

Public Document Pack

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Date: Wednesday, 20 April 2022

**** Physical Meeting**

This meeting will take place in person at the Town Hall. Should you wish to attend in person we ask that you notify the Contact Officer above at least 24 hours before the meeting as this will help us to manage the meeting safely.

Dear Sir or Madam

The Audit Committee – Thursday, 28 April 2022, 10.30 am – Kenn Room

A meeting of the Audit Committee will take place as indicated above.

The agenda is set out overleaf.

Yours faithfully

Assistant Director Legal & Governance and Monitoring Officer

To: Members of the Audit Committee

Councillors:

John Cato (Chairman), Sandra Hearne (Vice-Chairman), Patrick Keating, Marcia Pepperall and Richard Tucker.

This document and associated papers can be made available in a different format on request.

Agenda

1. **Public Participation (Standing Order 17)**

To receive and hear any person who wishes to address the Committee. The Chairman will select the order of the matters to be heard. Each speaker will be limited to a period of five minutes (up to a maximum of 30 minutes).

Requests to speak must be submitted in writing to the Head of Legal and Democratic Services, or the officer mentioned at the top of this agenda letter, by noon on the working day before the meeting and the request must detail the subject matter of the address.

2. **Apologies for absence and notification of substitutes**

3. **Declaration of Disclosable Pecuniary Interest (Standing Order 37)**

A Member must declare any disclosable pecuniary interest where it relates to any matter being considered at the meeting. A declaration of a disclosable pecuniary interest should indicate the interest and the agenda item to which it relates. A Member is not permitted to participate in this agenda item by law and should immediately leave the meeting before the start of any debate.

If the Member leaves the meeting in respect of a declaration, he or she should ensure that the Chairman is aware of this before he or she leaves to enable their exit from the meeting to be recorded in the minutes in accordance with Standing Order 37.

4. **Minutes (Pages 5 - 12)**

27 January 2022 to approve as a correct record (attached)

5. **Matters referred by Council, the Executive, other Committees and Panels (if any)**

None.

6. **Constitution Review 2022 (Pages 13 - 318)**

Report of Councillor Cato and the Monitoring Officer (attached)

7. **Q3 Risk Management Update (Pages 319 - 326)**

Report of Head of Business Insight, Policy and Partnerships (attached)

8. **Audit and Assurance Annual Report 2021-22 (Pages 327 - 338)**

Report of Head of Audit and Assurance (Audit West) (attached)

9. **Audit and Assurance Plan 2022-23 (Pages 339 - 356)**

Report of Head of Audit and Assurance (Audit West) (attached)

10. Counter Fraud Report 2022 (Pages 357 - 402)

Report of Head of Audit and Assurance (Audit West) (attached)

11. Urgent business permitted by the Local Government Act 1972 (if any)

Any item of business which the Chairman is of the opinion should be considered at the meeting as a matter of urgency by reason of special circumstances (to be specified in the Minutes). For a matter to be considered as an urgent item, the following question must be addressed:

“What harm to the public interest would flow from leaving it until the next meeting?” If harm can be demonstrated, then it is open to the Chairman to rule that it be considered as urgent. Otherwise the matter cannot be considered urgent within the statutory provisions.

Exempt Items

Should the Audit Committee wish to consider a matter as an Exempt Item, the following resolution should be passed -

“(1) That the press, public, and officers not required by the Members, the Chief Executive or the Director, to remain during the exempt session, be excluded from the meeting during consideration of the following item of business on the ground that its consideration will involve the disclosure of exempt information as defined in Section 100I of the Local Government Act 1972.”

Also, if appropriate, the following resolution should be passed –

“(2) That members of the Council who are not members of the Audit Committee be invited to remain.”

Mobile phones and other mobile devices

All persons attending the meeting are requested to ensure that these devices are switched to silent mode. The chairman may approve an exception to this request in special circumstances.

Filming and recording of meetings

The proceedings of this meeting may be recorded for broadcasting purposes.

Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting, focusing only on those actively participating in the meeting and having regard to the wishes of any members of the public present who may not wish to be filmed.

As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Assistant Director Legal & Governance and Monitoring Officer's representative before the start of the meeting so that all those present may be made aware that it is happening.

Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting.

Emergency Evacuation Procedure

On hearing the alarm – (a continuous two tone siren)

Leave the room by the nearest exit door. Ensure that windows are closed.

Last person out to close the door.

Do not stop to collect personal belongings.

Do not use the lifts.

Follow the green and white exit signs and make your way to the assembly point.

Do not re-enter the building until authorised to do so by the Fire Authority.

Go to Assembly Point C – Outside the offices formerly occupied by Stephen & Co

Minutes

of the Meeting of

The Audit Committee

Thursday, 27 January 2022

New Council Chamber

Meeting Commenced: 10.30 am

Meeting Concluded: 12.44 pm

Councillors:

John Cato (Chairman)

Sandra Hearne (Vice-Chairman)

Patrick Keating

Marcia Pepperall

Richard Tucker

Also in attendance: Councillor Geoffrey Richardson.

Officers in attendance: Steve Ballard (Principal Accountant (Closure and Systems)), Amy Webb (Director of Corporate Services), Hazel Brinton (Democratic Services Officer), Peter Cann (Head of Audit and Assurance) and Melanie Watts (Head of Finance).

