility to publish various performance plans, crime reduction strategies, etc. The purpose of performance plans is to explain overall priorities and objectives, current performance, and proposals for further improvement.

Key controls

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

Responsibilities of the Chief Finance Officer

- 2.3 To advise and supply the financial information that needs to be included in performance plans in accordance with statutory requirements and agreed timetables.
- 2.4 To contribute to the development of corporate and service targets and objectives and performance information.
- 2.5 To ensure that systems are in place to measure activity and collect accurate information for use as performance indicators.
- 2.6 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 members of the Leadership Team

- 2.7 To contribute to the development of performance plans in line with statutory requirements.
- 2.8 To contribute to the development of corporate and service targets and objectives and performance information.

BUDGETING

Format of the budget

Why is this important?

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

Key controls

- 2.10 The key controls for the budget format are:
- (a) the format complies with all legal requirements
 - (b) the format complies with the Council's Strategic Priority/Service Area profile
 - (c) the format reflects the accountabilities of service delivery.

Responsibilities of the Chief Finance Officer

- 2.11 To advise the Cabinet on the format of the budget that is approved by the Council.

Responsibilities of members of the Leadership Team

- 2.12 To comply with accounting guidance provided by the Chief Finance Officer.

Revenue budget preparation, monitoring and control

Why is this important?

- 2.13 Budget management ensures that once the budget has been approved by the Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the authority 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.
- 2.14 By continuously identifying and explaining variances against budgetary targets, the authority can identify changes in trends and resource requirements at the earliest opportunity. The authority itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the authority in total does not overspend, each service is required to manage its own expenditure within the cash- limited budget allocated to it.
- 2.15 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 member of the Leadership Team.

Key controls

- 2.16 The key controls for managing and controlling the revenue budget are:
- (a) budget managers should be responsible only for income and expenditure that they can influence

- (b) there is a nominated budget manager for each cost centre heading
- (c) budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities
- (d) budget managers follow an approved certification process for all expenditure
- (e) income and expenditure are properly recorded and accounted for
- (f) performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budgets.

Responsibilities of the Chief Finance Officer

- 2.17 To establish an appropriate framework of budgetary management and control that ensures that:
- (a) budget management is exercised within annual cash limits unless the Council agrees otherwise.
 - (b) each member of the Leadership Team 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 relevant member of the Leadership Team. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commit expenditure.
 - (f) significant variances from approved budgets are investigated and reported by budget managers regularly.
- 2.18 To administer the authority's scheme of virement.
- 2.19 To submit reports to the Cabinet and to the Council, in consultation with the relevant member of the Leadership Team, where a member of the Leadership Team is unable to balance expenditure and resources within existing approved budgets under his or her control.
- 2.20 To prepare and submit reports on the authority's projected income and expenditure compared with the budget on a regular basis.

Responsibilities of members of the Leadership Team

- 2.21 To maintain budgetary control within their service areas, in adherence to the principles in 2.17, and to ensure that all income and expenditure is properly recorded and accounted for.
- 2.22 To ensure that an accountable budget manager is identified for each item of income and expenditure under the control of the member of the Leadership Team (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.
- 2.23 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.

- 2.24 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.
- 2.25 To prepare and submit to the Cabinet reports on the service's projected expenditure compared with its budget, in consultation with the Chief Finance Officer.
- 2.26 To ensure prior approval by the Council or Cabinet (as appropriate) for new proposals, of whatever amount, that:
 - (a) create financial commitments in future years
 - (b) change existing policies, initiate new policies or cease existing policies
 - (c) materially extend or reduce the authority's services.
- 2.27 To ensure compliance with the scheme of virement.
- 2.28 To agree with the relevant member of the Leadership Team where it appears that a budget proposal, including a virement proposal, may impact materially on another service area or member of Leadership Team level of service activity.

Budgets and medium-term planning

Why is this important?

- 2.29 The authority 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. The budget is the financial expression of the authority's plans and policies.
- 2.30 The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the Council. Budgets (spending plans) are needed so that the authority can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for an authority to budget for a deficit.
- 2.31 Medium-term planning (or a three- to five-year planning system) involves a planning cycle in which managers develop their own plans. As each year passes, another future year will be added to the medium-term plan. This ensures that the authority is always preparing for events in advance.

Key controls

- 2.32 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 the Cabinet 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 Finance Officer

- 2.33 To prepare and submit reports on budget prospects for the Cabinet, including resource constraints set by the Government. Reports should take account of medium-term prospects, where appropriate.
- 2.34 To determine the detailed form of revenue estimates and the methods for their preparation, consistent with the budget approved by the Council, and after consultation with the Cabinet and members of the Leadership Team.
- 2.35 To prepare and submit reports to the Cabinet on the aggregate spending plans of service areas and on the resources available to fund them, identifying, where appropriate, the implications for the level of council tax to be levied.
- 2.36 To advise on the medium-term implications of spending decisions.
- 2.37 To encourage the best use of resources and value for money by working with members of the Leadership Team 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.
- 2.38 To advise the Council on Cabinet proposals in accordance with his or her responsibilities under section 151 of the Local Government Act 1972.

Responsibilities of members of the Leadership Team

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

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/desire. It is therefore imperative that needs/desires are carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods and materials.

Key controls

- 2.45 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, 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 Finance 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 members of the 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 authority, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.
- 2.51 The Prudential Code places controls on the financing capacity of the authority. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.

Key controls

2.52 The key controls for capital programmes are:

- (a) specific approval by the Council for the programme of capital expenditure
- (b) expenditure on capital schemes is subject to the approval of the Chief Finance Officer a scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project, for approval by the Cabinet
- (c) proposals for improvements and alterations to buildings must be approved by the appropriate member of the Leadership Team
- (d) the development and implementation of asset management plans
- (e) accountability for each proposal is accepted by a named manager
- (f) monitoring of progress in conjunction with expenditure and comparison with approved budget.

Responsibilities of the Chief Finance Officer

- 2.53 To prepare capital estimates jointly with members of the Leadership Team and to report them to the Cabinet for approval. The Cabinet will make recommendations on the capital estimates and on any associated financing requirements to the Council.
- 2.54 To issue guidance concerning capital schemes and controls, for example, on project appraisal techniques. The definition of 'capital' will be determined by the Chief Finance Officer, having regard to government regulations and accounting requirements.
- 2.55 To obtain authorisation from the Cabinet for individual schemes where the estimated expenditure exceeds the capital programme provision by more than 10% of the original sum.

Responsibilities of members of the Leadership Team

- 2.56 To comply with guidance concerning capital schemes and controls issued by the Chief Finance Officer.
- 2.57 To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Chief Finance Officer.
- 2.58 To ensure that adequate records are maintained for all capital contracts.
- 2.59 To proceed with projects only when there is adequate provision in the capital programme and with the agreement of the Chief Finance Officer, where required.
- 2.60 To prepare and submit reports, jointly with the Chief Finance Officer, to the Cabinet, of any variation in contract costs greater than the approved limits. The Cabinet may meet cost increases of up to 10% by virement from savings elsewhere within their capital programme.
- 2.61 To prepare and submit reports, jointly with the Chief Finance Officer, to the Cabinet, on completion of all contracts where the final expenditure exceeds the approved contract sum by more than 10% of the original sum.
- 2.62 To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the Chief Finance Officer and, if applicable, approval of the scheme through the

capital programme.

MAINTENANCE OF RESERVES

Why is this important?

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

Key controls

- 2.67 To maintain reserves in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC) and agreed accounting policies.
- 2.68 For each reserve established, the purpose, usage and basis of transactions should be clearly identified.
- 2.69 Authorisation and expenditure from reserves by the appropriate member of the Leadership Team in consultation with the Chief Finance Officer.

Responsibilities of the Chief Finance Officer

- 2.70 To advise the Cabinet and/or the Council on prudent levels of reserves for the authority, and to take account of the advice of the external auditor in this matter.

Responsibilities of members of the Leadership Team

- 2.71 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?

- 3.1 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 these risks effectively.
- 3.2 It is the overall responsibility of the Audit and Member Standards Committee to approve the authority's risk management strategy, and to promote a culture of risk management awareness throughout the authority.

Key controls

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

Responsibilities of the Chief Finance Officer

- 3.4 To prepare and promote the authority's risk management policy statement.
- 3.5 To develop risk management controls in conjunction with other members of Leadership Team.
- 3.6 To include all appropriate employees of the authority in a suitable fidelity guarantee insurance.
- 3.7 To effect corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other officers, where necessary.

Responsibilities of members of the Leadership Team

- 3.8 To notify the Head of Governance and Performance immediately of any loss, liability or damage that may lead to a claim against the authority, together with any information or explanation required by the Chief Finance Officer or the authority's insurers.
- 3.9 To take responsibility for risk management, having regard to advice from the Head of ~~Corporate Services~~ Governance and Performance and other specialist officers (e.g. crime prevention, fire prevention, health and safety).
- 3.10 To ensure that there are regular reviews of risk within their service areas.
- 3.11 To notify the Head of Governance and Performance promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- 3.12 To consult the Head of Governance and Performance/Monitoring Officer on the terms of any indemnity that the authority is requested to give.
- 3.13 To ensure that employees, or anyone covered by the authority's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insuranceclaim.

INTERNAL CONTROLS

Why is this important?

- 3.14 The authority is complex and beyond the direct control of individuals. It therefore requires internal controls to manage and monitor progress towards strategic objectives.
- 3.15 The authority has statutory obligations, and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.
- 3.16 The authority faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.
- 3.17 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

- 3.18 The key controls and control objectives for internal control systems are:
- (a) key controls should be reviewed on a regular basis and the authority should make a formal statement annually 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 UK Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN) and with any other statutory obligations and regulations.

Responsibilities of the Chief Finance Officer

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

Responsibilities of members of Leadership Team

- 3.20 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.
- 3.21 To review existing controls in the light of changes affecting the authority and to establish and implement new ones in line with guidance from the Chief Finance Officer. Members of the Leadership Team should also be responsible for removing controls that are unnecessary or not cost or risk effective – for example, because of duplication.
- 3.22 To ensure staff have a clear understanding of the consequences of lack of control.

AUDIT REQUIREMENTS

Internal audit

Why is this important?

- 3.23 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 2015 (SI 2015/234), regulation 6, more specifically require that a “relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control”.
- 3.24 Accordingly, internal audit is an independent and objective appraisal function established by the authority for reviewing the system of internal control. It examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources. In order to maintain its independence the service is managed by the Chief Executive.

Key controls

- 3.25 The key controls for internal audit are:
- (a) that it is independent in its planning and operation
 - (b) the head of internal audit has direct access to the Head of Paid Service, Chief Finance Officer, all levels of management and directly to elected members
 - (c) the internal auditors comply with the UK Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN).

Responsibilities of the Chief Finance Officer

- 3.26 To ensure that internal auditors have the authority to:
- (a) access authority premises at reasonable times
 - (b) access all assets, records, documents, correspondence and control systems
 - (c) receive any information and explanation considered necessary concerning any matter under consideration
 - (d) require any employee of the authority to account for cash, stores or any other authority asset under his or her control
 - (e) access records belonging to third parties, such as contractors, when required
 - (f) directly access the Head of Paid Service, the Cabinet can they go directly to Cabinet? and Audit and Member Standards Committee.
- 3.27 To review the strategic and annual audit plans prepared by the head of internal audit, which take account of the characteristics and relative risks of the activities involved.
- 3.28 To ensure that effective procedures are in place to investigate promptly any fraud or irregularity.

Responsibilities of members of the Leadership Team

- 3.29 To ensure that internal auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- 3.30 To ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- 3.31 To consider and respond promptly to recommendations in audit reports.
- 3.32 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- 3.33 To notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the authority's property or resources. Pending investigation and reporting, the member of the Leadership Team should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- 3.34 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 head of internal audit prior to implementation.

External audit

Why is this important?

- 3.35 The Public Sector Audit Appointments Ltd is responsible for appointing external auditors to each local authority. The external auditor has rights of access to all documents and information necessary for audit purposes.
- 3.36 The basic duties of the external auditor are defined in the Local Audit and Accountability Act 2014. In particular, part 5 of the 2014 Act requires the Comptroller and Auditor General to prepare a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice issued in April 2015 sets out the auditor's principal objectives which are to review and report upon, to the extent required by the relevant legislation and the requirements of the Code, the audited body's:
 - (a) financial statements
 - (b) arrangements for securing economy, efficiency and effectiveness in its use of resources.

- 3.37 The authority's accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts gives a 'true and fair view' the financial position of the authority and its income and expenditure for the year in question and complies with the legal requirements.

Key controls

- 3.38 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 Finance Officer

- 3.39 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.
- 3.40 To ensure there is effective liaison between external and internal audit.
- 3.41 To work with the external auditor and advise the Council, Cabinet and members of the Leadership Team on their responsibilities in relation to external audit.

Responsibilities of members of Leadership Team

- 3.42 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.
- 3.43 To ensure that all records and systems are up to date and available for inspection.

PREVENTING FRAUD AND CORRUPTION

Why is it this important?

- 3.44 The authority will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the authority.
- 3.45 The authority'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.
- 3.46 The authority also expects that individuals and organisations (e.g. suppliers, contractors, service providers) with whom it comes into contact will act towards the authority with integrity and without thought or actions involving fraud and corruption.

Key controls

- 3.47 The key controls regarding the prevention of financial irregularities are that:
- (a) the authority has an effective anti-fraud and corruption policy and maintains a culture that will not tolerate fraud or corruption
 - (b) all members and staff act with integrity and lead by example
 - (c) senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the authority or who are corrupt
 - (d) high standards of conduct are promoted amongst members by the Audit and Member Standards Committee

- (e) the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded
- (f) a whistle blowing policy and a money laundering policy are in place and operate effectively
- (g) legislation including the Public Interest Disclosure Act 1998 is adhered to.

Responsibilities of the Chief Finance Officer

- 3.48 To develop and maintain an anti-fraud and anti-corruption policy.
- 3.49 To maintain adequate and effective internal control arrangements.
- 3.50 To ensure that all suspected irregularities are reported to the chief internal auditor, the Head of Paid Service, the Cabinet and the Audit and Member Standards Committee.

Responsibilities of members of the Leadership Team

- 3.51 To ensure that all suspected irregularities are reported to the chief internal auditor.
- 3.52 To instigate the authority's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.
- 3.53 To ensure that where financial impropriety is discovered, the Chief Finance 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.
- 3.54 To ensure that any interests are entered into the Council's register of interests, and gifts and hospitality in the register of gifts and hospitality.

ASSETS

Security

Why is this important?

- 3.55 The authority 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

- 3.56 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 authority 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 procedure rules of the authority so as to maximise benefits
 - (d) an asset register is maintained for the authority, assets are recorded when they are acquired by the authority 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 authority's assets and information, including the requirements of the General Data Protection Act (GDPR) and software copyright legislation
 - (f) all staff are aware of their responsibilities with regard to safeguarding the security of the authority's computer systems, including maintaining restricted access to the information held on them and compliance with the authority's computer and internet security policies.

Responsibilities of the Chief Finance Officer

- 3.57 To ensure that an asset register is maintained in accordance with good practice for all fixed assets with a value in excess of £10,000. The function of the asset register is to provide the authority with information about fixed assets so that they are:
- safeguarded
 - used efficiently and effectively
 - adequately maintained.
- 3.58 To receive the information required for accounting, costing and financial records from each member of the Leadership Team.
- 3.59 To ensure that assets are valued in accordance with the *Code of Practice on Local Authority*

Responsibilities of members of the Leadership Team

- 3.60 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 member of the Leadership Team in consultation with the Chief Finance Officer, has been established as appropriate.
- 3.61 To ensure the proper security of all buildings and other assets under their control.
- 3.62 Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a joint report by the member of the Leadership Team and the Chief Finance Officer to the Monitoring Officer.
- 3.63 To pass title deeds to the Monitoring Officer who is responsible for custody of all title deeds.
- 3.64 To ensure that no authority asset is subject to personal use by an employee without proper authority.
- 3.65 To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the authority. To ensure that the service area maintains a register of moveable assets in accordance with arrangements defined by the Chief Finance Officer.
- 3.66 To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- 3.67 To consult the Chief Finance Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 3.68 To ensure cash holdings on premises are kept to a minimum.
- 3.69 To ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times; loss of any such keys must be reported to the Chief Finance Officer as soon as possible.
- 3.70 To record all disposal or part exchange of assets that should normally be by competitive tender or public auction, unless, following consultation with the Chief Finance Officer, the Cabinet agrees otherwise.
- 3.71 To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the authority in some way.

Inventories

- 3.72 To maintain inventories and record an adequate description of furniture, fittings, equipment, plant and machinery above £1,000 in value.
- 3.73 To carry out an annual check of all items on the inventory in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, 'phones, cameras and video recorders should be identified with security markings as belonging to the authority.

- 3.74 To make sure that property is only used in the course of the authority's business, unless the member of the Leadership Team concerned has given permission otherwise.

Stocks and stores

- 3.75 To make arrangements for the care and custody of stocks and stores in the service area.
- 3.76 To ensure stocks are maintained at reasonable levels and are subject to a regular independent physical check. All significant discrepancies should be investigated and pursued to a satisfactory conclusion.
- 3.77 To investigate and remove from the authority's records (i.e. write off) discrepancies as necessary, or to obtain Cabinet approval if they are in excess of a predetermined limit.
- 3.78 To authorise or write off disposal of redundant stocks and equipment. Procedures for disposal of such stocks and equipment should be by competitive quotations or auction, unless, following consultation with the Chief Finance Officer, the Cabinet decides otherwise in a particular case.
- 3.79 To seek Cabinet approval to the write-off of redundant stocks and equipment in excess of a predetermined sum.

Asset disposal

Why is this important?

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 procedure rules of the authority. The Council's Disposal Policy was approved by Cabinet in 2021.

Key controls

- 3.80 Assets for disposal are identified and are disposed of at the most appropriate time, and only when it is in the best interests of the authority, and best price is obtained, bearing in mind other factors, such as environmental issues. For items of significant value, disposal should be by competitive tender or public auction.
- 3.81 Procedures protect staff involved in the disposal from accusations of personal gain.

Responsibilities of the Chief Finance Officer

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

Responsibilities of members of the Leadership Team

- 3.84 To seek advice from the procurement team on the disposal of surplus or obsolete materials, stores or equipment.
- 3.85 To ensure that income received for the disposal of an asset is properly banked and coded.

TREASURY MANAGEMENT

Why is this important?

- 3.86 Many millions of pounds pass through the authority's books each year. This led to the establishment of codes of practice. These aim to provide assurances that the authority'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 authority's capital sum.

Key controls

- 3.87 That the authority's borrowings and investments comply with the CIPFA *Code of Practice on Treasury Management* and with the authority's treasury policy statement.

Responsibilities of Chief Finance Officer – treasury management and banking

- 3.88 To arrange the borrowing and investments of the authority in such a manner as to comply with the CIPFA *Code of Practice on Treasury Management* and the authority's treasury management policy statement and strategy.
- 3.89 To report four times a year on treasury management activities to the Audit Committee.
- 3.90 To operate bank accounts as are considered necessary – opening or closing any bank account shall require the approval of the Chief Finance Officer.

Responsibilities of members of the Leadership Team – treasury management and banking

- 3.91 To follow the instructions on banking issued by the Chief Finance Officer.