AUD Declaration of Disclosable Pecuniary Interest (Standing Order 37)

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None.

AUD Minutes 20 September 2021

16

Resolved: that the minutes of the meeting be approved as a correct record.

AUD Notes from Informal Meeting

17

Resolved: that the formal notes of the informal meeting held 25 November 2021 be approved as a correct record of the meeting and recommendations therein be adopted.

AUD Audit Committee Annual Report 2020-21

18

The Chairman presented the Annual Report which set out a summary of the work undertaken by the Committee in the previous year and provided a commentary over key areas of financial and corporate governance and associated assurance activities. He thanked members of the committee and officers for their diligent hard work in bringing matters to the attention of members and officers to improve the work of the council. In particular, he highlighted the Audit Committee work in improving governance around capital projects and the committee's work plan

which whilst finalised could nevertheless be adjusted as circumstances dictated.

Members asked questions and received answers from officers on the availability of the Corporate Risk Register and the recruitment of independent members.

Resolved: that the Audit Committee Annual Report 2020/21 be approved;

and

Recommended to Council: that the report be received.

AUD 19 Value for Money Extension Letter - External Auditor

In the absence of the representative from Grant Thornton, the Director of Corporate Services presented the item to members. She noted the delay in the Auditors' Annual Report expected in December 2021 now to be published in February 2022 and highlighted the delay may mean that the relevance of the Value for Money report is diminished.

Members asked questions and received answers on the level of confidence that members could take from the letter given its delay; the reasons for the delay; any risks associated with the delay and whether compensation was available.

Resolved: that the committee noted the Value for Money Extension Letter from the External Auditors.

AUD 20 Annual Governance Statement Process 2021-22

The Head of Audit and Assurance (Audit West) presented the report on the process required for the Annual Governance Statement 2021-22.

In presenting his report, he noted that the Audit Committee is required to consider the Annual Governance Statement (AGS) and the framework which supports it. He commented that the AGS was based on the Local Code of Corporate Governance which could be found in the report's appendix and noted that was similar to that of previous years. He explained that the Annual Governance Statement required ratification by the Audit Committee as part of the Annual Accounts approval process.

The Head of Audit and Assurance made particular reference to the significant issue raised at the time of the last Statement in relation to Covid 19 and related grants and reminded members of the requirements for the matter to be included again as a significant issue.

He confirmed that members would have the opportunity at the committee's next meeting in April and during other informal meetings to input their views on any governance or significant issues and reassured them that this would be in good time to have their views incorporated.

Members made comments, asked questions, and received clarification on the matter of both national and local fraud and recovery of funds in relation to Covid grants and which had previously highlighted to members; the future administration

of grants; the presentation of the process within the report; whether the council was being funded by the government for the administration of Covid grants and whether this was sufficient to cover the council's additional costs.

Resolved: that the committee noted the report and the process for the Annual Governance Statement 2021-22.

AUD 21 External Audit Procurement Options

The Director of Corporate Services presented the report. She gave the background to the appointment process previously used by the council for External Audit services involving Public Sector Audit Appointments Ltd (PSAA) which has a role in setting audit fees and highlighted the recommendation to continue to use PSAA to maximise value for money and service quality benefits for the procurement of the statutory service.

In presenting the report, the Director of Corporate Services commented on the limited local market for local government audit and the challenges facing the local authority audit sector with the change in reporting deadlines and new regulatory requirements. This meant a balance was required between risk and opportunity in deciding whether to procure the service locally or nationally. She noted that the Redmond Review had commented on the sustainability of local government audits. In presenting her report she noted the benefits of procurement via the PSAA including savings on a large procurement exercise, economies of scale in audit fees and being able to tap into expertise.

The Director of Corporate Services noted the downsides of procuring via the PSAA including the possibility of continuing audit delays although she noted that delays in completing local authority audits were a national issue.

In discussing the report, members asked questions and received clarification on whether using the PSAA prevented the council from changing its auditor as there were concerns expressed in using a national auditor in terms of quality of audit and reporting; officers' opinions on using other auditors that were on the list of auditors being explored by the Fire Authority as part of its procurement process; to what extent the council had the opportunity to feed into the PSAA process and scrutinise its choice of auditor; whether the council was obliged to accept the auditor appointed by the PSAA process; the state of the general external auditor market; who monitors the quality of the external auditors; the possibility of appointing an external auditor based in North Somerset; whether an alternative framework such as the Crown Commercial Service could be used and whether next time, the process of determining how the external audit would be procured could be brought to the Audit Committee a year earlier than required so that all procurement choices could be considered.

The Director of Corporate Services noted members observations on some aspects of the external audit reporting which she would feedback to the external auditors. She would also ascertain whether the council was obliged to accept the PSAA appointed auditor. She added that the External Auditor was coming in to carry out training for members on the external audit and there would be an opportunity for members to put questions to them and feedback any observations at that point.

Resolved: that the Audit Committee supported the recommended option for the future procurement of External Auditors to the Council by Public Sector Audit Appointments Limited (PSAA).

AUD 22 Internal Audit Plan - Audit Committee Consultation

The Head of Audit and Assurance (Audit West) presented the report noting that the intention was to keep the plan under constant review and the request that the Audit Committee submit any comments on areas or themes they would wish to see considered.

In presenting his report, he added that the methodology used to create the Internal Audit Plan had been updated and that the approach to be taken towards Covid19 activity was set out in the report. He explained the Reasonable Assurance Model to members and how it was used to give the Chief Internal Auditor sufficient information to independently assess the internal control framework and to be able to give a reasonable assurance opinion at the end of the year. He commented that the planning process involved extensive stakeholder consultation including consultation with the Audit Committee and Directorate Leadership Teams.

Members' attention was drawn to the Covid19 and 6 Monthly Rolling Plan Review section of the report which highlighted the intention of the Internal Audit Service to follow the same fluid approach to its review as in the previous two years in order to direct resources efficiently and effectively. It was explained that in addition to Covid 19 factors, the Chartered Institute of Internal Auditors has drawn up ten key areas for 2022 which organisations should take account of in preparing their audit plans and which were noted in the report.

In concluding his presentation, the Head of Audit and Assurance noted that Internal Audit would attend Directorate Leadership Team meetings in February and March, and he was looking for feedback from Audit Committee members by the end of February to feed into the consultation process. Additionally, he noted some areas for consideration in particular, such as the cost-of-living crisis which would entail a detailed look at the management of the Welfare Provision Fund; mental health provision, safeguarding of children and business continuity arrangements.

The Head of Audit and Assurance undertook to email members with his thoughts on areas to consider to which members of the Audit Committee were invited to feedback to him at their forthcoming informal meeting with any questions they may have.

Members asked questions and received clarification from the Head of Audit and Assurance on IT security, working from home and the use of officers' own devices; North Somerset Environmental Company (a subsidiary of the council) and the comparison of its financial report against outside contractors.

The Head of Audit and Assurance undertook to work with the Director of Corporate Services in constructing the Internal Audit Plan so that the work to be undertaken, objectives, timescales, required resources, Key Performance Indicators and key risks were identified in order that members have benchmarks to compare against. He also undertook to report on successes and areas for improvement on

a quarterly basis to the Audit Committee. It was agreed that an informal meeting with members, the Head of Audit and Assurance and the Director of Corporate Services would take place before the plan was adopted.

Resolved:

(1) that the request for the Audit Committee members to comment on any areas or themes they would like to be considered in relation to the Internal Audit Plan for 2022/23 be noted and

(2) that the intention to keep the plan under constant review, including a six-month reassessment, in order to prioritise resources as required be noted

**AUD
23 Treasury Management Strategy 2022-23**

A representative of the Director of Corporate Services presented the report on the council's draft annual Treasury Management Strategy for 2022-23. In presenting the report, she referred to the background and strategy for the management of the council's cash flows and its resources in order to support the provision of effective services by the council and noting that much of the management is routine and short term in nature whilst some will cover the medium and longer term. She added that there were significant dependencies with other financial strategies and plans including the Capital Strategy and Medium-Term Financial Plan.

She explained that the Treasury Management Strategy was a framework within which decisions were made daily in managing council's funds and makes no specific investment or borrowing recommendations. She added that the framework describes the types of issues that the council needed to consider at the appropriate time for example regulatory requirements and the council's approach to risk.

In explaining the report, she referred to the regulations and guidance with which the council is obliged to follow to remain compliant with Codes of Practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and noted that workshops and a glossary had been provided to members to aid understanding of a technical area of the council's operations.

She noted the key areas covered by the report including the management of cash flows; future borrowing plans and an overview of investment decisions and added that there were no material changes planned in the strategy for next year. She explained that the council was taking a balanced view in relation to treasury management performance and that treasury management activity would be reported during the year to the Audit Committee. Future reports would contain details of in-year activity and performance and an outturn report. In addition to routine meetings and reviews, activities were monitored monthly by the Section 151 Officer and the Executive Member for Corporate Services.

Members asked for and received clarification on the use of Tradition Limit as an approved counterparty; the impact of negative interest rates in respect of investment; the facilitation of regular benchmarking programs by Airlingclose and the comparison with local authorities; independent benchmarking; the selection criteria for longer term assets and the related visibility and benchmarking of

performance; the treasury management risk register and counterparty risk; the differentiation of the categories of risks on the risk register including the impact of the understanding of those involved in capital projects on the work of the finance team and treasury management; gross external debt and the capital borrowing requirement and the inclusion of the impact of inflation in the capital strategy.

The Director of Corporate Services undertook to review the criteria considered when a decision was made to divest out of an asset and the risks associated with capital losses in these cases and to report this to members. She also undertook to meet further with members to consider their questions surrounding the interplay between the capital financing requirement, treasury management, inflation and the treasury management risk register.

Resolved: that the contents of the report summarising the Treasury Management Strategy for 2022/23 and its associated impacts be noted.

AUD 24 Accounts Update Report (Accounting Policies)

A representative of the Director of Corporate Services reported on the issues which impacted on the annual accounts process including changes to the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Local Government Accounts. In presenting the report, he made particular reference to the statutes behind the preparations of the council's accounts and the Chief Financial Officer's and Audit Committee's roles in approving the accounts. He noted that the deadline for the approval of the final accounts had once more been extended to the end of November due to the ongoing pandemic. He highlighted CIPFA's ongoing work and consultation on changes to the Code of Practice to support the delivery of accounts that were more readily understood by users and the significant work required by officers in quantifying the impact of the changes to the accounting treatment of leases.