Responsibilities of Chief Finance Officer – investments and borrowing

- 3.92 To ensure that all investments of money are made in the name of the authority or in the name of nominees approved by the Council.
- 3.93 To ensure that all securities that are the property of the authority or its nominees and the title deeds of all property in the authority's ownership are held in the custody of the appropriate member of the Leadership Team.
- 3.94 To effect all borrowings in the name of the authority.
- 3.95 To act as the authority's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the authority.

Responsibilities of members of the Leadership Team – investments and borrowing

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

Responsibilities of members of the Leadership Team – trust funds and funds held for third parties

- 3.97 To arrange for all trust funds to be held, wherever possible, in the name of the authority. All officers acting as trustees by virtue of their official position shall deposit securities, etc relating to

the trust with the Chief Finance Officer, unless the deed otherwise provides.

- 3.98 To arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Chief Finance Officer, and to maintain written records of all transactions.
- 3.99 To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

Responsibilities of the Chief Finance Officer – imprest accounts

To provide employees of the authority with cash or bank imprest accounts to meet urgent expenditure on behalf of the authority and to prescribe rules for operating these accounts. 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.

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

Responsibilities of members of the Leadership Team – imprest accounts

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

STAFFING

Why is this important?

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

Key controls

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

Responsibilities of the Chief Finance Officer

- 3.104 To ensure that budget provision exists for all existing and new employees.
- 3.105 To act as an advisor to members of the Leadership Team on areas such as National Insurance and pension contributions, as appropriate.

Responsibilities of members of the Leadership Team

- 3.106 To produce an annual staffing budget in consultation with the Chief Finance Officer.
- 3.107 To ensure that the staffing budget is an accurate forecast of staffing levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).
- 3.108 To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.
- 3.109 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.
- 3.110 To ensure that the Head of Governance and Performance and the Chief Finance Officer are immediately informed if the staffing budget is likely to be materially over or underspent.

Appendix D Financial Systems and Procedures

GENERAL

Why is this important?

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

Key controls

The key controls for systems and procedures are:

- (a) basic data exists to enable the authority'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 Finance Officer

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

Responsibilities of members of the Leadership Team

- 4.4 To ensure that accounting records are properly maintained and held securely.
- 4.5 To ensure that vouchers and documents with financial implications are not destroyed, except in accordance with arrangements approved by the Chief Finance Officer and General Data Protection Regulations (GDPR).
- 4.6 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.

- 4.7 To incorporate appropriate controls to ensure that, where relevant:
- (a) all input is genuine, complete, accurate, timely and not previously processed
 - (b) all processing is carried out in an accurate, complete and timely manner
 - (c) output from the system is complete, accurate and timely.
- 4.8 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.
- 4.9 To ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.
- 4.10 To ensure that systems are documented and staff trained in operations.
- 4.11 To consult with the Chief Finance 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 member of the Leadership Team'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 financial limits, to the Chief Finance 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. However by the end of 2021 with the move to Office 365 and the Cloud physical back up information will no longer be required.
- 4.15 To ensure that, where appropriate, computer systems are registered in accordance with data protection legislation and that staff are aware of their responsibilities under the legislation.
- 4.16 To ensure that relevant standards and guidelines for computer systems issued by the member of the Leadership Team are observed.
- 4.17 To ensure that computer equipment and software are protected from loss and damage
- 4.18 To comply with the copyright, designs and patents legislation and, in particular, to ensure that:
- (a) only software legally acquired and installed by the authority is used on its computers
 - (b) staff are aware of legislative provisions
 - (c) in developing systems, due regard is given to the issue of intellectual property rights.

INCOME AND EXPENDITURE

Income

Why is this important?

- 4.19 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 authority's cash flow and also avoids the time and cost of administering debts.

Key controls

- 4.20 The key controls for income are:
- (a) all income due to the authority is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed
 - (b) all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery
 - (c) all money received by an employee on behalf of the authority is paid without delay to the Chief Finance Officer or, as he or she directs, to the authority's bank account and properly recorded. The responsibility for cash collection should be separated from that:
 - for identifying the amount due
 - for reconciling the amount due to the amount received
 - (d) effective action is taken to pursue non-payment within defined timescales
 - (e) formal approval for debt write-off is obtained
 - (f) appropriate write-off action is taken within defined timescales
 - (g) appropriate accounting adjustments are made following write-off action
 - (h) all appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule and GDPR requirements
 - (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 Finance Officer

- 4.21 To agree arrangements for the collection of all income due to the authority and to approve the procedures, systems and documentation for its collection.
- 4.22 To order and supply to service areas all receipt forms, books or tickets and similar items and to satisfy himself or herself regarding the arrangements for their control
- 4.23 To agree the write-off of bad debts up to an approved limit in each case and to refer larger sums to the appropriate member of the Cabinet.

4.24 To approve all debts to be written off in consultation with the relevant member of the Leadership Team and to keep a record of all sums written off up to the approved limit of £1,000 and to adhere to the requirements of the Accounts and Audit Regulations 2015.

4.25 To obtain the approval of the appropriate member of the Cabinet in consultation with the relevant member of the Leadership Team for writing off debts in excess of the approved limit of £1,000.

4.26 To ensure that appropriate accounting adjustments are made following write-off.

Responsibilities of members of the Leadership Team

4.27 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.

4.28 To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.

4.29 To authorise appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.

4.30 To issue official receipts or to maintain other documentation for income collection.

4.31 To hold securely receipts, tickets and other records of income for the appropriate period.

4.32 To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.

4.33 To ensure that income is paid fully and promptly into the appropriate authority bank account in the form in which it is received. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a regular basis.

4.34 To ensure income is not used to cash personal cheques or other payments.

4.35 To supply the Chief Finance Officer with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Chief Finance Officer to record correctly the sums due to the authority and to ensure accounts are sent out promptly. To do this, members of the Leadership Team should use established performance management systems to monitor recovery of income and flag up areas of concern to the Chief Finance Officer. Members of the Leadership Team have a responsibility to assist the Chief Finance Officer in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the authority's behalf. Only up to approved levels of cash can be held on the premises.

4.36 To keep a record of every transfer of money between employees of the authority. The receiving officer must sign for the transfer and the transferor must retain a copy.

4.37 To recommend to the Chief Finance 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.

4.38 To obtain the approval of the Chief Finance Officer when writing off debts in excess of the approved limit, and the approval of the appropriate member of the Cabinet where required.

4.39 To notify the Chief Finance 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 Finance Officer and not later than 15 April.

Ordering and paying for work, goods and services

4.40 Public money should be spent with demonstrable probity and in accordance with the authority's policies. Authorities have a statutory duty to achieve best value in part through economy and efficiency. The authority's procedures should help to ensure that services obtain value for money from their purchasing arrangements. Regard shall be had at all times to the Council's procurement strategy. These procedures should be read in conjunction with the authority's Contract Procedure Rules.

General

4.41 Every officer and member of the authority has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the authority, in accordance with appropriate codes of conduct. Official orders must be in a form approved by the Chief Finance Officer. Official orders must be issued for all works, goods or services to be supplied to the authority, except for supplies of utilities, stationery ordered over the internet in line with the contract for such, purchases made in accordance with the purchasing card scheme, periodic payments such as rent or rates, petty cash purchases or other exceptions specified by the Chief Finance Officer.

4.42 Each order must conform to the guidelines approved by the Council on central purchasing and the standardisation of supplies and materials. Standard terms and conditions must not be varied without the prior approval of the Chief Finance Officer.

4.43 The normal method of payment from the authority shall be by BACS, CHAPS, credit card or cheque, drawn on the authority's bank account by the Chief Finance Officer. The use of direct debit shall require the prior agreement of the Chief Finance Officer.

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

Key controls

- 4.45 The key controls for ordering and paying for works, goods and services are:
- (a) all works, goods and services are ordered only by appropriate persons and are correctly recorded
 - (b) all works, goods and services shall be ordered in accordance with the authority's Contract Procedure Rules unless they are purchased from sources within the authority
 - (c) works, goods and services received are checked to ensure they are in accordance with the approved 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 authority to the correct price, quantity and quality standards
 - (e) all payments are made to the correct person, for the correct amount and are properly recorded, regardless of the payment method
 - (f) all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected
 - (g) 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 Finance Officer

- 4.46 To ensure that all the authority's financial systems and procedures are sound and properly administered.
- 4.47 To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- 4.48 To approve the form of official orders and associated terms and conditions.
- 4.49 To make payments from the authority's funds on the member of the Leadership Team's authorisation that the expenditure has been duly incurred in accordance with financial procedure rules.
- 4.50 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.
- 4.51 To make payments to contractors on the certificate of the appropriate member of the Leadership Team, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- 4.52 To provide advice and encouragement on making payments by the most economical

means.

- 4.53 To ensure that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.

Responsibilities of members of the Leadership Team

- 4.54 To ensure that unique official orders are used for all works, goods and services, other than the exceptions specified in 4.42.

- 4.55 To ensure that orders are only used for works, goods and services provided to the service area. Individuals must not use official orders to obtain works, goods or services for their private use.

- 4.56 To ensure that only those staff authorised by him or her place orders and to maintain an up-to-date list of such authorised staff. The authoriser of the order should be satisfied that the works, goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Best value principles should underpin the authority's approach to procurement. Value for money should always be achieved.

- 4.57 To ensure that works, goods and services are checked on receipt to verify that they are in accordance with the order. 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, checked, coded and certified for payment, 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 the invoice is correctly coded
- (g) that discounts have been taken where available
- (h) that appropriate entries will be made in accounting records.

- 4.59 To ensure that two authorised members of staff are involved in the ordering, receiving and payment process. If possible, a different officer from the person who placed the order, and in every case, a different officer from the person checking an internal invoice, should authorise the invoice.

- 4.60 To ensure that the service area maintains and reviews periodically a list of staff approved to authorise invoices. Names of authorising officers together with specimen signatures and details of the limits of their authority shall be forwarded to the Chief Finance Officer.

- 4.61 To ensure that where payments are to be made on a photocopied or faxed invoice, the invoice is certified by the Chief Finance Officer or some other officer authorised by the Chief Finance Officer.
- 4.62 To encourage suppliers of works, goods and services to receive payment by the most economical means for the authority, generally BACS. It is essential, however, that payments made by direct debit have the prior approval of the Chief Finance Officer.
- 4.63 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, with regard to the best practice guidelines issued by the Monitoring Officer, which are in line with best value principles and contained in the authority's Contract Procedure Rules.
- 4.64 To utilise the central purchasing procedures established by the Monitoring Officer in putting purchases, where appropriate, out to competitive quotation or tender. These will comply with the authority's Contract Procedure Rules and will cover:
- (a) authorised officers and the extent of their authority
 - (b) advertisement for tenders
 - (c) selection of tenderers
 - (d) compliance with UK legislation and regulations
 - (e) procedures for the submission, receipt, opening and recording of tenders
 - (f) the circumstances where financial or technical evaluation is necessary
 - (g) procedures for negotiation
 - (h) acceptance of tenders
 - (i) the form of contract documentation
 - (j) cancellation clauses in the event of corruption or bribery
 - (k) contract records
- 4.65 To ensure that employees are aware of the national code of conduct for local government employees (summarised in the procedures and conditions of employment manual).
- 4.66 To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Chief Finance Officer. This is to protect the authority against entering into unapproved credit arrangements and to ensure that value for money is being obtained.
- 4.67 To notify the Chief Finance 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 Finance Officer and, in any case, not later than 15 April.
- 4.68 With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Chief Finance 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.

- 4.69 To notify the Chief Finance Officer immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- 4.70 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?

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

Key controls

- 4.72 The key controls for payments to employees and members are:
- (a) proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to:
 - starters
 - leavers
 - variations
 - (b) enhancements and that payments are made on the basis of timesheets or claims frequent reconciliation of payroll expenditure against approved budget and bank account
 - (c) all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule and GDPR
 - (d) that HM Revenue and Customs regulations are complied with.

Joint Responsibilities of the Chief Finance Officer and Monitoring Officer

- 4.73 To arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by him or her, on the due date.
- 4.74 To record and make arrangements for the accurate and timely payment of tax, superannuation and other deductions.
- 4.75 To make arrangements for payment of all travel and subsistence claims or financial loss allowance.
- 4.76 To make arrangements for paying members travel or other allowances upon receiving the prescribed form, duly completed and authorised.
- 4.77 To ensure that all salaries and wages are paid monthly by BACS, this being the most economical means.

- 4.78 To ensure that there are adequate arrangements for administering superannuation matters on a day-to-day basis.

Responsibilities of members of the Leadership Team

- 4.79 To ensure appointments are made in accordance with the procedure rules of the authority and approved establishments, grades and scale of pay and that adequate budget provision is available.

- 4.80 To notify the Chief Finance Officer and Monitoring Officer of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Chief Finance Officer and Monitoring Officer.
- 4.81 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
 - potential redundancy liabilities on short term posts are considered
 - conditions and contracts of employment are correctly applied
 - employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.
- 4.82 To send an up-to-date list of the names of officers authorised to sign records to the Chief Finance Officer, together with specimen signatures.
- 4.83 To ensure that payroll transactions are processed only through the payroll system. Members of the Leadership Team should give careful consideration to the employment status of individuals employed on a self-employed consultant or subcontract basis. The HM Revenue and Customs applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Chief Finance Officer and Monitoring Officer.
- 4.84 To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the authority, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and that the Chief Finance Officer and Monitoring Officer are is-informed where appropriate.
- 4.85 To ensure that the Chief Finance Officer and Monitoring Officer are notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- 4.86 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

- 4.87 To submit claims for members' travel and subsistence allowances on a monthly basis and, in any event, within one month of the year end.

TAXATION

Why is this important?

4.88 Like all organisations, the authority 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

4.89 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 recordkeeping
- (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 Finance Officer

4.90 To complete all HM Revenue and Customs returns regarding PAYE.

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

4.92 To provide details to the HM Revenue and Customs regarding the construction industry tax deduction scheme.

4.93 To maintain up-to-date guidance for authority employees on taxation issues in the accounting manual and the tax manual.

Responsibilities of the members of the 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 regulations.

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 authority are added to the authority's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.

4.97 To follow the guidance on taxation issued by the Chief Finance Officer in the authority's accounting manual and VAT manual

Appendix E External Arrangements

PARTNERSHIPS

Why is this important?

- 5.1 Partnerships are likely to play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. 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.
- 5.2 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

- 5.3 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.
- 5.4 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.
- 5.5 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.
 - (d) Partners have common responsibilities:
 - to be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation
 - to act in good faith at all times and in the best interests of the partnership's aims and objectives
 - be open about any conflict of interests that might arise
 - 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

5.6 The key controls for authority partners are:

- (a) if appropriate, to be aware of their responsibilities under the authority's financial and contract procedure rules
- (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 Finance Officer

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

5.8 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.

5.9 To ensure that the accounting arrangements are satisfactory.

Responsibilities of members of the Leadership Team

5.10 To maintain a register of all contracts entered into with external bodies in accordance with procedures specified by the Chief Finance Officer.

5.11 To ensure that, before entering into agreements with external bodies, a risk management appraisal has been prepared for the Chief Finance Officer.

5.12 To ensure that such agreements and arrangements do not impact adversely upon the services provided by the authority.

5.13 To ensure that all agreements and arrangements are properly documented.

5.14 To provide appropriate information to the Chief Finance Officer to enable a note to be entered into the authority's statement of accounts concerning material items.

EXTERNAL FUNDING

Why is this important?

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

Key controls

- 5.16 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 Council
 - (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 Finance Officer

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

Responsibilities of members of the Leadership Team

- 5.20 To ensure all internal and external guidance on external funding is followed and that all claims for funds are made by the due date.
- 5.21 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?

- 5.22 Current legislation enables the authority to provide a range of services to other bodies. Such work may enable a service area 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 intravires.

Key controls

- 5.23 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 Finance Officer
 - (b) to ensure that contracts are drawn up using guidance provided by the Chief Finance Officer and that the formal approvals process is adhered to
 - (c) to issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

Responsibilities of Chief Finance Officer

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

Responsibilities of members of the Leadership Team

- 5.25 To ensure that the approval of the Cabinet is obtained before any negotiations are concluded to work for third parties.
- 5.26 To maintain a register of all contracts entered into with third parties in accordance with procedures specified by the Chief Finance Officer.
- 5.27 To ensure that appropriate insurance arrangements are made.
- 5.28 To ensure that the authority is not put at risk from any bad debts.
- 5.29 To ensure that no contract is subsidised by the authority.
- 5.30 To ensure that, wherever possible, payment is received in advance of the delivery of the service.
- 5.31 To ensure that the service area/unit has the appropriate expertise to undertake the contract.
- 5.32 To ensure that such contracts do not impact adversely upon the services provided for the authority.
- 5.33 To ensure that all contracts are properly documented.
- 5.34 To provide appropriate information to the Chief Finance Officer to enable a note to be entered into the statement of accounts.



Lichfield District Council

Contract Procedure Rules

Version Control			
Version	Author	Date	Changes
Final 2022 v2	Clair Johnson	28/04/2022	Update to reflect inclusion of VAT in £25,000 threshold for Contracts Finder notices Correction to error in table E1.1. Correction to error in E7.4.1 Correction / amendments to Appendix 1 Update to timescale for publishing CF CAN.

Notes to the Reader:

- This document includes an active Table of Contents – by pressing the CTRL button on your keyboard and clicking on a heading you will be taken to that page automatically.
- This document includes cross-references (in [blue](#)) that will take you to specific sections of the document.
- Words with capital letters have definitions included within the glossary at the start of the document.
- This document includes reference to a small number of policies that are currently under development and as such may not have been formally approved by the time these Contract Procedure Rules (CPRs) are approved. Once they have been formally approved these CPRs will be updated and the policies shared with Officers via the Council's Intranet (Brian) and Internet. Until they have been approved they are not applicable.

01/01/2022

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GLOSSARY

Appendices	The appendices to these Contract Procedure Rules (CPRs).
Approval Pathways	The approval pathways set out at Appendix 1 Approval Pathways .
Area	The administrative area of Lichfield District Council.
Best Value	The Council's duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness in accordance with section 3(1) of the Local Government Act 1999 and associated statutory guidance. Synonymous with Value for Money.
Brian Council's Intranet	The Council's intranet website accessible to employees and Council Members.
Cabinet Member	A Council Member who is part of the Cabinet.
Conflict of Interest	A set of circumstances that creates a risk that an individual's ability to apply judgement or act in one role is, or could be, impaired or influenced by a secondary interest.
Contract	An agreement to supply goods/services/works formed when there is an offer by one party and an acceptance of that offer by a second party.
Contract Award Notice	A notice submitted to Contracts Finder or the FTS service to advise interested parties that a Contract has been awarded by the buyer to a named supplier(s).
Contract Notice	A notice submitted to Contracts Finder or the FTS service to advise interested parties of the intention of the buyer to go to market to buy goods/services/works.
Contract Register	The Council's repository for all its current Contracts located in the Council's e-tendering system and published on the Website.
Contracts Finder	The UK Government's website which is used to place notices relating to early engagement, opportunities and contract awards in line with the Regulations.
Corporate Contract	The Council will, at any one time, have a number of Contracts in place that can be used by all departments to provide a variety of goods, services and works. For example, stationery and office supplies, scanning services, window cleaning etc. You can find a list of these on the Contract Register or by checking with the Procurement Team. You MUST speak to the relevant contract manager for the Corporate Contract before using it to make sure you follow the correct process and the overall spend through the Contract does not breach any thresholds.
Council	Lichfield District Council.
Council Members	The elected councillors who sit on Full Council.
CPRs	These Contract Procedure Rules (including the Appendices).
Dynamic	This is similar to a Framework Agreement in that it establishes an agreement

Purchasing System (DPS)	with a number of suppliers attached; in contrast to a Framework Agreement it remains open during the term for any supplier to join that meets minimum requirements.
EIR	Environmental Information Regulations 2004.
Financial Procedure Rules	The Council's Financial Procedure Rules, found at Part 4 of the Constitution.
Find A Tender Service (FTS)	The UK Government's website which is used to place notices relating to early engagement, opportunities and contract awards in line with the Regulations. The FTS Service replaced the OJEU service for publishing notices in connection with above PCR2015 Threshold procurement activities.
FOIA	The Freedom of Information Act 2000.
Forward Plan	A list of council decisions for forthcoming months which can be found on the public website.
Framework Agreement	An 'umbrella' agreement that sets out the prices, service levels, and terms and conditions for subsequent call-off orders. See section C5 for further details.
Future Procurement Plan	The Council's published list of future procurement activities found on the Website. The intention is to highlight to potential suppliers forthcoming opportunities. This is a statutory requirement under the Local Government Transparency Code.
General Principles	The General Principles set out at section A2 .
Invitation to Tender (ITT)	The invitation to tender is a set of documents provided to suppliers against which they provide a Tender Submission.
Light Touch Regime (LTR)	The Light-Touch Regime is a specific set of rules for the procurement of certain services that tend to be of lower interest to cross-border providers. It includes certain social, health and education services. The list of services to which LTR applies is covered in section C4 .
Local Locally	Within the Area.
Local Authority Controlled Company	Where a contracting authority sets up a separate legal entity and then awards contracts to that legal entity.
Most Economically Advantageous Tender (MEAT)	Awarding a Contract for goods/services/works based on a combination of overall cost and quality elements, not just cost alone.
Officer	Employee of the Council.
PCR2015 Threshold(s)	The financial thresholds detailed within the PCR2015 Regulations and updated from time to time by the Government. See Appendix 3 Procurement Thresholds & Timescales for further details.

Quote Quotation	The response to a request for quotation or a Request for Quotation.
Regulations	The Public Contract Regulations 2015 as updated by the Public Procurement (EU Exit) Regulations 2020 and any other related amendments.
Request for Quotation (RFQ)	A formal procedure to request pricing and/or quality bid from a supplier for goods, services or works below £150,000. Similar to an Invitation to Tender but in a shorter format.
Residents	Means residents of the Area.
Selection Questionnaire (SQ)	A questionnaire used in certain procurement procedures which allows the Council to shortlist the number of suppliers to be invited to tender. Above the PCR2015 Threshold this MUST reflect the Cabinet Office standard Selection Questionnaire and associated guidance. A Selection Questionnaire is NOT permitted for procurement activities valued between £25,000 and the Goods/Services PCR2015 Threshold (see section E4 for further details). Previously this was known as a pre-qualification questionnaire.
Social Value	Described in the Social Value Act as improvements to the economic, social and/or environmental well-being of the Area. The benefits sought could be in the form of social benefits (for example reducing anti-social behaviour), economic benefits (for example increasing local employment), or environmental benefits (for example reducing local congestion).
Social Value Act	The Public Services (Social Value) Act 2012, which requires the Council to consider, pre-procurement, how what it procures might improve the economic, social and environmental well-being of the Area, and how best to use the procurement process to secure that improvement. There is also a duty to consider whether to undertake any consultation in making its decisions.
Standstill Period	A Mandatory 10-day period which MUST be applied to above PCR2015 Threshold procurement activities between the notification to suppliers of the decision to award the Contract and the date of signing/entering into the Contract. The period is intended to give unsuccessful tenderers the opportunity to challenge the award if they wish. The period is longer if notifications are not sent electronically.
Submission	A Tender Submission, Quote or Quotation.
Tender Submission	The response provided by a supplier in relation to an Invitation to Tender.
Think Local¹	The Council's policy to encourage the engagement of Local suppliers in procurement activities.
Third-Party Framework Agreement	An 'umbrella' agreement that sets out the prices, service levels, and terms and conditions for subsequent call-off orders that has been established by a third party organisation such as CCS, ESPO, YPO and is accessible to other public sector bodies to use.
TUPE	The Transfer of Undertakings (Protection of Employment) Regulations 2006. Legislation which protects employment rights of those whose job will be

¹ The Think Local Policy is pending approval – until it has been approved by the relevant committees it is not in force.

	transferred to a new employer upon change of contractor by award of a Contract.
Value for Money (VFM)	The optimum combination of whole-of-life costs and quality (or fitness for purpose) of the goods, works or Services to meet the Council's requirement.
VAT	Value Added Tax.
Website	The Council's public website www.lichfielddc.gov.uk

Section A. Introduction

A1. Mandatory Compliance

- A1.1 Officers **MUST** comply with these Contract Procedure Rules in all instances when buying² goods, services and works on behalf of the Council and failure to comply may result in disciplinary procedures.

A2. General Principles

- A2.1 These Contract Procedure Rules (“CPRs”) provide the framework that governs the Council’s procurement of Contracts for goods, services and works.
- A2.2 Following these CPRs helps the Council to demonstrate:
- A2.2.1 good internal governance;
 - A2.2.2 stewardship and the proper spending of public monies;
 - A2.2.3 value for money outcomes; and
 - A2.2.4 compliance with relevant laws.
- A2.3 The purpose of all procurement activity is to:
- A2.3.1 achieve Value for Money for the Council and the Residents;
 - A2.3.2 seek continuous improvement of the Council’s functions having regard to the optimum combination of economy, efficiency and effectiveness in keeping with the Council’s duty to seek Best Value (and Value for Money);
 - A2.3.3 promote the well-being of the Council’s Residents and Area through the effective functioning of the Council, the efficient use of the Council’s resources, and a focus on the Social Value that can be achieved.
- A2.4 The Appendices to these CPRs provide further detail and form part of these CPRs as if they were drafted as one document. Any questions about the application of these CPRs should be directed to the Head of Finance & Procurement (S151 Officer) and/or the Procurement Manager.
- A2.5 All figures in these CPRs are exclusive of VAT unless stated otherwise.
- A2.6 Heads of Service **MUST**:
- A2.6.1 ensure that these CPRs are followed;
 - A2.6.2 ensure that audit trails are in place for all procurement activity in accordance with these CPRs.

A3. When these CPRs apply

- A3.1 These CPRs apply:
- A3.1.1 whenever the Council intends to spend money (or provide other payments in kind) under Contracts for goods, services or works;
 - A3.1.2 to expenditure from either capital or revenue sources;

² Buying, in addition to situations where the Council pays another party in return for goods, services and / or works, can include situations where the Council provides the opportunity for another party to make a profit from goods, services, and / or works even when the Council does not contribute towards them (for more details see [section C9](#)).

- A3.1.3 to concession contracts³ (for further info, speak to the Procurement Team);
- A3.1.4 to spending of grants⁴ (for further info, speak to the Procurement Team);
- A3.1.5 to goods for re-sale;
- A3.1.6 to both Officers and Council Members;
- A3.1.7 to all bodies where the Council acts as the lead authority.
- A3.2 These CPRs do not apply:
 - A3.2.1 to contracts of employment;
 - A3.2.2 to the awarding of grants (for further info, speak to the relevant team's Head of Service)
 - A3.2.3 to acquisitions and disposals of land or buildings (these are covered by the Financial Procedure Rules and the Disposal of Land & Property Assets document [see Cabinet 7 July 2021]) – unless related to a Contract for works, services or goods;
 - A3.2.4 to the seeking of offers in relation to financial services in connection with the issue, purchase, sale or transfer of securities or other financial instruments, in particular transactions by the Council to raise money or capital, including but not limited to Treasury Management;
 - A3.2.5 to internal agreements between departments within the Council;
 - A3.2.6 in the case of individual investments which are not deemed as the purchase of goods or services for the purposes of the Council's CPR's;
 - A3.2.7 to any type of contract excluded under the Regulations.
- A3.3 In exceptional circumstances only, certain exemptions can be approved by following the process set out at [Appendix 5 Exemption to CPRs](#). The persons who are authorised to approve the exemptions are set out in [Appendix 5 Exemption to CPRs](#). Seeking an exemption of these CPRs does not exempt the Council from complying with the General Principles or with general law.
- A3.4 In the event of any issue arising as to the interpretation of these CPRs the matter will be referred to the Head of Finance & Procurement (S151 Officer) in first instance, and if required, the Monitoring Officer whose decision in that regard shall be final.
- A3.5 The Monitoring Officer, in consultation with the Head of Finance & Procurement (S151 Officer), shall also be authorised to make minor changes to the Contract Procedure Rules designed to reflect legislative changes; to update job title or portfolio changes; to remove any inconsistency or ambiguity and/or give effect to any decisions of the Council. The Head of Finance & Procurement (S151 Officer) in consultation with the Monitoring Officer shall also produce guidance and/or protocols to assist in the interpretation of the CPRs.

³ A concession contract is a contract for pecuniary (financial) interest for the execution of works or the provision / management of services by a supplier where the consideration must consist either solely in the right to exploit the services (i.e. to make money from third parties) or in that right together with payment from the procuring body.

⁴ An arrangement will be a grant when one party gives a donation to another party without receiving a benefit in return. The receiving party is not obliged to provide a service. The receiving party can decide not to provide the service but would then have to repay the donation. Further information on grants can be found in the Financial Procedure Rules.

A4. Other Key Documents

- A4.1 These CPRs should be read alongside the following:
- A4.1.1 the Council's Procurement Strategy;
 - A4.1.2 the Council's Constitution;
 - A4.1.3 the Council's Scheme of Delegation;
 - A4.1.4 the Council's Financial Procedure Rules;
 - A4.1.5 the Council's Social Value Policy;
 - A4.1.6 the Local Government Transparency Code;
 - A4.1.7 Any policies or guidance issued by Central Government;
 - A4.1.8 Any other guidance provided by the Procurement Manager.
- A4.2 Anyone undertaking purchasing activity on behalf of the Council (but especially in the context of activities with a value above PCR2015 Thresholds) **MUST** refer to the following documents, where appropriate:
- A4.2.1 the Public Contract Regulations 2015 (as amended);
 - A4.2.2 the Public Procurement (EU Exit) Regulations 2020 (as amended);
 - A4.2.3 the Concession Contracts Regulations 2016;
 - A4.2.4 the Public Services (Social Value) Act 2012;
 - A4.2.5 the Bribery Act 2010;
 - A4.2.6 the Small Business, Employment and Enterprise Act 2015;
 - A4.2.7 the Equalities Act 2012;
 - A4.2.8 the Modern Slavery Act 2015;
 - A4.2.9 the Data Protection Act 2018;
 - A4.2.10 any other relevant legislation.

Section B. Ethics

B1. General

- B1.1 Ethics focus on what constitutes right or wrong behaviour. You may come across ethical dilemmas during your work the Council and or during a procurement process.

B2. Codes of Conduct

- B2.1 All procurement exercises **MUST** be carried out with openness and transparency and with integrity and fairness to all suppliers.
- B2.2 Officers **MUST** conduct themselves in line with the Council's Code of Conduct for Employees including with regards to the receiving of hospitality and gifts and the giving and receiving of sponsorship.
- B2.3 Suppliers **MUST** agree to and adhere the Council's Supplier Code of Conduct⁵ – this is included within RFQ/ITT documentation as well as being reference on all Purchase Orders.

B3. Separation of Roles

- B3.1 Council Members are the driving force behind policy, strategy and approving the award of contracts over set thresholds. Council Members will not routinely be involved in procurement activity, for example being part of an evaluation panel. Council Members who are privy to confidential information **MUST NOT** disclose that information to any unauthorised party or organisation.
- B3.2 Officers involved in the procurement process and dealing with suppliers **MUST** be clear on the separation of client and contractor roles within the Council.
- B3.3 Officers who have both a client and contractor responsibility **MUST** be aware of the need for accountability and openness.
- B3.4 Officers who are privy to confidential information (for example in Tenders Submissions, Contracts or costs for either internal suppliers **MUST NOT** disclose that information to any unauthorised party or organisation.
- B3.5 For further information, see the Council Members' Code of Conduct guidance document and the Council's Code of Conduct for Employees.

B4. Conflicts of Interest

- B4.1 Before or during a procurement activity conflicts of interest⁶ (potential, perceived or actual) may occur. It is the responsibility of all Officers, Council Members and third parties involved in a procurement activity to inform the Procurement Manager and or Head of Governance & Performance (Monitoring Officer) as soon as this is identified.
- B4.2 Where a conflict (potential, perceived or actual) is identified, it may be decided that the Officer, Member or third party concerned must not take any further part in the procurement process to preserve the integrity of the procedure or a mechanism(s) may be put in place to minimise the any risks if appropriate to do so.

⁵ The Supplier Code of Conduct is pending approval – until it has been approved by the relevant bodies it is not in force.

⁶ Examples of conflict of interest include: personal relationship with a member of the supplier's staff (including former Council staff); previously employed by the supplier; holding shares or other financial interest in the supplier.

- B4.3 For further advice or to report a potential Conflict of Interest contact the Procurement Manager and or Head of Governance & Performance (Monitoring Officer).

B5. Corruption

- B5.1 Officers and Council Members **MUST** be aware that it is a serious criminal offence for them corruptly to receive or give any gift, loan, fee, reward or advantage for doing, or not doing, anything or showing favour, or disfavour, to any person in their official capacity.
- B5.2 If an allegation is made, it is for the individual to demonstrate that any such rewards have not been corruptly obtained.
- B5.3 For further guidance, see the Council's Gifts and Hospitality policy on the Council's Intranet (Brian).

B6. Use of Financial Resources

- B6.1 Officers and Council Members **MUST** ensure that they use public funds entrusted to them in a responsible and lawful manner and in accordance with the Council's Financial Procedure Rules.

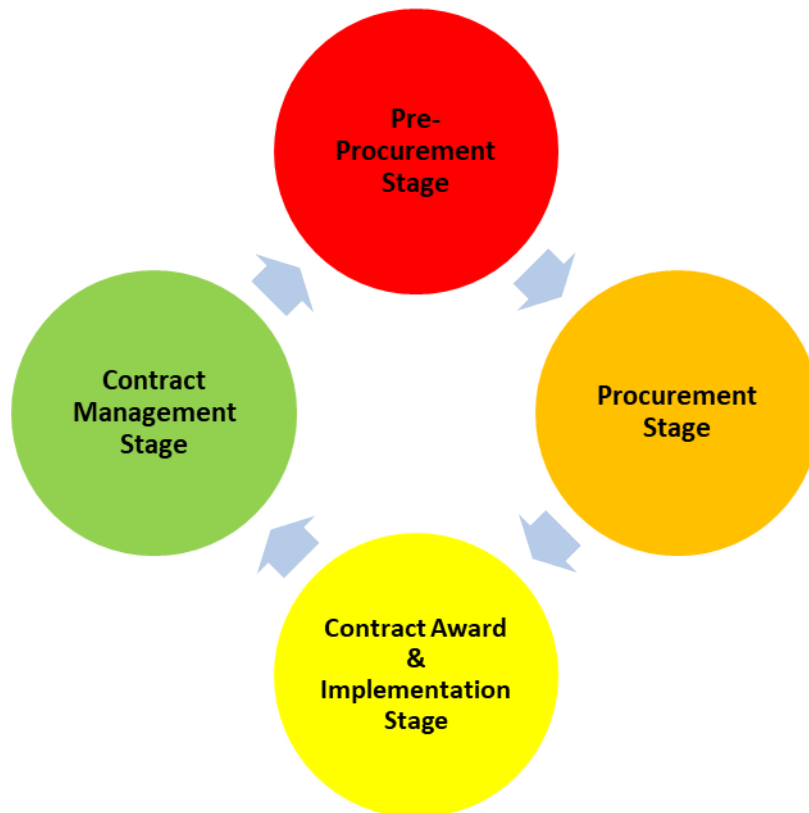
B7. Lobbying

- B7.1 It is recognised that lobbying is a normal and perfectly legitimate element of the process of local governance however it is important that Council Members protect their impartiality and integrity when dealing with external contractors and suppliers.
- B7.2 Council Members **MUST NOT** breach the Council's Code of Conduct by listening to or receiving viewpoints from contractors and suppliers or other interested parties unless they make it clear that they are keeping an open mind. Indicating a bias toward a particular product, supplier or contractor would prejudice impartiality and could lead to a legal challenge against the Council.

Section C. Procurement Pathways

C1. Procurement Stages

- C1.1 The procurement process is made up of 4 primary stages that follow on from each other in a cycle.