The review of accounting policies by officers, which had resulted in only minor changes to existing policies, was brought to members' attention as was the requirement for additional policies in the preparation of the new group accounts to incorporate the accounts of the council's new subsidiary company, North Somerset Environment Company Ltd (NSEC).

Particular reference was made to Appendix A of the report which explained the concepts of "true and fair" and "materiality". It was noted that the external auditor's assessment of materiality for the council was set at 2% of gross revenue expenditure but certain items were material by nature even if they were below the level of materiality for the accounts. These included items such as officer remuneration, members' allowances and related party transactions. Members' attention was also drawn to Appendices B and C of the report which explained critical judgements in applying the council's accounting policies and an explanation of significant accounting estimates and sources of estimation uncertainty.

It was explained that formal workshops would be set up between officers and members around discussion of the draft accounts and to support member scrutiny of them to enable feedback and challenge and more details of the uncertainties taken into account and the impact of them when preparing the accounts would be

given. Risk assessments would also be completed for the external auditors, and these would also be presented to the Audit Committee.

Members asked questions and received clarification on the meaning of materiality; the materiality figure used and whether it was benchmarked with other local authorities or national guidelines issued for the level to be used; the impact of consolidating NSEC accounts into the group accounts and how the process would work; the impact of IFRS16 and whether there would be noticeable variations in the accounts with the resultant adjustments; the resource implications of the additional work due to NSEC and IFRS16 and the setting of the financial boundaries of the new company (NSEC).

Resolved: that the Audit Committee noted:

- (1) the developments in the CIPFA Code of Practice for Local Government Accounts, including:
 - i. that there are limited changes to the Code for the 2021/22,
 - ii. that significant work continues to be required to quantify the impact of the implementation of 'IFRS16 – Leases' in 2021/22 for implementation in the 2022/23 accounts
- (2) that officers expect to include group accounts, in addition to the North Somerset Council single entity accounts, in the 2021/22 financial statements, in order to reflect the material transactions undertaken by the council's new subsidiary company, North Somerset Environment Company Ltd (NSEC)
- (3) that officers are proposing no significant changes to existing accounting policies in 2021/22 but will recognise additional policies to be applied in the preparation of the new group accounts in the draft financial statements.
- (4) the requirement for the council's accounts to provide a 'true and fair' view of the council's financial position and transactions, the concept of materiality, the initial assessment of materiality limits applied by officers in drawing up the accounts; and disclosures which, although not material due to their value, are considered material due to their nature.
- (5) officers' initial assessment of the critical judgements made in applying the council's accounting policies, and the major sources of estimation uncertainty identified in the preparation of the 2021/22 accounts.

The Chairman thanked officers for their ongoing work in clarifying and simplifying complex matters in both written and verbal reports.

Chairman

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North Somerset Council

REPORT TO THE	AUDIT COMMITTEE
DATE OF MEETING:	28TH APRIL 2022
SUBJECT OF REPORT:	REVIEW OF CONSTITUTION AND CHANGE PROPOSALS
TOWN OR PARISH:	NONE
OFFICER/PRESENTING:	COUNCILLOR JOHN CATO – CHAIR OF THE AUDIT COMMITTEE AND NICHOLAS BRAIN – MONITORING OFFICER
KEY DECISION:	NO

RECOMMENDATIONS:

The Audit Committee formally reviews the proposed changes to the Constitution and recommends them to Council.

SUMMARY OF REPORT

The Audit Committee members have held a number of workshops to review the Constitution and consider any changes to recommend to Council. Committee is asked to conclude that review and the final form of changes to be proposed.

1. POLICY

The Constitution is one of the Council's key governance documents and details the approach and rules governing many aspects of the Council's business and administration.

2. DETAILS

The Council's Constitution sets out the framework for the Council's discharge of its functions and the committee and panels used to do so. It also details delegations to committees and scrutiny panels and to officers. It covers the legal requirements in which councils operate and provides standing orders on how committees and panels operate. It also contains financial regulations and contract standing orders which detail compliance requirements for financial accounting and procurement activities. The Constitution is reviewed from time to time by the Monitoring Officer and Audit Committee with any proposed changes being reported to Council for adoption.

The Audit Committee members and Monitoring Officer have held a number of workshops to review parts of the Constitution and a marked up version is appended to this report indicating proposed changes. It should be noted that Financial Regulations and Contract Standing Orders have yet to be reviewed and will be the subject of further report. It is anticipated that Financial Regulations will be reviewed over the coming months and that Contract Standing Orders will be reviewed in light of the Government's final changes to the UK procurement regime following departure from the EU and the requirement to adopt its procurement rules.

3. CONSULTATION

All directorates were asked to input to the review by the workshops and the proposed changes were then circulated to all councillors for input prior to this report being considered by committee. All comments received by the committee date will be reported to committee to consider inclusion.

4. FINANCIAL IMPLICATIONS

There are no direct financial implications in relation to this report.