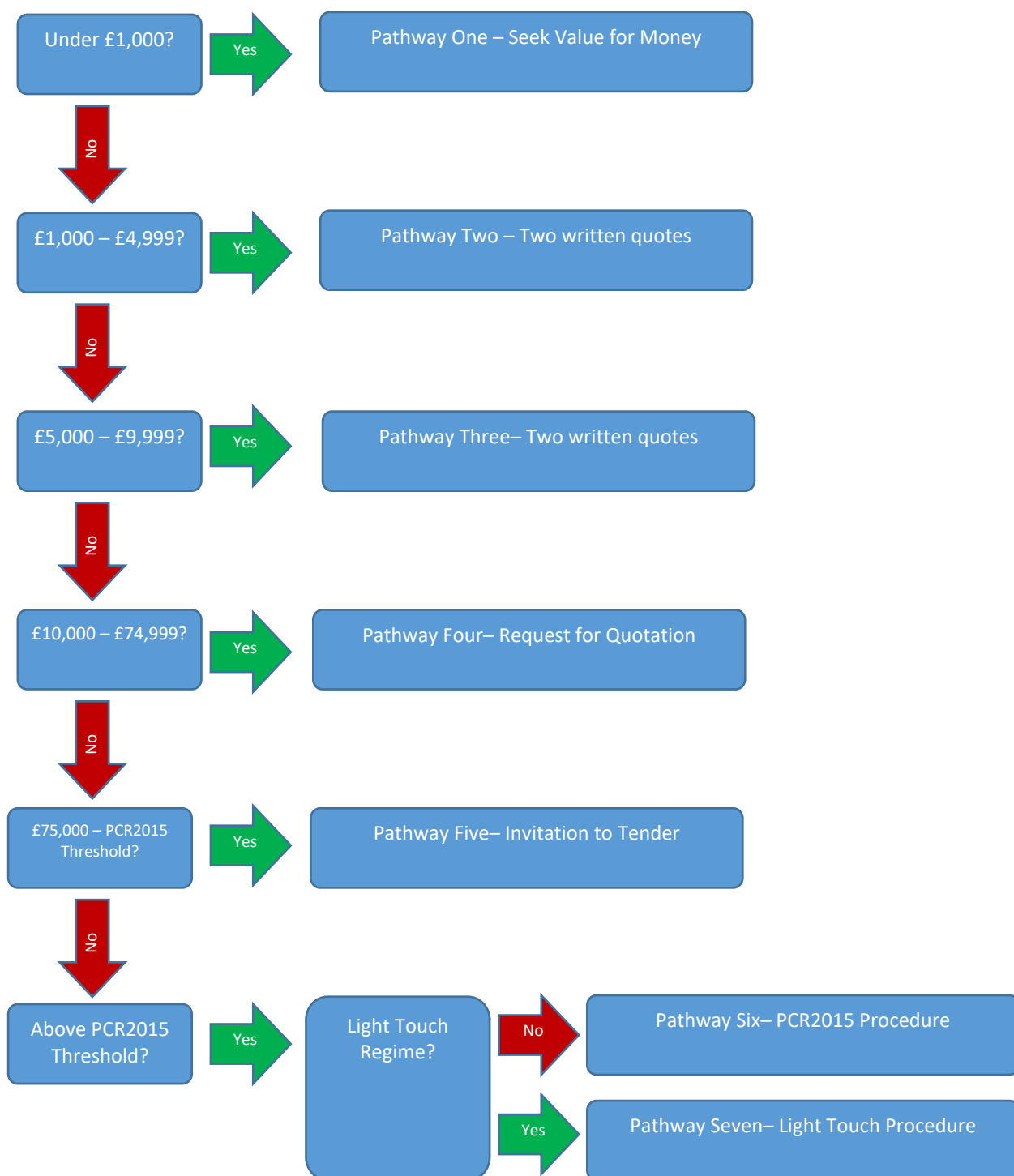


- C1.2 **Pre-Procurement Stage** – this covers activities that are needed in order to identify requirements, carry out research, undertake soft-market testing, write the specification, complete spend analysis and obtain any necessary approvals / permissions amongst other steps.
- C1.3 **Procurement Stage** – this covers the advertising of the opportunity, issuing documents to suppliers, answering questions, receiving bids, evaluation, interviews, site visits and preferred bidders are identified amongst other steps.
- C1.4 **Contract Award & Implementation Stage** – this covers the confirmation of the preferred bidder, obtaining any necessary approvals to award the contract, issuing letters and feedback to bidders, observing standstill periods, issuing final contracts for signature, following the signing & sealing process as applicable and then commencing implementation of the contract amongst other steps.
- C1.5 **Contract Management Stage** – this is the time when you ensure that the promises made by all parties to a contract, whether £500 or £5 million, are delivered as agreed; contract management meetings are attended, any concerns and issues raised and addressed in line with the agreed processes, KPIs are monitored, any variations, novations or extensions are sought and documentation is kept up to date amongst other steps. If the requirement is on-going then this stage will lead into another Pre-Procurement Stage; where the requirement is

no longer needed the cycle comes to a close once the Contract has expired.

C2. Procurement Pathway Flowchart

C2.1 In order to identify the correct Procurement Pathway please use the flowchart below



C3. Procurement Pathway Descriptions

Pathway One	
Estimated Contract Value ⁷ :	Under £1,000
Step 1	Identify your requirement and get approval from the Budget Manager to start the procurement activity
Step 2	Is there a suitable Corporate Contract already in place? YES – liaise with Contract Manager and proceed to Step 4 NO – proceed to Step 3
Step 3	Source the requirement whilst seeking Value for Money, applying Think Local ⁸ approach and following the Sustainable Procurement Policy ⁹ Use of the Council's e-tendering system is optional Carry out Conflict of Interest Check (see more information below)
Step 4	Obtain written ¹⁰ approval to make the purchase from the appropriate Budget Manager
Step 5	Use a purchasing card to complete the purchase OR Raise a Purchase Order (linked to the Council's General T&Cs of Purchase) – this needs to be raised at this point and NOT when the invoice is received
Step 6	Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase
Note: There is also the opportunity to use a Third-Party FWA / DPS for this Procurement Pathway but it is not mandated	
Conflict of Interest Check: You MUST carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the decision making process BEFORE any decision is made. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at section B4 .	

⁷ Please refer to [section D5](#) for further information on estimating the contract value

⁸ Think Local – until approved this is not in force

⁹ Sustainable Procurement Policy – until approved this is not in force

¹⁰ Email is acceptable

Pathway Two	
Estimated Contract Value ¹¹ :	£1,000 to £4,999
Step 1	<p>Identify your requirement and get approval from the Budget Manager to start the procurement activity</p> <p>You MUST complete a Procurement Initiation Plan if your requirement is complex, high risk or includes the collection/transfer/use of personal data (specialist T&Cs may be needed)</p> <p>If not already on the Future Procurement Plan it is optional to submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 5</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party FWA or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 5</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst seeking Value for Money, applying Think Local¹² approach and following the Sustainable Procurement Policy¹³ in line with one of the approved processes below:</p> <ul style="list-style-type: none"> • Obtaining at least 2 written Quotes • Obtaining pricing from at least 2 on-line stores • Undertaking market research that evidences only one suitable supplier and seeking pricing from them • Carrying out another process as agreed with the Procurement Manager in advance <p>Use of the Council's e-tendering system is optional</p> <p>Evaluation to be based on MEAT¹⁴ approach</p> <p>Carry out Conflict of Interest Check (see more information below)</p>
Step 5	Obtain written ¹⁵ approval to make the purchase from the appropriate Budget Manager
Step 6	<p>Raise a Purchase Order (linked to the Council's General T&Cs of Purchase) – this needs to be raised at this point and NOT when the invoice is received</p> <p>OR</p>

¹¹ Please refer to [section D5](#) for further information on estimating the contract value

¹² Think Local – until approved this is not in force

¹³ Sustainable Procurement Policy – until approved this is not in force

¹⁴ MEAT is Most Economically Advantageous Tender – the combination of quality and price

¹⁵ Email is acceptable

	<p>Where the requirement is specialist, complex or the Council's General T&Cs of Purchase are not suitable, use one of the specialist sets of T&Cs available on the procurement pages of the Council's Intranet (Brian) or from the Procurement Team as well as raising a Purchase Order – this needs to be raised at this point and NOT when the invoice is received</p> <p>ALL consultancy contracts must use specialist T&Cs (see section D10 for further details)</p>
Step 7	Maintain records in line with the Council's Document Retention policy
Step 8	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
<p>Conflict of Interest Check: You MUST carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the decision making process BEFORE any decision is made. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at section B4.</p>	

Pathway Three	
Estimated Contract Value ¹⁶ :	£5,000 to £9,999
Step 1	<p>Identify your requirement and get approval from the Budget Manager to start the procurement activity</p> <p>You MUST complete a Procurement Initiation Plan if your requirement is complex, high risk or includes the collection/transfer/use of personal data</p> <p>If not already on the Future Procurement Plan it is optional to submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 5</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 5</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst seeking Value for Money, applying Think Local¹⁷ approach and following the Sustainable Procurement Policy¹⁸ in line with one of the approved processes below:</p> <ul style="list-style-type: none"> • Obtaining at least 2 written Quotes • Obtaining pricing from at least 2 on-line stores • Undertaking market research that evidences only one suitable supplier and seeking pricing from them • Carrying out another process as agreed with the Procurement Manager in advance <p>Use of the Council's e-tendering system is optional</p> <p>Evaluation to be based on MEAT¹⁹ approach</p> <p>Carry out Conflict of Interest Check (see more information below)</p>
Step 5	<p>Complete the Contract Award Recommendation (template available on the procurement pages of the Council's Intranet (Brian)) and obtain approval to award contract from the appropriate Budget Manager</p>
Step 6	<p>Raise a Purchase Order (linked to the Council's General T&Cs of Purchase) – this needs to be raised at this point and NOT when the invoice is received</p>

¹⁶ Please refer to [section D5](#) for further information on estimating the contract value

¹⁷ Think Local – until approved this is not in force

¹⁸ Sustainable Procurement Policy – until approved this is not in force

¹⁹ MEAT is Most Economically Advantageous Tender – the combination of quality and price

	<p>OR</p> <p>Where the requirement is specialist, complex or the Council's General T&Cs of Purchase are not suitable, use one of the specialist sets of T&Cs available on the procurement pages of the Council's Intranet (Brian) or from the Procurement Team as well as raising a Purchase Order – this needs to be raised at this point and NOT when the invoice is received</p> <p>ALL consultancy contracts must use specialist T&Cs (see section D10 for further details)</p>
Step 7	Submit a request to record a contract to the Contract Register via the link on the procurement pages on the Council's Intranet (Brian)
Step 8	Maintain records in line with the Council's Document Retention policy
Step 9	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
<p>Conflict of Interest Check: You MUST carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the decision making process BEFORE any decision is made. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at section B4.</p>	

Pathway Four	
Estimated Contract Value ²⁰ :	£10,000 to £149,999£149,999
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>If not already on the Future Procurement Plan it is optional to submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>Check with your Head of Service if a Business Case²¹ is needed</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA/ DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> • seeking Value for Money; • applying Think Local²² approach; • following the Sustainable Procurement Policy; ²³and • applying the Social Value Policy²⁴ / Social Value Act 2012
Step 5	<p>Seek at least 3 written quotations using the Request for Quotation process at Appendix 7 RFQ Process</p> <p>Use of the Council's e-tendering system is optional where the estimated contract value is between £10,000 and £24,999</p> <p>You MUST use the Council's e-tendering system where the estimated contract value is £25,000 or greater</p> <p>Evaluation to be based on MEAT²⁵ approach</p> <p>Carry out Conflict of Interest Check (see Appendix 7 RFQ Process for more information)</p>

²⁰ Please refer to [section D5](#) for further information on estimating the contract value

²¹ A Business Case may be needed where a project is transformational, introduces significant service changes or proposes a different funding model.

²² Think Local – until approved this is not in force

²³ Sustainable Procurement Policy – until approved this is not in force

²⁴ Social Value Policy – until approved this is not in force

²⁵ MEAT is Most Economically Advantageous Tender – the combination of quality and price

Step 6	Complete the Contract Award Recommendation and obtain approval to award contract from the appropriate Head of Service
Step 7	Provide feedback to the successful and unsuccessful suppliers
Step 8	<p>Draft a formal contract and ask the Procurement Team to issue for signature using the Council's e-signature system²⁶ (supplier to sign first, the Council to sign second)</p> <p>See section F6 for further information on signing & sealing</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	<p>Submit a request to record a contract to the Contract Register via the link on the procurement pages on the Council's Intranet (Brian)</p> <p>OR</p> <p>If using the Council's e-tendering system publish the Contract to the Contract Register</p>
Step 10	If the contract value is £25,000 (inclusive of VAT) or greater publish a Contract Award Notice via the Council's e-tendering system ²⁷
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

²⁶ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

²⁷ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

Pathway Five	
Estimated Contract Value ²⁸ :	£150,000 to PCR2015 Threshold²⁹
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>If not already on the Future Procurement Plan you MUST submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>Add the activity to the Forward Plan in line with the appropriate approvals detailed at Appendix 1 Approval Pathways</p> <p>Check with your Head of Service if a Business Case³⁰ is needed</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> • seeking Value for Money; • applying Think Local³¹ approach; • following the Sustainable Procurement Policy³²; and • applying the Social Value Policy³³ / Social Value Act 2012
Step 5	<p>Seek at least 3 written Tenders using the Invitation to Tender process at Appendix 8 ITT Process</p> <p>You MUST use the Council's e-tendering system</p> <p>Evaluation to be based on MEAT³⁴ approach</p> <p>Carry out Conflict of Interest Check (see Appendix 8 ITT Process for more information)</p>

²⁸ Please refer to [section D5](#) for further information on estimating the contract value

²⁹ See [Appendix 3 Procurement Thresholds & Timescales](#) for current thresholds

³⁰ A Business Case may be needed where a project is transformational, introduces significant service changes or proposes a different funding model.

³¹ Think Local – until approved this is not in force

³² Sustainable Procurement Policy – until approved this is not in force

³³ Social Value Policy – until approved this is not in force

³⁴ MEAT is Most Economically Advantageous Tender – the combination of quality and price

Step 6	Complete the Contract Award Recommendation and obtain the appropriate approval to award contract (See Appendix 1 Approval Pathways for further details)
Step 7	Provide feedback to the successful and unsuccessful suppliers
Step 8	<p>Draft a formal contract and ask the Procurement Team to issue it for signature using the Council's e-signature system³⁵ (supplier to sign first, the Council to sign second)</p> <p>See section F6 for details on signing contracts</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	Publish the Contract to the Contract Register
Step 10	Publish a Contract Award Notice via the Council's e-tendering system ³⁶
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

³⁵ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

³⁶ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

Pathway Six	
Estimated Contract Value ³⁷ :	Above PCR2015 Threshold (excluding Light Touch Regime)
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>If not already on the Future Procurement Plan you MUST submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>Add the activity to the Forward Plan in line with the appropriate approvals detailed at Appendix 1 Approval Pathways</p> <p>Check with your Head of Service if a Business Case³⁸ is needed</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> • seeking Value for Money; • following the Sustainable Procurement Policy³⁹; • applying the Social Value Policy⁴⁰ / Social Value Act 2012; and • adhering to the Regulations.
Step 5	<p>Follow one of the available procurement procedures as detailed in section E5</p> <p>You MUST use the Council's e-tendering system</p> <p>Evaluation to be based on MEAT⁴¹ approach</p> <p>Carry out Conflict of Interest Check (see section B4 for more information)</p>
Step 6	<p>Complete the Regulation 85 Contract Award Recommendation and obtain the appropriate approval to award contract (see Appendix 1 Approval Pathways for</p>

³⁷ Please refer to [section D5](#) for further information on estimating the contract value

³⁸ A Business Case may be needed where a project is transformational, introduces significant service changes or proposes a different funding model.

³⁹ Sustainable Procurement Policy – until approved this is not in force

⁴⁰ Social Value – until approved this is not in force

⁴¹ MEAT is Most Economically Advantageous Tender – the combination of quality and price

	further details)
Step 7	Provide feedback to the successful and unsuccessful suppliers in line with the Regulations and using the Standstill Period as applicable
Step 8	<p>Draft a formal contract and ask the Procurement Team to issue it for signature (only once the Standstill Period has been formally concluded) using the Council's e-signature system⁴² (supplier to sign first, the Council to sign second)</p> <p>See section F6 for details on signing contracts</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	Publish the Contract to the Contract Register
Step 10	Publish a Contract Award Notice via the Council's e-tendering system ⁴³
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

⁴² In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

⁴³ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

Pathway Seven	
Estimated Contract Value ⁴⁴ :	Above PCR2015 Threshold Light Touch Regime
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>If not already on the Future Procurement Plan you MUST submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>Add the activity to the Forward Plan in line with the appropriate approvals detailed at Appendix 1 Approval Pathways</p> <p>Check with your Head of Service if a Business Case⁴⁵ is needed</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> • seeking Value for Money; • following the Sustainable Procurement Policy⁴⁶; • applying the Social Value Policy⁴⁷ / Social Value Act 2012; and • adhering to the Regulations
Step 5	<p>Agree with the Procurement Manager which LTR procurement procedure is to be followed.</p> <p>You MUST use the Council's e-tendering system</p> <p>Evaluation to be based on MEAT⁴⁸ approach</p>
Step 6	<p>Complete the Regulation 85 Contract Award Recommendation and obtain appropriate approval to award contract. See Appendix 1 Approval Pathways for further</p>

⁴⁴ Please refer to [section D5](#) for further information on estimating the contract value

⁴⁵ A Business Case may be needed where a project is transformational, introduces significant service changes or proposes a different funding model.

⁴⁶ Sustainable Procurement Policy – until approved this is not in force

⁴⁷ Social Value Policy – until approved this is not in force

⁴⁸ MEAT is Most Economically Advantageous Tender – the combination of quality and price

	details
Step 7	Provide feedback to the successful and unsuccessful suppliers in line with the Regulations and using the Standstill Period as applicable
Step 8	<p>Draft a formal contract and ask the Procurement Team to issue it for signature (only once the Standstill Period has been formally concluded) using the Council's e-signature system⁴⁹ (supplier to sign first, the Council to sign second)</p> <p>See section F6 for details on signing contracts</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	Publish the Contract to the Contract Register
Step 10	Publish a Contract Award Notice via the Council's e-tendering system ⁵⁰
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

⁴⁹ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

⁵⁰ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

C4. Further information on the Light Touch Regime

- C4.1 The Light Touch Regime (LTR) applies to a specific range of services if the Contract is valued above the PCR2015 Threshold (see [Appendix 3 Procurement Thresholds & Timescales](#)).
- C4.2 The services covered by the LTR as listed below in general:
- C4.2.1 Administrative, social, education, healthcare and cultural services
 - C4.2.2 Benefit services
 - C4.2.3 Compulsory Social Security services
 - C4.2.4 Health, social and related services
 - C4.2.5 Hotel and restaurant services
 - C4.2.6 International services
 - C4.2.7 Investigation and security services
 - C4.2.8 Legal services
 - C4.2.9 Miscellaneous services
 - C4.2.10 Other administrative and government services
 - C4.2.11 Other community, social and personal services including services furnished by trade unions, political organisations, youth associations and other membership organisation services
 - C4.2.12 Postal services
 - C4.2.13 Prison related services, public security and rescue services to the extent not excluded pursuant to point (h) of Article 10
 - C4.2.14 Provision of services to the community
 - C4.2.15 Religious services
 - C4.2.16 School Meals and Catering services

If you consider your procurement activity to fall within one of the categories you **MUST** contact the Procurement Team before progressing in order for validation to be undertaken in line with CPV⁵¹ coding.

- C4.3 Under the Light Touch Regime, you **MUST**:
- C4.3.1 issue a Contract Notice or Prior Information Notice in FTS;
 - C4.3.2 follow a transparent and fair procedure which treats potential service providers equally; and
 - C4.3.3 issue a Contract Award Notice.
- C4.4 The Regulations require the Council to:
- C4.4.1 give information in the Contract Notice about:
 - C4.4.1.1 any conditions for participating in the competition (e.g. “selection” criteria);
 - C4.4.1.2 any time limits for contacting the Council;

⁵¹ CPV means Common Procurement Vocabulary. This is the coding used to identify specific goods, services and works and links to the Regulations,

- C4.4.1.3 the award procedure that the Council will apply;
- C4.4.1.4 ensure that any time limits imposed on interested providers are reasonable and proportionate.

C4.5 The Council can choose to apply a procedure that looks similar to one of the procurement procedures (see [section E5](#)) but does not have to.

C5. Further Information on Framework Agreements

C5.1 A Framework Agreement (“FWA”) is an ‘umbrella’ agreement to which one or more suppliers is appointed. Usually, they are used when the exact quantity of goods, services or works required over the period of the FWA cannot be determined. For example, a FWA with one supplier for the provision of office supplies. A FWA establishes the T&Cs which will be used whenever an order is ‘called-off’ against it. FWAs can be established with one supplier or a number in which case often a “mini-competition/further competition” is used to decide which supplier is used each time there is a requirement.

C5.2 They are normally limited to four years in length (particularly those above the PCR2015 Threshold).

C5.3 There is no obligation to buy anything from a FWA and you are not committing the Council to any spend. However, every time you place an order under a FWA, you are entering into a legally binding Contract.

C5.4 You **MUST** seek support from the Procurement Team if you are seeking to establish a FWA.

C6. Further Information on Third-Party Framework Agreements

C6.1 Third-Party Framework Agreement (“FWA”) are FWAs established by other organisations that are open to the Council to use in order to let a Contract. There are specific procedures that have to be followed in order to set-up a Third-Party FWA and these need to be reviewed before we use one to award a contract.

C6.2 Some well-known Third-Party FWA providers are:

C6.2.1 [Crown Commercial Services \(CCS\)](#)

C6.2.2 [ESPO](#)

C6.2.3 [YPO](#)

C6.2.4 [SCAPE](#)

C6.2.5 [Fusion21](#)

C6.2.6 [NEPO](#)

C6.3 There is a list of potential Third Party FWA providers on the Procurement Team pages of the Council’s Intranet (Brian).

C6.4 You **MUST** seek support from the Procurement Team if you are seeking to use a Third-Party FWA.

C7. Further Information on Dynamic Purchasing Systems

C7.1 A Dynamic Purchasing System (“DPS”) is similar to a FWA however whereas a FWA is set once the award has been made and no new suppliers can be added to it, a DPS will allow new suppliers to be added, provided that they meet the objective selection criteria laid out in the original Contract Notice or advertisement.

C7.2 The Council may opt to establish its own DPS where applicable.

C7.3 You **MUST** seek support from the Procurement Team if you are seeking to establish a DPS.

C8. Further Information on Third-Party Dynamic Purchasing Systems

- C8.1 Third-Party Dynamic Purchasing System (“DPS”) are DPS established by other organisations that are open to the Council to use in order to let a Contract. There are specific procedures that have to be followed in order to set-up a Third-Party DPS and these need to be reviewed before the Council uses one to award a contract.
- C8.2 You **MUST** seek support from the Procurement Team if you are seeking to use a Third-Party DPS.

C9. Concession Contract Pathways

- C9.1 A Concession Contract involves a contractual arrangement between the Council and a supplier (the concession holder) where the supplier provides services or carries out works and is remunerated not by the Council paying them, but by being permitted to exploit the services or works. For example, the right to run a staff canteen is awarded to a catering company who keeps any surplus they make from selling food/drinks etc., there is no payment from the host to the catering company for the running of the service.
- C9.2 Where a concession Contract is below the PCR2015 Threshold for concessions then similar pathways to the Procurement Pathways shall be followed – you **MUST** liaise with the Procurement Team at the start to agree a suitable pathway.
- C9.3 Where a concession Contract is above the PCR2015 Threshold for concessions then the procedures detailed in the Concession Contract Regulations 2016 - you **MUST** liaise with the Procurement Team at the start to agree a suitable pathway.

Section D. Pre-Procurement Stage

D1. General

- D1.1 Before commencing any procurement activity, regardless of value, you **MUST** identify your requirement and calculate its estimated contract value.

D2. Check the Contract Register

- D1.2 You **MUST** check the Contract Register before you start any procurement activity, in case there is an existing Council Contract which covers your need. Saving time and expense by using an existing Contract will almost always represent Value for Money.

D3. Future Procurement Plan

- D1.3 All procurements that have a value of £150,000 and over **MUST** be entered on the Future Procurement Plan which will be published on our Website. This is a requirement of the Local Government Transparency Code. It is optional to include procurements that have a value of below £150,000.
- D1.4 To add an entry on the Future Procurement Plan follow the process detailed on the procurement pages on the Council's Intranet (Brian).
- D1.5 On an annual basis a copy of the Future Procurement Plan for the next 12-18 months will be presented to Cabinet in order to seek pre-procurement and post-procurement approvals (see [Appendix 1 Approval Pathways](#) for further information).

D4. Procurement Initiation Plan

- D1.6 For any procurement activity with an estimated contract value of £10,000 or greater, **OR** where the requirement is complex⁵², high risk⁵³ or involves the collection/ transfer/use of personal data (any value above £1,000) you **MUST** complete a Procurement Initiation Plan.
- D1.7 For any procurement activity with an estimated contract of £10,000 or greater you **MUST** speak with the Procurement Team at this stage.
- D1.8 Prior to commencing any procurement activity with an estimated contract value of £10,000 or greater, you **MUST** develop your requirement by researching the procurement and speaking to all relevant parties, obtaining all relevant information. The Procurement Initiation Plan falls out of this research and forms the business case that is approved prior to commencing the procurement.
- D1.9 The requirement **MUST** start with an identifiable need which reflects the Council's overall objectives identified within Council, Service and Team Plans. You **MUST** understand the business requirements and how it impacts all levels of the organisation and local community. Consider the relevance of Council policies and procedures and how they have a bearing on the requirement.

⁵² Complex relates to the chosen procurement pathway, the type of goods, services or works being procured (e.g. non-standard goods, highly specialist services, highly technical works). It can also relate to the contractual set-up required (e.g. tripartite, JCT, NEC4) or similar complexities.

⁵³ High risk relates to the market you are procuring from (e.g. high levels of business failure), the goods, services or works being procured (e.g. works that involve asbestos or supporting walls), the wider PR environment (e.g. a highly public project), transfer of personal data or similar risks.

- D1.10 The Procurement Initiation Plan covers a range of aspects including make or buy, on-going licences/maintenance requirements, price/quality split, needs v wants, and different procurement approaches.
- D1.11 Template Procurement Initiation Plans can be found on the procurement pages on the Council's Intranet (Brian).

D5. Budget & Estimate Contract Value

- D1.12 Before starting the procurement, you **MUST** have budgetary approval in writing from the budget holder.
- D1.13 You **MUST** establish the aggregated monetary value of your requirement early, as this identifies the process that you follow, influences the amount of work you do and indicates the level of interest that will be generated.
- D1.14 To estimate the contract value you should look backwards over a number of years to establish what has been spent before and look forwards to understand future requirement and available budgets. You should also take into consideration spend over the whole of the Council and not just your team/department.⁵⁴
- D1.15 For Contracts with a term of under 12 months you need to estimate the total contract value and then use this to identify the relevant Procurement Pathway.
- D1.16 For Contracts with a term of over 12 months you need to estimate the annual contract value and then multiple this by the proposed term of the contract including any options to extend. For example a contract with an annual value of £30,000 and a term of 3 years plus 1 year will have an estimate contract value of £120,000. If you are uncertain what the term of the contract will be, please contact the Procurement Team for advice.
- D1.17 If you underestimate a Contract's estimated value and carry out the incorrect Procurement Pathway you may be required to stop the procurement activity and re-start it using the correct Procurement Pathway. It is not permissible to award a Contract which is above the PCR2015 Thresholds if a non-compliant Procurement Pathway has been followed.
- D1.18 Please seek assistance from the Procurement Team if you are unsure of the estimated contract value, need assistance in calculating it or if the estimated contract value is within 20% of the PCR2015 Thresholds (See [Appendix 3 Procurement Thresholds & Timescales](#)).
- D1.19 You **MUST NOT** artificially reduce the term of a Contract, underestimate the contract value or split the Contract in order to change the applicable Procurement Pathway. If your procurement activity is for an area of spend that may also affect the wider Council, please contact the Procurement Team for advice.
- D1.20 When estimating a contract's value to identify if it is above or below the £25,000 Contracts Finder publication threshold or any of the PCR2015 thresholds you **MUST** include VAT. Any resultant notices via Contracts Finder or the Find a Tender service will use the estimated or actual contract value exclusive of VAT. Please contact the Procurement Team for advice.

D6. Key stakeholders & other teams

- D1.21 You **MUST** identify the key stakeholders for the project including anyone impacted by the requirement. You should consider doing a Communications Plan for larger projects. You **MUST** be mindful of any Conflict of Interest and take necessary precautions to ensure that if there is a conflict, it is mitigated and/or managed.

⁵⁴ Where the procurement activity you are leading on covers spend by other teams, please seek guidance from the Procurement Team – a decision will be made as to the most suitable way forward to meet your outcomes and also reflect the needs of the Council as a whole.

- D1.22 It may be necessary to obtain legal, HR, procurement and or financial advice prior to, or during, any procurement activity due to its complexity, scope or legal underpinnings. You **MUST** seek advice as soon as practicable; if you are uncertain as to whether advice is needed, please liaise with the procurement Team for advice.

D7. Market Analysis & Soft Market Testing

- D1.23 In order to gain a better understanding of the market and the goods, services and works on offer, you may want to carry out soft-market testing.
- D1.24 For procurement activities below the PCR2015 Thresholds, you are able to talk to suppliers before starting the procurement, this may include trialling products, visiting supplier premises or the premises of a supplier's customer (please refer to the Gift & Hospitality Policy if visiting other organisations' sites). This type of pre-procurement engagement or consultation could focus on:
- D1.24.1 What is being purchased?
 - D1.24.2 Is the specification realistic? Is it too ambitious? Not ambitious enough?
 - D1.24.3 What will the process look like?
 - D1.24.4 Do potential bidders have any concerns about timescales, for example?
- D1.25 You **MUST** keep adequate records of market research carried out and ensure that no supplier is favoured, or could be perceived to have been favoured, over any other either during or after the soft-market testing or any subsequent procurement activity.
- D1.26 You **MUST** ensure that any subsequent specification does not favour, or could be perceived to favour, one supplier over any other. Please liaise with the Procurement Team for advice and support.
- D1.27 For above PCR2015 Threshold procurement activities there is a detailed and specific process that must be followed in order to ensure any soft-market testing is carried out in line with the Regulations therefore you **MUST** seek advice from the Procurement Team before commencing.

D8. Supplier conflicts of interest as a result of soft-market testing

- D1.28 If a potential supplier has advised the Council or been involved in the preparation of the procurement procedure (for example providing information for a specification or estimated costings), the Council is expected to take "appropriate measures" to ensure the resulting competition is not distorted by that supplier's pre-procurement involvement. This might include, for example, communicating relevant information to other suppliers/tenderers. The Council cannot exclude a supplier from a procurement unless there is genuinely no other way to ensure that there is equal treatment of suppliers/tenderers in the procurement process.
- D1.29 If you are concerned that this may be, or become, an issue, please speak with the Procurement Team.

D9. Asset Leasing Type Arrangements

- D1.30 The implementation of the Prudential Code introduced new freedoms for local authorities to pursue various capital and revenue options for the funding of asset acquisitions. It is therefore important to ensure the most cost-effective form of funding is sourced for each acquisition.
- D1.31 Asset leases are to ensure:
- D1.31.1 compliance with the Prudential Code
 - D1.31.2 terms and conditions of leases are appropriate

- D1.31.3 the lease type arrangement is correctly recorded in the Council's accounts
- D1.31.4 compliance with the Regulations
- D1.32 Implications if the above objectives are not achieved:
 - D1.32.1 non-compliance with the Prudential Code Value for Money requirements and potentially decisions being unlawful or ultra vires⁵⁵
 - D1.32.2 the cost of leasing the asset is greater than alternative finance options
 - D1.32.3 the Council's accounts are incorrectly stated
 - D1.32.4 legal challenge as a result of a breach of the Regulations
- D1.33 Key Responsibilities for Council Members and Officers:
 - D1.33.1 to undertake option appraisals to demonstrate that lease type arrangements provide value for money compared to alternative options; and
 - D1.33.2 every Head of Service **MUST** refer all proposed lease type arrangements, within their Services, to the Head of Finance and Procurement (S151 Officer); and
 - D1.33.3 approval **MUST** be obtained from the Head of Finance and Procurement (S151 Officer) for all lease type arrangements.
- D1.34 More information on the Prudential Code can be obtained from www.cipfa.org
- D1.35 Asset leases are treated as supplies Contracts for the purpose of the Regulations and so the Regulations will apply in the normal way.

D10. Types of Contract

- D1.36 You **MUST** identify the correct type of contract that will be used to create the Contract which comes from your procurement activity at Pre-Procurement stage. When considering which type of contract to use, you should consider the subject matter of the contract, its value and the impact of any failure to deliver the requirements by the supplier and, if appropriate, discuss with the Procurement Team.
- D1.37 **Contracts below the PCR2015 Thresholds:**
 - D1.37.1 For the majority of Contracts under the PCR2015 Thresholds it will normally be appropriate to use the Council's standard Terms and Conditions of Contract which are available on the procurement pages on the Council's Intranet (Brian).
 - D1.37.2 For consultancy Contracts it will normally be appropriate to use the Council's standard Consultancy Contract.
 - D1.37.3 It may be more appropriate to use an industry standard form of Contract, such as JCT or NEC or a bespoke Contract drafted for the particular Contract in question.
 - D1.37.4 If the subject matter of the Contract is complex, high risk or involved the collection/use/transfer of personal data please liaise with the Procurement Team.
- D1.38 **Contracts above the PCR2015 Thresholds:**
 - D1.38.1 For Contracts above the PCR2015 Thresholds you should use the Council's standard Terms and Conditions of Contract which are available on the procurement pages on the Council's Intranet (Brian).
 - D1.38.2 It may be more appropriate to use an industry standard form of Contract, such as JCT or NEC or a bespoke Contract drafted for the particular Contract in question.

⁵⁵ Ultra vires means acting beyond the powers or authority by which a person or organisation is bound.

D1.38.3 If the subject matter of the Contract is complex, high risk or involved the collection/use/transfer of personal data you **MUST** liaise with the Procurement Team.

D1.39 Use of Third-Party Framework Agreements & Dynamic Purchasing Systems:

D1.39.1 When using a Third-Party Framework Agreement or Dynamic Purchasing System you **MUST** use the contract documents as detailed by the Third-Party. In most cases this will be a pre-agreed set of T&Cs but in some cases there may be a choice (particularly for works related activities) available. Please seek guidance from the Procurement Team when needed.

D1.40 Use of Supplier Terms and Conditions:

D1.40.1 Often Suppliers may try to insist that Contracts are let on their own T&Cs; in general these will be more favourable to the supplier and may limit the rights of the Council throughout the term of the Contract.

D1.40.2 Unless agreed by the Procurement Manager and or Head of Finance & Procurement (S151 Officer) you **MUST NOT** use Supplier T&Cs.

D11. Engagement of Interims and Consultants (Day Rate basis)

D11.1 When considering the engagement of interims or consultants on a 'day rate' basis rather than via an employment contract (payroll) you **MUST** consider whether the engagement falls inside or outside of the IR35 regulations (off-payroll working). The Council may be liable a range of costs including income tax and national insurance payments if the categorisation of the contract is incorrect. You **MUST** seek guidance from the Procurement Team and Finance Team at the start of the project.

D12. Confidentiality

- D1.41 The Council has a responsibility to ensure that information provided to suppliers and provided by suppliers is treated confidentially. This is not only good practice but also gives the suppliers confidence that they are being treated fairly and without discrimination. Information provided by the Council is given in confidence to suppliers and those whom they need to consult for the purpose of preparing their response, such as professional advisors or joint bidders.
- D1.42 If a Conflict of Interest arises or if at any time during the procurement it is discovered that the supplier has not acted confidentially, the Council may eliminate them from the procurement exercise.
- D1.43 Suppliers have the right to state what elements of their Tender Submission they want to remain confidential however under FOIA and EIR the Council **MUST** provide information requested with some exceptions such as commercially confidential items (pricing, intellectual property etc.) which can be redacted from the version published in the public domain. Contractors' cooperation may be needed to ensure the Council complies with requests for information.
- D1.44 All contracts **MUST** include a clause permitting the publication of information relating to the contract in line with the Local Government Transparency Code 2015.

D13. Intellectual Property

D1.45 "Intellectual Property Rights" includes patents, inventions, trademarks, service marks, logos, design rights, copyright, database rights, domain names, trade or business names, moral rights, Council data and other similar rights or obligations.

- D1.46 Generally speaking, all intellectual property rights in all works or supplies provided under a Contract which are written or produced on a bespoke or customized basis would be owned by the Council and the Supplier should be required to ensure that it allows such ownership.
- D1.47 It is expected that any contract will require the transfer of data from the outgoing supplier to the Council or the subsequent supplier (as decided by the Council) in a format of the Council's choosing.
- D1.48 However, where the supplier provides existing intellectual property right protected material to the Council under a Contract, it has to warrant it has the right to do so and it fully indemnifies the Council against all loss or liability arising from any third party intellectual property rights claims arising both from such existing material and in relation to any such bespoke work.

D14. Data Protection Act & GDPR

- D1.49 The Data Protection Act 2018 ("DPA") relates to the processing of data on identifiable living people and are the legislation that govern the protection of personal data in the UK. All Officers and Council Members are legally obliged to comply.
- D1.50 The Council's various Standard Terms and Conditions of Contract contain clauses which state how a supplier must process and store personal data provided to them under a Contract.
- D1.51 In certain Contracts, where a supplier is required to process personal data or hold personal information for the purpose of executing the Contract, then Officers **MUST** seek further guidance from the Data Protection Officer.

D15. Specifications

- D1.52 For all compliant procurement activities, you **MUST** draft the specification for a Contract upfront, before starting the procurement process.
- D1.53 What the specifications look like will vary widely depending on the nature of the Contract. If you are having difficulty drafting a specification for the Contract, guidance is available on the procurement pages on the Council's Intranet (Brian).
- D1.54 In addition to the direct requirements detailed in your specification, you should also consider any other requirements such as:
 - D1.54.1 Construction, Design and Management Regulations 2017;
 - D1.54.2 Data Protection (for example when sharing customer data held by the Council with a supplier);
 - D1.54.3 Environmental impacts;
 - D1.54.4 Health & Safety (for example working from height, public gatherings, hot works);
 - D1.54.5 Modern slavery;
 - D1.54.6 Social Value;
 - D1.54.7 Specialist insurance (for example Contractors All Work, Product Indemnity);
 - D1.54.8 Transfer of Undertakings in Employment (TUPE);
 - D1.54.9 Safeguarding
- D1.55 You may need to obtain specific advice from the Health & Safety Manager, Human Resources Team, Insurance Manager, Safeguarding Officer, Data Protection Officer, Finance Team, or Legal Team to assist you in developing these part of the specification.
- D1.56 For further information please see the procurement pages on the Council's Intranet (Brian).

D16. Minimum Insurance Levels

D1.57 The Council requires all suppliers to meet the minimum insurance levels as stated below.

Type of Cover	Duration of Cover	Minimum insurance level per claim			
		Goods	Services	Goods & Services	Works
Employers Liability	Length of Contract	£5 million	£5 million	£5 million	£5 million
Public Liability	Length of Contract	£5 million	£5 million	£5 million	£25 million
Professional Indemnity	Length of Contract PLUS 6 years (signed as a Simple Contract) 12 years (sealed as a Deed)	N/A	£2 million	£2 million	£2 million
Product Liability	Dependent upon requirement – product guarantee may be required instead. Seek guidance from the Insurance Manager.				
Contractors All Risk (dependent upon location - seek guidance from the Insurance Manager)	Length of Contract/Works	N/A	N/A	N/A	At least contract value

D1.58 The above limits relate to each claim.

D1.59 When starting a procurement activity for a complex, high risk or specialist contract or a contract that involves works you **MUST** confirm insurance levels with the Insurance Manager.

D1.60 It is permissible to amend the limits above where appropriate but approval **MUST** be obtained from the Insurance Manager and Head of Finance and Procurement (\$151 Officer) in advance, for example it may be proportionate to reduce the level of Public Liability insurance to a lower level.