5. LEGAL POWERS AND IMPLICATIONS

There are no direct legal implications from this report although the Constitution in large part is based on legislative requirements.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

There are no direct environmental implications from this report.

7. RISK MANAGEMENT

No risks flow directly from this report content.

8. EQUALITY IMPLICATIONS

There are no specific equality implications.

9. CORPORATE IMPLICATIONS

The Constitution has council wide implications for the manner in which council functions are discharged..

10. OPTIONS CONSIDERED

None.

AUTHORS

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BACKGROUND PAPERS

None



CONSTITUTION 2021

Document Amendment History

<u>Version No.</u>	<u>Originator of change</u>	<u>Date of change</u>	<u>Change description</u>
<u>1.0</u>	<u>Monitoring officer and Audit Committee</u>	<u>April 2022</u>	<u>Revisions to Articles and standing orders</u>

NICHOLAS BRAIN Assistant Director Legal & Governance

February 2022~~April 2021~~

**NORTH SOMERSET DISTRICT COUNCIL
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NORTH SOMERSET COUNCIL CONSTITUTION

PART 1 - SUMMARY AND EXPLANATION

1. The Council's Constitution

The North Somerset Council has agreed ~~a new~~^{this} constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Council to choose.

The Constitution is divided into 14 Articles which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are set out in the separate rules and protocols in Part 4 of this document.

What's in the Constitution:

Article 1 of the Constitution commits the Council to working with the community to provide services that benefit the community.

Articles 2-14 explain the rights of citizens and how the key parts of the Council operate. These are:

Members of the Council (Article 2)

Citizens and the Council (Article 3)

The Council meeting (Article 4)

Chairing the Council (Article 5)

Policy and Scrutiny Panel decisions (Article 6)

The Executive (Article 7)

Regulatory and other Committees (Article 8)

The Standards Sub-Committee (Article 8)

Joint Arrangements (Article 9)

Officers (Article 10)

Decision making (Article 11)

Finance, contracts and legal matters (Article 12)

Review and revision of the Constitution (Article 13)

Suspension, interpretation and publication of the Constitution (Article 14)

2. How the Council operates

The Council is composed of 50 Councillors elected every four years. Councillors are democratically accountable to [the](#) residents of their ward. The overriding duty of Councillors is to the whole community [of North Somerset](#), but they have a special duty to their constituents, including those who did not vote for them.

Councillors have to agree to follow a code of conduct (see Part 5) to ensure high standards in the way they undertake their duties. The Standards Sub-Committee (see Part 3) is responsible for training and advising them on the code of conduct.

All Councillors meet together as the Council. Meetings of the Council are normally open to the public. Here Councillors decide the Council's overall policies and set the budget each year. The Council appoints the Leader of the Council who is also the Chairman of the Executive. The Leader of the Council appoints other Councillors to make up the Executive. The Council also appoints the Chairman of each of the Policy and Scrutiny Panels that are appointed to hold the Executive to account. There is public participation at Council meetings and question time where Members can ask questions of Members of the Executive. [Public participation also operates at meetings of the Executive.](#)

3. How decisions are made

The Executive is the part of the Council which is responsible for most day-to-day decisions. The Executive is made up of the Leader of the Council, the Deputy Leader and up to eight other Councillors appointed by the Leader. When major decisions are to be made or discussed, these are published in the Executives' forward plan in so far as it can be anticipated. If these major decisions are to be discussed with Council officers at a meeting of the Executive, this will generally be open for the public to attend except where personal or confidential matters are being discussed. The Executive has to make decisions which are in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

4. Overview and Scrutiny (Policy and Scrutiny Panels)

~~There are~~ Policy and Scrutiny Panels ~~that~~ support the work of the Executive and the Council ~~as a whole~~. They allow citizens to have a greater say in Council matters of local concern. These lead to reports and recommendations which advise the Executive and the Council as a whole on its policies, budget and service delivery. Policy and Scrutiny Panels also monitor the decisions of the Executive. They can 'call-in' a decision, which has been made by the Executive but not yet implemented. This enables them to consider whether the decision is appropriate. They may recommend that the Executive reconsider the decision. They may also be consulted by the Executive or the Council on the forthcoming decisions and the development of policy.

5. The Council's Staff

The Council has people working for it (called officers) to give advice, implement decisions and manage day-to-day delivery of its services. Some officers have a specific duty to ensure that the Council acts within the law and uses its resources wisely. A [Code of Practice protocol](#) governs the relationship between officers and Members of the Council.

6. Citizens' Rights

Citizens have a number of rights in their dealings with the Council. These are set out in more detail in Article 3. Some of these are legal rights, whilst others depend on the Council's own processes. ~~The~~ Local voluntary organisations can advise on an individual's legal rights.

Where ~~Members of the public~~ [citizens](#) use specific Council services, for example as a parent of a school pupil or as a Council tenant, they have additional rights. These are not covered in the Constitution.