D17. Social Value

- D1.61 The Social Value Act requires the procurer to consider securing economic, social, or environmental benefits when buying services through what is being bought, and how it is procured.
- D1.62 This duty relates to:
- D1.62.1 all service Contracts to which the Regulations apply (including those under the Light Touch Regime);
 - D1.62.2 service Contracts with a works / supplies element that is so incidental that the Contract would ordinarily be considered a services Contract under the Regulations; and
 - D1.62.3 Frameworks Agreements for such Contracts.
- D1.63 The Council **MUST** also think about whether consultation on Social Value matters is needed.
- D1.64 In addition to the requirements of the Social Value Act, the Council also has its own Social Value Policy⁵⁶ which covers procurement activities of all values. Please refer to this document for further details.

D18. Modern Slavery and Human Trafficking

- D1.65 The Council has a Slavery and Human Trafficking Statement⁵⁷ in place and takes its responsibilities in relation to the elimination of slavery and human trafficking within its supply-chains and those of its suppliers seriously. You **MUST** consider the risk of these activities being present in the market your procurement relates to and then what additional information you need to request from suppliers as part of your procurement activity.
- D1.66 Modern Slavery includes human trafficking, forced labour and bonded labour.
- D1.67 Below is an example list of sectors that may be considered at risk of modern slavery related activities within their supply chains:
- D1.67.1 Construction and agriculture;
 - D1.67.2 'Gig-Economy' services (for example window cleaning, cleaning services, delivery services);
 - D1.67.3 IT Hardware (especially the extraction of rare earth minerals used in the manufacture of component parts);
 - D1.67.4 Recruitment (especially the use of gang masters or foreign workers);
 - D1.67.5 Textile production and clothing manufacturing
- D1.68 It may be necessary to ask additional questions and seek further information from suppliers as part of the procurement activity due to risk of Modern Slavery being present in any supply chains. For further information see the procurement team pages on the Council's Intranet (Brian) or speak with the Procurement Manager.

D19. Sustainable Procurement Policy

- D1.69 The Council has recognised, and is committed to tackling, the climate change emergency. One way of reducing our impact on the environment is through our procurement activity. The Council has its own Sustainable Procurement Policy⁵⁸ which covers procurement activities of all values. Please refer to this document for further details.

⁵⁶ Social Value Policy – until approved not in force

⁵⁷ <https://www.lichfielddc.gov.uk/council/modern-slavery-human-trafficking-statement>

⁵⁸ Sustainable Procurement Policy – until approved not in force

Section E. Procurement Stage

E1. Procurement Documentation

E1.1 The following documentation **MUST** be used as detailed below (templates can be found on the procurement team pages on the Council's Intranet (Brian)):

☒ = mandatory

		These only apply when NOT using a Framework Agreement / DPS (Third Party or the Council's own) ⁵⁹				
Procurement Pathway	Contract Value	RFQ Pack	ITT Pack	Above PCR2015 Pack	Full Contract	Purchase Order
Pathway One	Under £1,000	Optional			Optional ⁶⁰	Optional ⁶¹
Pathway Two	£1,000 to £4,999	Optional			Optional ⁵⁶	<input checked="" type="checkbox"/>
Pathway Three	£5,000 to £9,999	Optional			Optional ⁵⁶	<input checked="" type="checkbox"/>
Pathway Four	£10,000 to £149,999£149,999	Preferred ⁶²			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pathway Five	£150,000 to PCR2015 Threshold		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pathway Six	Above PCR2015 Threshold			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pathway Seven	Above PCR2015 Threshold – Light Touch Regime			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

⁵⁹ When using a Framework Agreement / DPS (Third-Party or the Council's own) you are to use the documentation that is required in relation to the procedure – normally these will be published on the website relating to the Framework Agreement / DPS or can be requested via email

⁶⁰ Use of a Purchase Order only is permitted if the Council's General T&Cs of Purchase are suitable

⁶¹ Use of a purchase card is also permitted

⁶² A different approach to using the RFQ process can be agreed with the Procurement Manager

E2. Request for evidence from suppliers

- E2.1 You **MUST** provide potential suppliers with all the information they need to understand the requirement but not overload them with unnecessary information or requests for documentation during a procurement activity. For example, it would be proportionate to ask suppliers to confirm that they meet minimum insurance requirements within the RFQ/ITT pack and then seek copy certificates from the preferred supplier only at contract award stage.

E3. Publication of documentation/information

- E3.1 For above PCR2015 Threshold procurement activities, the Regulations require the Council to make all the procurement documents available electronically from the published date of the Contract Notice. Procurement documents include the proposed T&Cs as well as specification, Supplier Questionnaire (SQ) and ITT Pack. This means that all documentation **MUST** be drafted before the Contract Notice is issued.
- E3.2 The Council considers it good practice to apply this rule to all procurement activities, whether or not above the PCR2015 Threshold.

E4. Below PCR2105 Threshold – Part 4 Obligations

E4.1 The PCR2015 Regulations contain a section (Part 4) which relates to activities below the PCR2015 Thresholds. The table below provides a summary of these requirements – further information can be found in [Appendix 6 Part 4 of the Regulations](#).

Procurement Pathway	Contract Value	Using Contracts Finder to advertise opportunity ⁶³	Use of Pre-Qualification Stage	Contract Award Notice on Contracts Finder ⁶⁴
Pathway One	Under £1,000	Optional	Not permitted	Optional
Pathway Two	£1,000 to £4,999	Optional	Not permitted	Optional
Pathway Three	£5,000 to £9,999	Optional	Not permitted	Optional
Pathway Four	£10,000 to £149,999	Optional (over £25,000(inc.VAT) – please see footnote 63 below)	Not permitted	Under £25,000 (inc. VAT) – Optional £25,000 (inc. VAT) and above - Mandatory
Pathway Five	£150,000 to PCR2015 Threshold	Mandatory	Not permitted ⁶⁵	Mandatory

⁶³ Where the contract value is £25,000 or over (inc. VAT), and you advertise an opportunity in any way (including on the Council website or Social Media accounts), then you **MUST** place an advert on Contracts Finder via the Council's e-tendering system. This does not include where you call off from one of the Council's Framework Agreements, Third-Party Framework Agreements, Dynamic Purchasing Systems (Council or Third-Party).

⁶⁴ Applies whether the award is a result of an RFQ / ITT (or other procedure), use of a Framework Agreement or DPS (Council or Third Party)

E4.2 For information a summary of the same for Above PCR2015 Threshold is provided below:

Procurement Pathway	Contract Value	Using Contracts Finder to advertise opportunity⁶⁶	Use of Pre-Qualification Stage	Contract Award Notice on Contracts Finder⁶⁷
Pathway Six	Above PCR2015 Threshold	Mandatory	Optional – use Crown Commercial Services' standard Selection Questionnaire	Mandatory
Pathway Seven	Above PCR2015 Threshold – Light Touch Regime	Mandatory	Optional – use Crown Commercial Services' standard Selection Questionnaire	Mandatory

⁶⁵ For Works contracts above the PCR2015 Threshold for Goods/Services but below the PCR2015 Threshold for Works the standard Selection Questionnaire or the PAS91 questionnaire can be used.

⁶⁶ Where the contract value is £25,000 or over (inc. VAT), and you advertise an opportunity in any way (including on the Council website or Social Media accounts), then you **MUST** place an advert on Contracts Finder via the Council's e-tendering system. This does not include where you call off from one of the Council's Framework Agreements, Third-Party Framework Agreements, Dynamic Purchasing Systems (Council or Third-Party).

⁶⁷ Applies whether the award is a result of an RFQ / ITT (or other procedure), use of a Framework Agreement or DPS (Council or Third Party)

E5. Procurement above the PCR2015 Thresholds

- E5.1 You **MUST** seek the support of Procurement Team **BEFORE** you undertake any procurement that is above the PCR2015 Threshold (even when planning on using a Third-Party Framework Agreement).
- E5.2 Below are listed the main choices of procurement procedure and the other routes available when carrying out a procurement activity above the PCR2015 Threshold where a Third-Party Framework Agreement is not being used.
- E5.3 Main Choices of Procedure:
 - E5.3.1 Open Procedure
 - E5.3.2 Restricted Procedure
- E5.4 Other Procedures:
 - E5.4.1 Competitive Procedure with Negotiation
 - E5.4.2 Competitive Dialogue
 - E5.4.3 Innovation Partnership
 - E5.4.4 Negotiated Procedure without Prior Publication
- E5.5 Techniques:
 - E5.5.1 Framework Agreements
 - E5.5.2 Dynamic Purchasing Systems
 - E5.5.3 Electronic Auctions
 - E5.5.4 Electronic Catalogues
- E5.6 Lots:
 - E5.6.1 If you do not divide the Contract up into lots, you **MUST** explain why in the Contract Notice or procurement documents.

E6. Use of “Variant Bids”

- E6.1 In certain circumstances, you may want Tenderers to be able to submit “variant bids” in addition to a main Tender Submission which is wholly compliant with the published specification. In order to allow this, the Contract Notice (where used) and RFQ/ITT must state the minimum requirements to be met by the variants and specific requirements for their submission.
- E6.2 You **MUST** ensure that the award criteria can be applied to variants meeting those minimum requirements as well as to conforming wholly compliant Tenders which are not variants. Only variants meeting the minimum requirements laid down by the Council shall be taken into consideration.
- E6.3 If you are considering allowing variant bids you **MUST** seek guidance from the Procurement Team prior to any documents or adverts being published/issued.

E7. Capability & Financial Checks

- E7.1 You **MUST** ensure that any supplier interested in doing business with the Council has both the technical capability and the financial capacity to be able to perform the Contract.
- E7.2 Below PCR2015 Thresholds
 - E7.2.1 Below the PCR2015 Threshold you **MUST NOT** use a Selection Questionnaire (previously known as a pre-qualification questionnaire) to shortlist tenderers. You

can ask “suitability assessment questions” that are relevant to the subject matter of the contract and are proportionate. These can relate to minimum standards of suitability and capability. Template supplier questionnaires are available on the procurement team pages on the Council’s Intranet (Brian).

E7.3 Above PCR2015 Thresholds

- E7.3.1 Procurements above the PCR2015 Thresholds **MUST** use one of the procedures described in [section E5](#). This includes procedures which use a Selection Questionnaire (previously known as a pre-qualification questionnaire) to shortlist candidates before inviting Tenders.
- E7.3.2 When using a Selection Questionnaire, you **MUST** use the Cabinet Office Standard Selection Questionnaire. This includes the government standard questions on financial standing.

E7.4 Financial Checks

- E7.4.1 For all contracts over £10,000 you **MUST** obtain a credit check from the Finance Team. For all contracts over £150,000 you **MUST** obtain a financial appraisal from the Finance Team; this will be tailored to each contract dependent upon value, supplier stability, market maturity and financial risks.

E8. Evaluation Criteria

- E8.1 When carrying out a procurement activity above PCR2015 Threshold, you **MUST** include the evaluation criteria and the weightings on the Contract Notice itself, or in the procurement documents. This means that you **MUST** have agreed the evaluation criteria for the procurement activity before the Contract Notice is issued.
- E8.2 The Council considers it good practice to apply this rule ([E8.1](#) above) to all procurement activities, whether or not above the PCR2015 Threshold.
- E8.3 Evaluation **MUST** be based on the “Most Economically Advantageous Tender” approach. This can be made up of criteria such as:
 - E8.3.1 price or cost (including using life-cycle costing)
 - E8.3.2 the best price-quality ratio (considering qualitative, environmental and/or social aspects linked to the subject matter of the Contract), including:
 - 8.3.2.1 quality - technical merit, aesthetic and functional characteristics, accessibility, design for all users, social, environmental and innovative characteristics and trading and its conditions;
 - 8.3.2.2 organisation, qualification and experience of staff assigned to performing the Contract (where this can have a significant impact on the level of the performance of the Contract);
 - 8.3.2.3 after-sales service and technical assistance, delivery conditions such as delivery date, process and period, or period of completion.
- E8.4 Template scoring matrices are available on the procurement team pages on the Council’s Intranet (Brian).

E9. Return of submissions

- E9.1 Regardless of value, you must treat all submissions received from suppliers fairly and in a non-discriminatory manner.

- E9.2 Where permitted in the Procurement Pathways, you may receive submissions via email. You must keep these secure and ensure that no information is shared with other bidders as a result of receiving a submission ahead of the agreed deadline.
- E9.3 When using the Council's e-tendering system, you **MUST** follow the process as set out in the system and any guidance as detailed on the Procurement Pages of the Council's intranet site (Brian).
- E9.4 In special circumstances it may be permissible to receive Submissions in hard-copy (either in full or in half) – you **MUST** seek advice and approval from the Procurement Manager in advance of starting any procurement activity that may require this adaption.

E10. Late Submissions

- E10.1 Submissions made after the stated response deadline **MUST** be referred to the Procurement Manager for review. Submissions received after the deadline will usually only be accepted in exceptional circumstances if the procurement activity is below the PCR2015 Threshold and
 - E10.1.1 the other Submissions have not been opened and there is no material advantage given to the supplier in accepting the late Submission; or
 - E10.1.2 there has been a failure of the Council's e-tendering system; or
 - E10.1.3 the failure to comply is the fault of the Council; or
 - E10.1.4 Other justifiable reason as authorised by the Procurement Manager.

Section F. Contract Award & Implementation Stage

F1. Contract Award Recommendation Report

- F1.1. For all procurement activities between £10,000 and the PCR2015 Thresholds, a Contract Award Recommendation Report **MUST** be completed and signed by the appropriate Officer(s).

F2. Regulation 85 Contract Award Recommendation Report

- F2.1. For all procurement activities above the PCR2015 Thresholds a Regulation 85 Contract Award Recommendation Report **MUST** be completed and signed by the appropriate Officer(s).

F3. Approval to Award the Contract

- F3.1. The Contract Award Report / Regulation 85 Contract Award Report **MUST** be formally approved by the appropriate Officer or Council Member as detailed in [Appendix 1 Approval Pathways](#). In certain circumstance this may require for formal Member Decision, Cabinet Report or Council Report to be undertaken. Please seek guidance from Democratic Services in relation to timescales and report formats.

F4. Notifying Suppliers

- F4.1. Once the appropriate approval to award has been obtained, you can then notify the suppliers or the outcome of your procurement activity.
- F4.2. There are strict rules for above PCR2015 Threshold procurements on how to debrief suppliers including a Mandatory 10-day Standstill Period prior to confirming Contract award. You **MUST** liaise with the Procurement Team when undertaking this activity due to the detailed legal requirements involved.
- F4.3. If the supplier requests a face to face debrief, it is normal and courteous to do this where the Contract is complex, of high value and/or has taken a long time to complete, so long as you do so in a transparent and non-discriminatory way.
- F4.4. For all below PCR2015 Threshold procurement processes it is recommended to provider suppliers with feedback on their Quotation/Tender Submission – see the procurement pages on the Council’s Intranet (Brian) for guidance and template letters.

F5. Publications

- F5.1. For Contracts above the PCR2015 Thresholds, you **MUST** submit a Contract Award Notice to be published on the FTS Service, this can be done via the Council’s e-tendering system.
- F5.2. For Contracts above £25,000 (inc. VAT) you **MUST** submit a Contract Award Notice to be published on Contracts Finder this can be done via the Council’s e-tendering system.
- F5.3. You **MUST** update the Contract Register; if you have used the Councils e-tendering system this can be done directly, if not submit a request via the link on the procurement pages on the Council’s Intranet (Brian).
- F5.4. You **MUST** file documents in line with the Council’s Document Retention Policy (see [Appendix 4 Document Retention](#)).

F6. Contract Signing and Sealing

F6.1. Once the supplier(s) have been notified of the outcome of the procurement activity, and any mandatory Standstill period has expired without challenge, you can proceed to signing and or sealing the Contract(s).

F6.2. There are two ways in which a Contract can be executed ('signed'):

F6.2.1. **Simple Contract** – not executed as a deed, statutes of limitations⁶⁸ lasts for 6 years after the end of the Contract.

F6.2.2. **Sealed as a Deed** – executed as a deed, statutes of limitations lasts for 12 years after the end of the Contract.

F6.2.3. The table below details when you can use each approach based on contract value. Where the option to either sign or seal is available, you **MUST** seek guidance with the Procurement Team or the Democratic Services Team as to which approach is most appropriate.

Maximum Contract Value	Simple Contract		Sealed as a Deed	
Under £1,000	Yes	Signed by Budget Manager ⁶⁹	No	N/A
£1,000 to £9,999	Optional		Optional	Made under Common Seal attested by 1x Officer and 1x Cabinet Member
£10,000 to £149,999	Optional	Signed by Head of Service	Optional	
£150,000 to PCR2015 Threshold*	Optional	Signed by Head of Service and 1x Other ⁷⁰	Optional	
Above PCR2015 Threshold*	No	N/A	Yes	

* The PCR2015 Threshold for Goods/Services applies for all contract types (goods, services and works) for this table.

⁶⁸ The statute of limitations is the timescale within which any legal challenge can be brought in relation to the Contract.

⁶⁹ The Budget Manager must have the correct Authorised Signatory level in place – these can be check on the Council Intranet (Brian)

⁷⁰ Other – can be another Head of Service or the Chief Executive

F7. The Council's Contract Register

- F7.1. The Council's Contract Register is available through the Council's e-tendering system and records and stores information on the Council's Contracts.
- F7.2. It provides:
 - F7.2.1. key information to Officers on existing current and expired Contracts;
 - F7.2.2. limited information to the general public (including start and end dates, Contract value, and key contact details);
 - F7.2.3. information on Contracts to allow Officers to retender in good time.

F8. Recording Contracts on the Contract Register

- F8.1. Recording of Contracts on Contract Register is mandatory for all Contracts valued above £5,000 (unless an exemption is applicable) in line Local Government Transparency Regulations.
- F8.2. It is recommended that any Contract regardless of value, where a formal contract is used (instead of only a Purchase Order), is recorded on the Contract Register.
- F8.3. You **MUST** keep the information on Contract Register up to date, for example if:
 - F8.3.1. a Contract is extended;
 - F8.3.2. the key contact for a Contract changes (e.g. if an Officer leaves).
- F8.4. In order to add a record to the Contracts Register or amend a record please contact the Procurement Team for support.

Section G. Contract Management Stage

G1. General

- G1.1. The level of contract management appropriate for each Contract will vary dependent upon the value, term, risk and complexity of the Contract. The table below provides guidance as to the level needed based on value alone as a guide:

Contract Value	Contract Management
Under £10,000	Level 1 – light touch; ensure contract is delivering what was agreed; address any concerns in a timely fashion; monitor any KPIs
£10,000 to £149,999	Level 2 – ensure contract is delivering what was agreed; periodic meetings if appropriate; address any concerns in a timely fashion; monitor any KPIs
£149,999 to PCR2015 Threshold	Level 3 – monitor that the contract is delivering what was agreed; regular minuted meetings; agree action plans for improvements; monitor any KPIs
Above PCR2015 Threshold	Level 4 - monitor that the contract is delivering what was agreed; regular minuted meetings; agree action plans for improvements; monitor any KPIs;

- G1.2. Specifically in relation to works contracts, ‘snagging’ must be identified and signed off by the Council before moving to formal final completion which will begin any defect liability period.
- G1.3. Following contract award you **MUST** put into place the agreed contract management controls and measures as per the Contract. You **MUST** review the Contract regularly to ensure the Contract achieves its objectives and future benefits.
- G1.4. You **MUST** establish processes for recording the receipt of goods and progress of work, reviewing performance reports etc.
- G1.5. You **MUST** put in place both formal and informal communications to manage the relationship, as appropriate.
- G1.6. During the term of the contract you should capture the views of the service users/interested stakeholders, including feedback to them on the service performance, so that this can be shared with the supplier as necessary and, in cases of negative feedback, any improvement actions agreed.