7. Citizens have the right to:

- 7.1 vote at local elections if they are registered
- 7.2 contact their local Councillor about any matters of concern to them
- 7.3 obtain a copy of the Constitution
- 7.4 attend meetings of the Council and its Committees except where, for example, personal or confidential matters are being discussed

- 7.5 petition to request a referendum on a mayoral form of executive
- 7.6 participate in the Council's public participation time and contribute to investigations by the Policy and Scrutiny Panels when requested
- 7.7 find out, from the Executive's forward plan, what major decisions are to be discussed by the Executive or decided by Executive and officers and when
- 7.8 attend meetings of the Executive where key decisions are being discussed or decided
- 7.9 see reports and background papers and any record of decisions made by the Council and the Executive
- 7.10 complain to the Council about the standard of its services or about the actions or lack of action by the Council or its staff
- 7.11 complain to the Ombudsman if they think the Council has not followed its procedures properly; however, they should only do so after using the Council's own complaints process
- 7.12 complain to the Standards Sub-Committee if they have evidence which they think shows that a Councillor has not followed the Council's Code of Conduct
- 7.13 inspect the Council's accounts and make their views known to the external auditor

The Council welcomes participation by its citizens in its work. For further information, please telephone 01934 888888

PART 2 - ARTICLES OF THE CONSTITUTION

ARTICLE 1 - THE CONSTITUTION OF NORTH SOMERSET COUNCIL

1. Powers of the Council

The Council will exercise all its powers and duties in accordance with the law and this Constitution.

1.1 The Constitution

This Constitution is the Constitution of North Somerset Council.

1.2 Purpose of the Constitution

The purpose of the Constitution is to:

- 1.2.1 enable the Council to lead and promote the interests of the community in North Somerset in partnership with citizens, business, voluntary organisations and government agencies.
- 1.2.2 support and encourage the active involvement of citizens in the work of local government
- 1.2.3 provide a framework within which Members of the Council can represent their constituents effectively.
- 1.2.4 promote and encourage an efficient and effective decision-making process in North Somerset.
- 1.2.5 create a means by which the decision makers can be effectively challenged and held to account
- 1.2.6 provide a clear distinction between decision makers and the rest of the Council.
- 1.2.7 clearly identify the decision makers within the Council, and provide the framework within which they will justify their decisions.
- 1.2.8 promote and encourage the continuing improvement in quality of services to the community.

1.3

**Interpretation and Review of the
Constitution**

Where the Constitution permits the Council to choose between different courses of action, the Council will always choose that option which it thinks is closest to the purposes stated above.

The Council will monitor and evaluate the operation of the Constitution as set out in Article 13.

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ARTICLE 2 - MEMBERS OF THE COUNCIL

2. Composition and Eligibility

The Council will comprise 50 Members (otherwise called Councillors). All Councillors will be elected by voters of each ward in accordance with a scheme drawn up by the Local Government Commission and approved by the Secretary of State.

Only registered voters of the North Somerset area or those living or working there will be eligible to hold the office of Councillor.

2.1 Election and terms of Councillors

The regular election of Councillors will be held on the first Thursday in May every four years beginning in 2003. The terms of office of Councillors will start on the fourth day after being elected and will finish the fourth day after the date of the next regular election.

2.2 Roles and functions of all Councillors

- 2.2.1 ~~Collectively~~ collectively to be the ultimate policy-makers and carry out a number of strategic and corporate management functions
- 2.2.2 contribute to the good governance of the area and actively encourage community participation and citizen involvement in decision making
- 2.2.3 effectively represent the interests of their ward and of individual constituents and make calls for action or present petitions on matters of concern to their ward or elsewhere.
- 2.2.4 respond to constituents' enquiries and representations, fairly and impartially
- 2.2.5 participate in the governance and management of the Council
- 2.2.6 maintain the highest standards of conduct and ethics
- ~~2.2.6~~ 2.2.7 undertake training and development to support the efficient and effective discharge of the role of councillor

Councillors will have such rights of access to such documents, information, technology, land and buildings of the Council as are necessary for the proper discharge of their functions in accordance with the law.

Councillors will not make public information which is confidential or exempt without the consent of the Council or divulge information given in confidence to anyone other than a Councillor or officer entitled to know it.

For these purposes, "confidential" and "exempt" information are defined in the Access to Information Rules in Part 4 of this Constitution

2.3 **Conduct**

Councillors will at all times observe the Members' Code of Conduct and the Protocol on Member/Officer Relations set out in Part 5 of this Constitution

2.4 **Allowances**

Councillors will be entitled to receive allowances in accordance with the Members' Allowances Scheme set out in Part 6 of this Constitution

ARTICLE 3 - CITIZENS AND THE COUNCIL

3. Citizens' rights

Citizens have the following rights. Their rights to information and to participate are explained in more detail in the Access to Information Rules and the Council's Standing Orders in Part 4 of this Constitution

Citizens on the electoral roll for the area have the right to vote and to sign a petition to request a referendum for an elected mayor form of Constitution.

3.1 Citizens also have the right to:

- 3.1.1 attend meetings of the Council and its Committees except where confidential or exempt information is likely to be disclosed, and the meeting is therefore held in private
- 3.1.2 attend meetings of the Executive when key decisions are being considered
- 3.1.3 find out from the forward plan what key decisions will be taken by the Executive and when
- 3.1.4 see reports and background papers, and any records of decisions made by the Council and the Executive
- 3.1.5 inspect the Council's accounts and make their views known to the external auditor
- 3.1.6 ~~Residents and Taxpayers~~ [citizens](#) are encouraged to participate in the Council's Public Participation Time and the Council respects the freedom of speech enshrined in the Human Rights Act, but participation will only be permitted where the individual conducts themselves appropriately and in particular is not abusive or offensive about others or appears to be targeting individuals
- 3.1.7 to participate in investigations by Policy and Scrutiny Panels such participation to be determined by the Panel.