G2. Reviews

- G2.1. You **MUST** undertake regular reviews of the Contract to ensure that it is still achieving the objectives and goals as identified at pre-procurement stage as well as the requirements in the contract documentation.
- G2.2. You **MUST** monitor and report on any Social Value requirements included within the Contract.

G3. Continuous Improvement

- G3.1. You should review your success against your original plans, i.e. did you achieve the outcomes you set out to achieve and do you understand what contributed to or prevented success?
- G3.2. You should share your learning with colleagues, service users and stakeholders to ensure you are continuously improving your processes and skills.
- G3.3. Reflect on the views of service users/stakeholders when reviewing whether the commissioning and procurement plans were successful.

G4. Contract Extensions and Variations/Amendments

- G4.1. Contract extensions and or variations / amendments can only happen in particular circumstances where they are already allowed for within the Contract or where they do not amount to a change of requirement.
- G4.2. You **MUST** contact the Procurement Team before proceeding with any contract extensions, variation or amendment.

G5. Contract Extensions

- G5.1.1. If an extension clause has been included in the Contract, then it is permissible to extend but this should only be done if it represents value for money to extend and if the performance of the supplier warrants it.
- G5.1.2. For below PCR2015 Threshold Contracts where there isn't an option to extend the contract included, it is possible to seek approval from the appropriate Officer / Council Member (see [Appendix 1 Approval Pathways](#) for further details) to extend the contract where it is possible to demonstrate it is value for money and the performance of the supplier warrants it.
- G5.1.3. It is not possible to extend an above PCR2015 Threshold Contract where an extension clause has not been included.
- G5.1.4. A formal contract extension must be issued, unless detailed otherwise in the Contract.
- G5.1.5. You **MUST** seek support from the Procurement Team in order to carry out the extension.

G6. Contract Variations

- G6.1.1. Contract variations are risky and can trigger the need for a new procurement exercise. For above PCR2015 Thresholds, the Regulations set out the changes that can be made to a Contract which has a contract value above the PCR2015 Thresholds.
- G6.1.2. Where a contract variation is sought, the appropriate Officer / Council Member must provide approval (see [Appendix 1 Approval Pathways](#) for further details).
- G6.1.3. When considering a contract variation for a capital project, you **MUST** refer to the section in the Finance Procedure rules on capital programmes and ensure those regulations are adhered to.
- G6.1.4. You **MUST** seek advice from the Procurement Team before making any Contract variation.

G7. Contract Termination

- G7.1. Early termination **MUST** be approved by the Head of Service, Head of Finance and Procurement (S151 Officer) and Procurement Manager. It is important to note that some Contracts may carry financial consequences to early termination.
- G7.2. Contracts may be terminated early by agreement prior to the expiry date of the Contract and in accordance with the termination provisions set out in the Contract.

G8. Transferring a Contract between parties (novation)

- G8.1. During the term of a Contract, either party may wish to transfer their rights and obligations to another party. This is called novation. It can occur where one supplier is acquired by another supplier (e.g. a takeover) or where a supplier is dividing up into several companies to form a group.
- G8.2. It is important to make sure that any novation is undertaken in line with the Contract and documented accordingly.
- G8.3. If you are approached by a supplier in relation to a novation – or if they inform you that they have been taken over or changing their name, you **MUST** liaise with the Procurement Team and or the Legal Team for advice.
- G8.4. A formal deed of novation **MUST** be completed before the transfer of rights takes place if the Council agrees to the change.

Appendix 1. Approval Pathways

'Budget Manager' in the tables below means the officer assigned responsibility to manage the income and expenditure for a defined cost centre

'MTFS' – Medium Term Financial Strategy. Please liaise with the Finance Team to confirm if a contract falls within the approved version

Cabinet Member Approval / Head of Service Approval / Budget Manager Approval must be in writing

Cabinet Member Decision – formal process with decision notice published and subject to 5-day call-in period.

IMPORTANT NOTES:

Cabinet Member Decisions, Cabinet Reports and Council Reports will need to be added to the Forward Plan at least 30 days before the decision date, unless using one of the urgent decision making processes. For more information please liaise with the Governance & Performance Team.

Estimated Contract Value - under £150,000

Pre-Procurement - Approval to commence the process		
Maximum estimated contract value (including any options to extend) and must be within the approved MTFS budget parameters		
Under £1,000	£1,000 - £9,999	£10,000 - £149,999£149,999
Budget Manager Approval	Budget Manager Approval	Head of Service Approval
If the contract is <i>NOT</i> within the budget parameters of the approved MTFS then a report to Cabinet with recommendations to Council to approve a supplementary budget is required before progressing with the procurement activity		

If as a result of the procurement process the maximum estimated contract value is greater than initially expected, you ***MUST*** liaise with the Procurement Team before proceeding as a different procurement and or approval pathway may be required

Post-Procurement - Approval to award the contract		
Contract value remains within the same threshold banding as identified at pre-procurement stage and is still within the budget parameters of the approved MTFS		
Under £1,000	£1,000 - £9,999	£10,000 - £149,999£149,999
Budget Manager Approval	Budget Manager Approval	Head of Service Approval
If the contract value is <u>now above</u> £150,000 but is <u>within</u> the budget parameters of the approved MTFS a Cabinet Member Decision is required (unless it is a policy decision where Cabinet approval will be required) you <i>MUST</i> liaise with the Procurement Team if this circumstance applies		

....Estimated Contract Value - under £150,000 cont.

Contract Extensions / Variations					
Did the maximum estimated contract value include the proposed extension / variation?					
Yes		No			
		Add together the maximum estimated contract value and the value of the extension/variation (= new maximum estimated contract value) (further information on estimating contract values can be found at section D5)			
Maximum estimated contract value remains under £150,000 and still <u>within</u> the approved MTFS budget parameters	Maximum estimated contract value remains under £150,000 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value remains under £150,000 and still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value remains under £150,000 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value between £150,000 - £399,999 and still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value between £150,000 - £399,999 but now <u>outside</u> the approved MTFS budget parameters
Head of Service Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing	Head of Service Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing	Cabinet Member Decision is required (unless a policy decision where Cabinet approval is be needed) you MUST liaise with the Procurement Team if this circumstance applies	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing

Estimated Contract Value - £150,000 to £399,999

Pre-Procurement - Approval to commence the process	
Maximum estimated contract value (including any options to extend) must be within the approved MTFS budget parameters	
£150,000 to £399,999	
Was the contract included in the Annual Future Procurement Plan and did Cabinet delegate decision making to the Cabinet Member?	
Yes	No
Approval to commence already in place – no further action needed	Cabinet Member Approval
If the contract is <i>NOT</i> within the budget parameters of the approved MTFS then a report to Cabinet with recommendations to Council to approve a supplementary budget is required	

If as a result of the procurement process the maximum estimated contract value is greater than initially expected, you ***MUST*** liaise with the Procurement Team before proceeding as a different procurement and or approval pathway may be required

...Estimated Contract Value - £150,000 to £399,999 cont.

Post-Procurement - Approval to award the contract	
Contract value remains within the same threshold banding as identified at pre-procurement stage and is still within the budget parameters of the approved MTFS	
£150,000 to £399,999* / **	
Was the contract included in the Annual Future Procurement Plan and did Cabinet delegate decision making to the Cabinet Member?	
Yes	No
Cabinet Member Decision	Cabinet Member Decision
<p>*If the contract value is <u>now above</u> £399,999 but is <u>within</u> the budget parameters of the approved MTFS Cabinet approval is needed – you <i>MUST</i> liaise with the Procurement Team if this circumstance applies</p> <p>**If the contract value is <u>now above</u> £399,999 and <u>outside</u> the budget parameters of the approved MTFS a report to Cabinet with recommendations to Council to approve a supplementary budget is needed – you <i>MUST</i> liaise with the Procurement Team if this circumstance applies</p>	

...Estimated Contract Value - £150,000 to £399,999 cont.

Contract Extensions / Variations					
IMPORTANT – You MUST liaise with the Procurement Team if the contract value was or is now above the PCR2015 Thresholds before proceeding					
Did the maximum estimated contract value include the proposed extension / variation?					
Yes		No			
		Add together the maximum estimated contract value and the value of the extension/variation (=new maximum estimated contract value)			
Maximum estimated contract value remains £150,000 - £399,999 and still <u>within</u> the approved MTFS budget parameters	Maximum estimated contract value remains £150,000 - £399,999 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value remains £150,000 - £399,999 and still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value remains £150,000 - £399,999 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value £400,000 and above but still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value £400,000 and above but now <u>outside</u> the approved MTFS budget parameters
Cabinet Member Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You MUST liaise with the Procurement Team if this circumstance applies	Cabinet Member Decision is required (unless a policy decision where Cabinet approval is needed) You MUST liaise with the Procurement Team if this circumstance applies	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You MUST liaise with the Procurement Team if this circumstance applies	Cabinet Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You MUST liaise with the Procurement Team if this circumstance applies

Estimated Contract Value - £400,000 and above

Pre-Procurement - Approval to commence the process	
Maximum estimated contract value (including any options to extend) must be within the approved MTFS budget parameters	
£400,000 and above	
Was the contract included in the Annual Future Procurement Plan and did Cabinet delegate decision making to the Cabinet Member?	
Yes	No
Approval to commence already in place – no further action needed	Cabinet Approval
If the contract is NOT within the budget parameters of the approved MTFS then a report to Cabinet with recommendations to Council to approve a supplementary budget is required.	

If as a result of the procurement process the maximum estimated contract value is greater than initially expected, you **MUST** liaise with the Procurement Team before proceeding as a different procurement and or approval pathway may be required.

Post-Procurement - Approval to award the contract	
Contract value remains within the same threshold banding as identified at pre-procurement stage and is still within the budget parameters of the approved MTFS	
£400,000 and above	
Was the contract included in the Annual Future Procurement Plan and did Cabinet delegate decision making to the Cabinet Member?	
Yes	No
Cabinet Member Decision	Cabinet Approval (unless Pre-Procurement Cabinet Report delegates the approval to award to the Cabinet Member; if so, a Cabinet Member Decision is required)

If the contract value is now outside the budget parameters of the approved MTFS a report to Cabinet with recommendations to Council to approve a supplementary budget is needed – you ***MUST*** liaise with the Procurement Team if this circumstance applies

...Estimated Contract Value - £400,000 and above cont.

Contract Extensions / Variations			
IMPORTANT – You <i>MUST</i> liaise with the Procurement Team if the contract value was or is now above the PCR2015 Thresholds before proceeding			
Did the maximum estimated contract value include the proposed extension / variation?			
Yes		No	
		Add together the maximum estimated contract value and the value of the extension/variation (=new maximum estimated contract value)	
Maximum estimated contract value still <u>within</u> the approved MTFS budget parameters	Maximum estimated contract value now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value now <u>outside</u> the approved MTFS budget parameters
Cabinet Member Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You <i>MUST</i> liaise with the Procurement Team if this circumstance applies	Cabinet Approval You <i>MUST</i> liaise with the Procurement Team if this circumstance applies	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You <i>MUST</i> liaise with the Procurement Team if this circumstance applies

Appendix 2. Contract Minimum Requirements

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e- tendering system ⁷¹	Enter on contract register / contract award notice
Pathway One Under £1,000	Use Corporate Contract OR seek VFM ⁷² and apply Think Local approach	Purchasing card OR Purchase Order (the Council's General T&Cs of Purchase)	No	Optional	Contracts register: No Contract Award Notice: No
Pathway Two £1,000 to £4,999	Procurement Initiation Plan if complex, high risk or includes personal data Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM and apply Think Local approach Minimum of 2 written Quotes	Purchase Order (the Council's General T&Cs of Purchase) OR Specialist T&Cs especially if personal data involved or consultancy	Optional	Optional	Contracts register: No Contract Award Notice: No
Pathway Three £5,000 - £9,999	Procurement Initiation Plan if complex, high risk or includes personal data Use Corporate Contract OR	Contract award Recommendation required Purchase Order (the Council's General T&Cs of Purchase) OR	Optional	Optional	Contracts register: Yes Contract Award

⁷¹ If you are using a Third-Party Framework Agreement / DPS any they require you to use their system then this takes priority over using our e-tendering system

⁷² VFM means Value for Money

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e- tendering system ⁷¹	Enter on contract register / contract award notice
	Use Third-Party Framework Agreement OR Seek VFM and apply Think Local approach Minimum of 2 written Quotes	Specialist T&Cs especially if personal data involved or consultancy			Notice: No
Pathway Four £10,000 - £149,999£149,999	Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM, apply Think Local approach and Social Value policy Minimum of 3 written quotations via RFQ	Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND MUST use e-Signature system	Optional	Under £25,000 (inc. VAT): Optional £25,000 (inc. VAT) and above: Mandatory	Contracts register: Yes Contract Award Notice: Under £25,000 (inc. VAT): No £25,000 (inc. VAT) and above: Yes
Pathway Five £150,000 – PCR2015 Threshold	Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM, apply Think Local	Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND MUST use e-Signature system	Mandatory	Mandatory	Contracts register: Yes Contract Award Notice: Yes

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e- tendering system ⁷¹	Enter on contract register / contract award notice
	approach and Social Value policy Minimum of 3 written tenders via ITT				
Pathway Six Above PCR2015 Threshold	Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM, apply Think Local approach, Social Value policy and adhere to Regulations Use appropriate procedures as per Regulations	Reg 85 Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND MUST use e-Signature system	Mandatory	Mandatory	Contracts register: Yes Contract Award Notice: Yes
Pathway Severn Light Touch Regime – above PCR2015 Threshold	Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM, apply Think Local approach, Social Value policy and adhere to Regulations	Reg 85 Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND MUST use e-Signature system	Mandatory	Mandatory	Contracts register: Yes Contract Award Notice: Yes

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e- tendering system⁷¹	Enter on contract register / contract award notice
	Use appropriate procedures as per Regulations				

Appendix 3. Procurement Thresholds & Timescales⁷³

TYPE OF CONTRACT	THRESHOLD 01/01/2022 - 31/12/2023 <u>NOTE: INCLUSIVE OF VAT</u>
Works Contracts and Concession Contracts	£5,336,937
Supplies and/or (most) Services (for Local Government)	£213,477
Social and other specific Services (Light Touch Regime applies)	£663,540

Procedure	Selection stage	Tender stage	If electronic tender used	Tender following PIN	Tender by agreement	Urgency
Open Procedure	N/A	35 days	30 days	15 days	N/A	15 days
Restricted Procedure	30 days	30 days	25 days	10 days	At least 10 days	15/10 days
Competitive Procedure with Negotiation	30 days	30 days	25 days	10 days	At least 10 days	15/10 days
Competitive Dialogue	30 days	N/A	N/A	N/A	N/A	N/A

The timeframes above are **MINIMUM** number of days from date the notice is sent. It is recommended you allow 3 extra days to allow for notice publication.

⁷³ The UK Government updates these on a two-yearly basis

Appendix 4. Document Retention Guidelines

Retention Classification	Retention Period
Contracts under seal	12 years from Contract end This includes all Contract and related documents (specifications, drawings, certificates, Contract instructions and all relevant correspondence including ITTs, Tender Submissions etc.)
Contracts not under seal	6 years from Contract end This includes all Contract and related documents (specifications, drawings, certificates, Contract instructions and all relevant correspondence including ITTs, Tender Submissions etc.)
Unsuccessful Tenders and Quotes	3 years or length of contract (whichever is longer) from the award of Contract
Abandoned Tenders and Quotes	3 years from the date of abandonment
Purchase files	MUST be kept up to date at all times within the Council's e-tendering system and Contract Register

Appendix 5. Exemption to CPRs

1. Contracts below the PCR2015 Thresholds

- 1.1. Specific Officers may approve exemptions to these CPRs (to the extent that it is lawfully able to do so) in genuinely urgent situations and/or where there is a sound legal, financial or Value for Money reason (see [section 4](#) below).
- 1.2. A CPR Exemption Form **MUST** be completed and submitted for approval to the relevant Officer.
- 1.3. The CPR Exemption Form is available via a link on the procurement pages on the Council's Intranet (Brian).
- 1.4. The following are considered acceptable reasons for seeking an exemption:
 - 1.4.1. quantifiable and significant cost and efficiency savings can be achieved through seeking an alternative route;
 - 1.4.2. reasons of extreme urgency mean that normal time limits cannot be met, including as a result of unforeseen emergency or disruption to Council services;
 - 1.4.3. the Council would otherwise be exposed to immediate and significant financial, legal or reputational risk that has been identified in the relevant risk register;
 - 1.4.4. only one Contractor is objectively able to provide the works, services or supplies in question, for example where the supplier has exclusive Intellectual Property, artistic or other rights, is a monopoly or where the goods bought are for re-sale (in which case the exemption **MUST** be to the number of Quotes / Tenders that are sought);
 - 1.4.5. additional or new services, supplies or works are required which, through unforeseen circumstances, were not included in an existing Council Contract and are necessary for the completion of the Contract and/or cannot be carried out separately.
 - 1.4.6. new works or services/supplies are required which are a repetition of works, services/supplies carried out under the original Contract, provided they are required within 1 year of the original Contract.
 - 1.4.7. goods are required as a partial replacement for or addition to existing goods or installations and obtaining them from another source would result in incompatibility or disproportional technical difficulties in operation or maintenance.
 - 1.4.8. the Council has the benefit of a Local Authority Controlled Company under regulation 12 of the Regulations, and exercises over the company concerned a control which is similar to that which it exercises over its own departments and, at the same time, that company carries out the essential part of its activities with the Council's control.
 - 1.4.9. Any other circumstances deemed eligible by the Head of Finance & Procurement (S151 Officer) and Procurement Manager.

2. Contracts above the PCR2015 Thresholds

- 2.1. It is illegal to use an exemption when the value of the Contract is above the PCR2015 Threshold. You may need to consider other procurement routes, for example, using a Third-Party Framework Agreement or using the Accelerated procedures as permitted within the Regulations.

3. Use of exempt organisations or establishment of shared services

- 3.1. Where the Council has the option to use an exempt organisation, for example one that falls under the “Teckal”⁷⁴ or “Hamburg”⁷⁵ provisions or establishing a shared service with another local government authority, and it is identified as the preferred route as a result of the Procurement Initiation Plan, cost comparison and bench-marking, then a CPR exemption is automatically applied so long as it presents the value for money and meets the requirements of the procurement and is approved by the Head of Finance & Procurement (S151 Officer) and Procurement Manager.

4. Approval of CPR Exemption Forms

- 4.1. The table below details who is authorised to approve a CPR Exemption:

Estimated Maximum Contract Value	Approved by
Under £10,000	Procurement Manager ⁷⁶
£10,000 - £149,999	Head of Finance & Procurement (S151 Officer) ⁷⁷
£150,000 – PCR2015 Threshold	<u>Within MTFS budget parameters:</u> Chief Executive ⁷⁸ in consultation with the Cabinet Member where appropriate <u>Outside of MTFS budget parameters:</u> Report to Cabinet with recommendations to Council to approve a supplementary budget and exemption is required

- 4.2. It is not possible to issue a CPR Exemption for contracts valued at over PCR2015 Thresholds. The Regulations do include procedures for use in urgent or emergency circumstances – you **MUST** liaise with the Procurement Team if this is applicable.