Citizens, normally, have the right to complain to:

- 3.1.8 the Council itself under its complaints scheme
- 3.1.9 the Ombudsman after using the Council's own complaints scheme
- 3.1.10 the Standards Sub-Committee about a breach of the Councillor's Code of Conduct

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3.2

Citizens' responsibilities

Citizens must not be violent, abusive or threatening to councillors or officers and must not wilfully harm things owned by the council, councillors or officers and citizens displaying such behaviour will be removed from council premises.

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ARTICLE 4 - THE FULL COUNCIL

4. Meanings

The Policy Framework means the following plans and strategies;

- Annual library plan
- Crime and disorder reduction strategy
- Development plan documents
- Licensing authority policy statement
- Local transport plan
- ~~Plans and alterations which together comprise the Development Plan~~ [\[duplication of above development plan documents\]](#)
- Sustainable community strategy
- Youth justice plan

The Budget includes the allocation of financial resources to different services and projects, proposed contingency funds, the Council tax base, setting the Council tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of the virement limit.

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

4.1

Functions of the full Council

Only the Council will exercise the following functions:

- 4.1.1 adopting and changing the Constitution
- 4.1.2 approving or adopting the policy framework, the budget and any applications to the Secretary of State in respect of any housing land transfer
- 4.1.3 Subject to the urgency procedure contained in the Access to Information Procedure Rules contained in Part 4 of this Constitution, making

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decisions about any matter in the discharge of an Executive function which is covered by the Policy framework or the Budget where the decision maker is minded to make it in a manner which would be contrary to the Policy Framework or contrary to/ not wholly within the Budget

- 4.1.4 appointing the Leader of the Council
- 4.1.5 appointing the Chairman and Vice Chairman of the Council
- 4.1.6 agreeing and/or amending the term of reference for Committees, deciding on their composition and appointing the Chairman of them
- 4.1.7 appointing representatives to outside bodies unless the appointment is an Executive function or has been delegated by the Council
- 4.1.8 adopting an allowance scheme
- 4.1.9 changing the name of the area, conferring the title of honorary alderman
- 4.1.10 confirming the appointment of the Head of Paid Service
- 4.1.11 making, amending, revoking, re-enacting, or adopting bylaws and promoting or opposing the making of local legislation or personal Bills
- 4.1.12 all local choice functions set out in Part 3 of the Constitution which the Council decides should be undertaken by itself rather than the Executive
- 4.1.13 all matters which by law must be reserved to Council

4.2 **Council Meetings**

There are three types of Council meeting:

- the annual meeting
- ordinary meetings
- extraordinary meetings

and they will be conducted in accordance with the Council Procedure Rules in Part 4 of this Constitution

4.3 **Responsibility for functions**

The Council will maintain the tables in Part 3 of this Constitution setting out the responsibilities for the Council's functions which are not the responsibility of the Executive.

ARTICLE 5 - CHAIRING THE COUNCIL

5. Role and function of the Chairman

5.1 The Chairman will be elected by the Council annually. The Chairman will have the following responsibilities:

- 5.1.1 to uphold and promote the purposes of the Constitution, and to interpret the Constitution when necessary
- 5.1.2 to preside over meetings of the Council so that its business can be carried out efficiently and with regard to the rights of the Councillors and the interests of the community
- 5.1.3 to ensure that the Council meeting is a forum for the debate of matters of concern to the local community and the place at which Members who are not on the Executive or hold Committee chairs are able to hold the Executive and Committee Chairman to account
- 5.1.4 to promote public involvement in the Council's activities
- 5.1.5 to conduct themselves with dignity and be the conscience of the Council
- 5.1.6 to attend such civic and ceremonial functions as the Council and he/she determine appropriate
- 5.1.7 to resolve disputes in accordance with the agreed protocol(s)

ARTICLE 6 - POLICY AND SCRUTINY PANELS

6. Terms of reference

The Council will appoint the following Policy and Scrutiny Panels to discharge the functions conferred by section 21 of the Local Government Act 2000 or regulations under section 32 of the Local Government Act 2000 in relation to the matters set out for each Panel.

Partnerships, Corporate Organisation and Overview/Management Policy & Scrutiny Panel –

External Partnerships

Crime and Disorder (in accordance with the requirements of the Police and Justice Act 2006)

Corporate organisation including:

- Human Resources and organisation development
 - support services (internal and supplier provided)
 - strategic communications and community engagement
 - strategic financial planning
 - organisational performance management
- Strategic approach to procurement and contract management including capital projects
Council owned/controlled companies and organisations
Local and regional governance
Climate Emergency
Overview of policy & scrutiny function workloads and resourcing (to include management of workplans for all policy and scrutiny panels and working groups)
Corporate service finance and performance

Children and Young People Services Policy & Scrutiny Panel –

Schools including Academies
Central Education Support
Early Years
Youth Service
Children's Services
Further & higher education liaison
Children's directorate finance and performance