5. Reporting of CPR Exemptions

- 5.1. The Head of Finance & Procurement (S151 Officer) will report on an annual basis to the Audit & Member Standards Committee the details of the CPR Exemptions approved in the previous financial year.

⁷⁴ *Teckal Srl v Comune di Viano and Azienda Gas-Acqua Consorziale (AGAC) di Reggio Emilia (Case C-107/98) [1999] ECR I-8121 (Teckal)*. The Teckal principles have been codified in regulation 12 of the PCR2015 Regulations.

⁷⁵ *Commission v Germany (Case C-480/06) [2009] ECR I-4747 (Hamburg case)*. The Hamburg principles have been codified in regulation 12 of the PCR2015 Regulations.

⁷⁶ In the absence of the Procurement Manager, the Head of Finance & Procurement (S151 Officer) or the Chief Executive can approve this level of CPR Exemption

⁷⁷ In the absence of the Head of Finance & Procurement (S151 Officer) the Chief Executive can approve this level of CPR Exemption

⁷⁸ In the absence of the Chief Executive the Head of Finance & Procurement (S151 Officer) and the Monitoring Officer can jointly approve this level of CPR Exemption

Appendix 6. Part 4 of the Regulations

1. Below the PCR2015 Threshold - Using Contracts Finder to Advertise Contracts

- 1.1. If you are going to advertise an opportunity over the value of £25,000 (inc. VAT), then you **MUST** place an advert on Contracts Finder first via the Council's e-tendering system (or via Contracts Finder directly if agreed by the Procurement Manager) **BEFORE** you place any other adverts (including social media posts).
- 1.2. When you advertise on Contracts Finder, you **MUST** offer unrestricted and full direct internet access free of charge to any relevant Contract and procurement documents and specify in the notice the internet address where those documents can be accessed.

2. Selection Questionnaire

- 2.1. You **MUST NOT** use a Selection Questionnaire (previously known as a pre-qualification questionnaire) for Contracts below the PCR2015 Threshold unless it is for a Works contract which has a value of over the Goods/Services PCR2015 Threshold.
- 2.2. You can ask "suitability assessment" questions that are relevant to the subject matter of the procurement and are proportionate. These questions should relate to information and / or evidence you need to ensure that the candidate meet requirements and / or minimum standards for:
 - 2.2.1. suitability;
 - 2.2.2. legal status;
 - 2.2.3. financial standing.

3. Below the PCR2015 Threshold - Using Contracts Finder to Publish Contract Award Notices

- 3.1. You **MUST**, within 90- days of the contract being signed publish a Contract Award Notice via Contracts Finder for any Contract with a value over £25,000 (inc. VAT). This includes any call-off from a Framework Agreement or Third-Party Framework Agreement and DPS.

Appendix 7. Request for Quotation (RFQ) Process

1. The following RFQ process relates to **Step 5 of Pathway Four £10,000 - £149,999**

Starting from Step 5 of Pathway Four £10,000 - £149,999£149,999		
£10,000 - £24,999		£25,000 - £149,999£149,999
Prepare RFQ pack Templates are available on the Procurement Team pages of the Council’s Internet (Brian) (See section 2 below for more information) ⁷⁹		
Advertisement⁸⁰ Prepare information and decide on routes (including social media)		
Advertising on Contracts Finder is optional in addition to any other methods of advertising	You MUST advertise on Contracts Finder in addition to any other methods of advertising used	
Do you want to issue the RFQ using the Council’s e-tendering system ?		
YES	NO	MANDATORY
Use e-tendering system to issue RFQ (speak to Procurement Team)	Use email to issue the RFQ	Use e-tendering system to issue RFQ (speak to Procurement Team)
Publish advertisements (always publish Contracts Finder first)		
Issue RFQ packs to suppliers that request a copy (the e-tendering system can do this automatically)		
Answer any clarification questions received within deadline (see section 2.1 below for more information)		
Open responses once deadline has passed		
Conflict of Interest check needed where suppliers bidding not previously known (see section 3.3 below for more information)		
Carry out evaluation process keeping records of scores and reasoning (see section 5 below for more information)		
...return to Step 6 of Pathway Four £10,000 - £149,999		

⁷⁹ Unless another approach is agreed with the Procurement Manager.

⁸⁰ All opportunities are to be advertised unless agreed otherwise in advance by the Procurement Manager; if not being advertised, a closed list of suppliers will be invited to participate with at least 3 suppliers invited in line with the Think Local policy. The Conflict of Interest check is to be carried out before the RFQ packs are issued.

2. RFQ Pack

- 2.1. On the Procurement Team pages of the Council's Intranet (Brian) there are RFQ Pack templates for use in this level of procurement activity. They will provide you with the standard questionnaire templates as well as an instructions and specification document. You **MUST** use these templates, following any guidance documents provided, unless the Procurement Manager agrees otherwise in advance (in writing).

3. Clarification Questions

- 3.1. During the time when the RFQ is 'live' suppliers are able to ask clarification questions in relation to the procurement activity (we suggest you include a deadline after which questions cannot be asked). You **MUST** keep a record of the questions asked and the answers provided (the e-tendering system will do this for you automatically). Where a supplier asks a question where the answer is relevant to all suppliers, then you **MUST** anonymise the question (removing any information or data that may identify who asked it) and then share both the question and answer with all suppliers.
- 3.2. When you are running an open process (i.e. where any supplier during the timescale stated can get a copy of the RFQ documents and submit a response) it is recommended to keep a Q&A log (anonymised) that can be shared with suppliers when they request the RFQ pack to ensure that information is shared fairly regardless of when a supplier requests the pack.
- 3.3. If you are in any doubt as to whether a question should be shared or not, please seek advice from the Procurement Team.

4. Conflict of Interest Check

- 4.1. You **MUST** carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the procurement process (including evaluation stage) **AFTER** the submissions have been received but **BEFORE** any evaluation is undertaken. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).
- 4.2. Where a closed supplier list procedure has been approved by the Procurement Manager the Conflict of Interest check **MUST** be carried out **BEFORE** the RFQ packs are issued to suppliers. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).

5. Evaluation

- 5.1. You will need to undertake the evaluation process for each submission received in a fair and non-discriminatory manner. You will need to complete a marking sheet (templates are available on the Procurement Team pages on the Council's Intranet (Brian) – you may need to adjust them to meet the criteria used for your procurement activity). You **MUST** ensure that there are supporting comments for all scores provided and records kept in line with the document retention rules at [Appendix 4 Document Retention Guidelines](#).

Appendix 8. Invitation to Tender (ITT) Process

1. The following ITT process relates to **Step 5 of Procurement Pathway Five £150,000 to PCR2015 Threshold**.

Starting from Step 5 of Pathway Five £150,000 – PCR2015 Threshold...
<p style="text-align: center;">Prepare ITT pack</p> <p>Templates are available on the Procurement Team pages of the Council's Internet ⁸¹(Brian) (See section 2 below for more information)</p>
<p style="text-align: center;">Advertisement⁸²</p> <p>Prepare information and decide on routes (including social media)</p>
You MUST advertise on Contracts Finder in addition to any other methods of advertising used
Use the Council's e-tendering system to run the process
Answer any clarification questions received within deadline (see section 2.1 below for more information)
Open responses once deadline has passed
Conflict of Interest check needed where suppliers bidding not previously known (see section 3.3 below for more information)
Carry out evaluation process keeping records of scores and reasoning (see section 4.1 below for more information)
...Return to Step 6 of Pathway Five £150,000 – PCR2015 Threshold

2. ITT Pack

- 2.1. On the Procurement Team pages of the Council's Intranet (Brian) there are ITT Pack templates for use in this level of procurement activity. They will provide you with the standard questionnaire templates as well as an instructions and specification document. You **MUST** use these templates, following any guidance documents provided, unless the Procurement Manager agrees otherwise in advance (in writing).

3. Clarification Questions

- 3.1. During the time when the ITT is 'live' suppliers are able to ask clarification questions in relation to the procurement activity (we suggest you include a deadline after which questions cannot be asked). You **MUST** keep a record of the questions asked and the answers provided (the e-tendering system will do this for you automatically). Where a supplier asks a question where the answer is relevant to all suppliers, then you **MUST** anonymise the question

⁸¹ Unless another approach is agreed with the Procurement Manager.

⁸² All opportunities are to be advertised unless agreed otherwise in advance by the Procurement Manager; if not being advertised, a closed list of suppliers will be invited to participate with at least 3 suppliers invited in line with the Think Local policy. The Conflict of Interest check is to be carried out before the RFQ packs are issued.

- (removing any information or data that may identify who asked it) and then share both the question and answer with all suppliers.
- 3.2. When you are running an open process (i.e. where any supplier during the timescale stated can get a copy of the ITT documents and submit a response) it is recommended to keep a Q&A log (anonymised) that can be shared with suppliers when they request the ITT pack to ensure that information is shared fairly regardless of when a supplier requests the pack.
 - 3.3. If you are in any doubt as to whether a question should be shared or not, please seek advice from the Procurement Team.
 4. **Conflict of Interest Check**
 - 4.1. You **MUST** carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the procurement process (including evaluation stage) **AFTER** the submissions have been received but **BEFORE** any evaluation is undertaken. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).
 - 4.2. Where a closed supplier list procedure has been approved by the Procurement Manager the Conflict of Interest check **MUST** be carried out **BEFORE** the RFQ packs are issued to suppliers. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).
 5. **Evaluation**
 - 5.1. You will need to undertake the evaluation process for each submission received in a fair and non-discriminatory manner. You will need to complete a marking sheet (templates are available on the Procurement Team pages on the Council's Intranet (Brian) – you may need to adjust them to meet the criteria used for your procurement activity). You **MUST** ensure that there are supporting comments for all scores provided and records kept in line with the document retention rules at [Appendix 4 Document Retention Guidelines](#).

Section 8

EMPLOYMENT PROCEDURE RULES

SECTION 8 – EMPLOYMENT PROCEDURE RULES

1. Recruitment and appointment

The Head of Governance & Performance has the responsibility for advice and guidance concerning the application of the Council's Recruitment and Selection Policy, which is available via the Council's website [Jobs and Careers](#)

1.1.1 Declarations

- 1.1.1.1 The Head of Governance & Performance will require a candidate for any appointment to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin of an existing councillor or officer of the Council or of the partner of such persons. This requirement will be included in any appropriate recruitment literature.

Definitions from Managing Relationships Policy

A **family relationship** is defined as the following related persons: husband, wife, civil partner, partner, girlfriend/boyfriend, child, grandchild, brother or sister, nephew or niece, grandparents or cousin. The definition includes common-law, same sex relationships, "in-laws", foster-family relationships and step-relationships.

A **close personal relationship** is defined where there is a reasonable perception that employees (or an employee and a third party including an elected Member, service user, contractor or other third party with whom the employee is in contact because of their work) are romantically or sexually involved with each other.

Working Relationships from Code of conduct

All internal and external relationships with colleagues, service users, contractors and Councillors will be conducted in a professional and respectful way.

Mutual respect between the Council's employees and its Councillors is essential to good local government. However close personal familiarity can damage the relationship and should therefore be avoided. Further details are available in the Council's Constitution with regards to Managing Officer and Member Relationships

Personal Relationships code of conduct

Council employees cannot be involved in an appointment, or be involved in any decision relating to discipline, promotion or any pay adjustments or conditions, or be in the line management hierarchy of another employee or prospective employee to whom they are related or have a close personal relationship. Employees must

declare all such relationships to their manager and must ensure compliance with all of the Council's policies relating to the recruitment and management of staff. Please refer to the Managing Personal Relationships at Work Policy and the Recruitment Policy for further information.

- 1.1.1.2 No candidate so related to a councillor or officer will be appointed without the written consent of the relevant Head of Service except where that post-holder is the employee to whom the candidate has declared such a relationship in which case the appropriate member of the Leadership Team (LT) will approve any proposed offer of employment in writing.

1.1.2 Seeking support for appointment.

- 1.1.2.1 The Council will disqualify any applicant who directly or indirectly seeks the support of any councillor or any employee of the Council for that appointment with the Council. The content of this paragraph will be included in any recruitment information.
- 1.1.2.2 No councillor or employee of the Council will seek support for any person for any appointment with the Council. This rule shall not preclude any member or employee of the Council from giving a written testimonial of any candidate's ability, experience, or character for consideration in conjunction with an individual application, but, having given such a testimonial, that member or employee shall take no part in the short listing or interview process.

1.2 Recruitment of Chief Executive (Head of Paid Service)(Chief Officer)

Where the Council proposes to appoint a Head of Paid Service or Chief Officer and it is not proposed that the appointment be made exclusively from among their existing officers, the Council will:

- 1.2.1 draw up a statement specifying:
 - 1.2.1.1 the duties of the post concerned; and
 - 1.2.1.2 any qualifications or qualities to be sought in the person to be appointed;
- 1.2.2 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
- 1.2.3 make arrangements for a copy of the statement mentioned in paragraph 1.2.1 to be sent to any person on request.

1.3 Officers below Chief Officer Level

Subject to paragraphs 1.3.1, 1.5 and 1.6, the function of appointment and dismissal of, and taking disciplinary action against, an employee of the Council must be discharged, on behalf of the Council, by the Head of Paid Service or by an officer nominated by him/her except where the Local Authorities (Standing Orders) (England) Regulations 2001 provide that it must be by the Appointments Committee or Council or other body as provided for in Part 3 of the Constitution.

1.3.1 Paragraph 1.3 shall not apply to the appointment or dismissal of or disciplinary action against:-

- 1.3.1.1 the officer designated as the Head of Paid Service;
- 1.3.1.3 the Chief Finance Officer within the meaning of Section 151 of the Local Government Act, 1972
- 1.3.1.4 the Monitoring Officer within the meaning of Section 5 of the Local Government and Housing Act, 1989
- 1.3.1.5 an assistant for a political group appointed in pursuance of section 9 of the 1989 Act.

1.4 Appointment and Dismissal of Chief Executive (Head of Paid Service)

Appointments

1.4.1 The appointment or dismissal of the Head of Paid Service will be made following the recommendation of the Appointments Committee, the full Council must approve that appointment before an offer of appointment is made or, as the case may be, must approve that dismissal before notice of dismissal is given.

1.4.3 An offer of an appointment as Head of Paid Service must not be made until:-

- 1.4.3.1 the Appointments Committee has notified the Proper Officer of the name of the person to whom it wishes to make the offer and any other particulars which the panel considers are relevant to the appointment;
- 1.4.3.2 the Proper Officer has notified every member of the Cabinet of:-
 - (a) the name of the person to whom the panel wishes to make the offer (subject to approval of the Council);
 - (b) any other particulars relevant to the appointment which the panel has notified to the Proper Officer; and

- (c) the period within which any objection to the making of the offer is to be made to the Proper Officer by the Leader of the Council on behalf of the Cabinet; and

1.4.3.3 either -

- (a) the Leader of the Council has, within the period specified in the notice under sub-paragraph (c) above, notified the committee that neither they nor any other member of the Cabinet has any objection to the making of the offer;
- (b) the Proper Officer has notified the committee that no objection was received by him/her within that period from the Leader of the Council; or
- (c) the committee (or in the case of the appointment of the Head of Paid Service, the full Council) is satisfied that any objection received from the Leader of the Council within that period is not material or well-founded.

1.4.4 Notice of the dismissal as a result of disciplinary action, of an officer referred to in sub-paragraphs 1.3.1.1 to 1.4.3 above must not be given until –

Dismissals

1.4.4.1 the committee has notified the Proper Officer of the name of the person who it wishes to dismiss (in the case of the Head of Paid Service, the Monitoring Officer, or the Chief Finance Officer, subject to the approval of the Council) and any other particulars which it considers are relevant to the dismissal;

1.4.4.2 the Proper Officer has notified every member of the Cabinet of:-

- (a) the name of the person whom the committee wishes to dismiss;
- (b) any other relevant particulars relevant to the dismissal which the committee has notified to the Proper Officer; and
- (c) the period within which any objection to the dismissal is to be made by the Leader of the Council on behalf of the Cabinet to the Proper Officer; and

1.4.4.3 either:-

- (a) the Leader of the Council has, within the period specified in the notice under sub-paragraph (c) above, notified the

committee that neither they nor any other member of the Cabinet has any objection to the dismissal;

(b) the Proper Officer has notified the committee that no objection was received by him/her within that period from the Leader of the Council; or

(c) the committee (or in the case of the proposed dismissal of the Head of Paid Service, the full Council) is satisfied that any objection received from the Leader of the Council within that period is not material or well-founded.

1.4.5 The Proper Officer for the purposes of the rules shall be the Head of Corporate Services for the time being of the Council or if they are unable to act in that capacity (either due to absence or as a result of conflict of interest (e.g. prior involvement)) the Monitoring Officer.

1.5 Disciplinary Action/Dismissal – Members of the Leadership Team (other than the Head of Paid Service)

1.5.1 Where the Head of Paid Service considers that the actions of any officer who is designated as a member of the Leadership Team (other than the Head of Paid Service) warrant investigation, the Head of Paid Service may suspend the relevant officer(s) pending the outcome of an investigation under the Council's disciplinary procedure, but otherwise disciplinary action against or the dismissal of any officer who is designated as a member of the Leadership Team (other than the Head of Paid Service) will be undertaken by a politically balanced panel of councillors set up for that purpose. That panel must include at least one member of the Cabinet.

1.5.2 Notice of disciplinary action against an officer identified in paragraph 1.5.1 must not be given until:-

(a) the panel has notified the Proper Officer of the name of the person who it wishes to discipline and any other particulars which it considers are relevant to the action proposed.

(b) the Proper Officer has notified every member of the Cabinet of:-

(i) the name of the person whom the panel wishes to discipline

(ii) any other particulars relevant to the disciplinary action which the panel has notified to the Proper Officer

1.5.3 Notice of the dismissal as a result of disciplinary action, of an officer referred to in paragraph 1.5.1 must not be given until:-

- (a) the panel has notified the Proper Officer of the name of the person who it wishes to dismiss and any other particulars which it considers are relevant to the dismissal;
- (b) the Proper Officer has notified every member of the Cabinet of:-
 - (i) the name of the person whom the panel wishes to dismiss
 - (ii) any other particular relevant to the dismissal which the panel has notified to the proper officer.

1.5.5 The Proper Officer for the purposes of the rules shall be as specified in paragraph 1.4.5.

1.6 Appeals

Nothing in paragraph 1.3 shall prevent a member from serving on a committee or sub-committee established by the Council to consider an appeal by:-

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

1.7 Disciplinary action - Head of Paid Service, Monitoring Officer, and Section 151 Officer

- 1.7.1 No disciplinary action in respect of the Head of Paid Service, Monitoring Officer, or Section 151 Officer, except action described in paragraph 1.7.2, may be taken by the Council, or by a Committee, a Sub-Committee, a Joint Committee on which the Council is represented, or any other person acting on behalf of the Council, other than in accordance with the provisions under regulation 7 and schedule 3 of the Local Authorities (Standing Orders) (England) Regulations 2001 (investigation of alleged misconduct).
- 1.7.2 The Head of Paid Service, Monitoring Officer, or Section 151 Officer may only be suspended by a politically balanced panel as referred to in paragraph 1.4.1 and such suspension shall only be 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 date of such suspension.