Adult Services and Housing Policy & Scrutiny Panel –

Social Care for Adults
Housing Services
Adult services and housing finance and performance

Health Overview Policy & Scrutiny Panel –

National Health Service Scrutiny
Wider Health Issues apart from NHS – health promotion, addressing health inequalities, impact of local and national initiatives (drugs and alcohol, hospitals, mental health, primary care etc.)
Public Health issues for both adults and children
Regulatory services
Emergency planning
Public health directorate finance and performance

Place Policy & Scrutiny Panel

Regeneration – places and communities
Town and Country Planning
Highways planning and maintenance (including monitoring of highway related contractor services) and Transport (including public and home to school transport)
Parking strategy and car parks
Recreational Services
Tourism and Economic Development
Waste services
Environmental protection – flooding and marine environment
Heritage
Community Safety

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Place directorate finance and performance

6.1 General role

Within their terms of reference, Policy and Scrutiny Panels will:

- 6.1.1 review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions
- 6.1.2 make reports and/or recommendations to the full Council and/or the Executive and/or any joint or area Committee in connection with the Council's policy
- 6.1.3 consider Councillor Calls for Action, Petitions or any other matter affecting the area or its inhabitants
- 6.1.4 exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the Executive

6.2 Specific functions

The functions of Policy and Scrutiny Panels are to cover:-

A. Policy and Development

- 6.2.1 assist the Council and the Executive (at their request) in the development of its Budget and Policy framework by in depth analysis of policy issues
- 6.2.2 conduct research, community and other consultation in the analysis of policy issues and possible options requested by the Executive or Council
- 6.2.3 consider and implement mechanisms to encourage and enhance community participation in the development of policy options
- 6.2.4 question Members of the Executive and/or Committees and chief officers about their views on issues and proposals affecting the area
- 6.2.5 liaise with other external organisations operating in the area, whether national, regional, or local to ensure that the interests of local people are enhanced by collaborative working

B Scrutiny

- 6.2.6 review and scrutinise the decisions made by and performance of the Executive and Council officers both in relation to individual decisions and

over time

- 6.2.7 review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas but this is not an area whereby individual decisions of the Planning and Regulatory Committee and associated committees can be reviewed. The scrutiny process is not an appeal mechanism in relation to these functions with regard to individual decisions
- 6.2.8 question Members of the Executive and/or Committees and chief officers about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects
- 6.2.9 make recommendations to the Executive and/or appropriate Committee and/or Council arising from the outcome of the scrutiny process
- 6.2.10 review and scrutinise performance of other public bodies in the area and initiate reports from them by requesting them to address the Policy and Scrutiny Panel and local people about their activities and performance
- 6.2.11 question and gather evidence from any person (with their consent)

C Finance

Policy and Scrutiny Panels may exercise overall responsibility for the finances made available to them and will have regard to the performance of the Council, reporting to the Executive on matters which they believe should be addressed. The Policy and Scrutiny Panel will also consider at the request of the Executive specific items concerning Best Value

D Annual Report

Policy and Scrutiny Panels must report at least annually to full Council on their workings and make recommendations for future work programmes and amended working methods if appropriate

E Officers

Policy and Scrutiny Panels may exercise overall responsibility for the work programme of the officers employed to support their work

6.3 **Proceedings of Policy and Scrutiny Panels**

Policy and Scrutiny Panels will conduct their proceedings in accordance with the Policy and Scrutiny Panel Procedure Rules and Policy and Scrutiny Panel Standing Orders set out in Part 4 of this Constitution

ARTICLE 7 - THE EXECUTIVE

7. Role

The Executive will carry out all of the Local Authority's functions, which are not the responsibility of any other part of the Local Authority, whether by law, or under this Constitution.

7.1 Form and Composition

The Executive will consist of up to ten Members including the Leader (elected by the Council) and Deputy Leader. The remaining Members at the Executive will be appointed to the Executive by the Leader in consultation with the Deputy Leader: The Leader (or in the Leader's absence the Deputy Leader) will chair Executive Meetings.

7.2 Leader

The Leader of the Council will be a Councillor elected to the position by the Council for a four-year period until the following annual post-election meeting, and will hold office until:

7.2.1 he/she resigns from office or

7.2.2 he/she is no longer a Councillor or

7.2.3 he/she is removed from office by resolution of the Council; or

7.2.4 on expiry of their term of office

7.3 Other Executive Members

Other Executive Members shall hold office until:

7.3.1 they resign from office or

7.3.2 they are suspended from being a Councillor under Part III of the Local Government Act 2000 (although they may resume office at the end of the period of suspension) or

7.4 Proceedings of the Executive

Proceedings of the Executive shall take place in accordance with the Executive Procedure Rules set out in Part 4 of this Constitution.

7.5 Responsibility for functions

The Leader will maintain a list setting out which individual Members of the Executive, Committees of the Executive, officers or joint arrangements are responsible for the exercise of particular Executive functions.

ARTICLE 8 - REGULATORY AND OTHER COMMITTEES

8. Regulatory and other Committees

The Council will appoint the Committees set out in the Responsibility for Council Functions in Part 3 of this Constitution to discharge the functions described.

8.1 **Committee** **Planning and Regulatory**

Planning and conservation - Functions relating to town and country planning and development control as specified in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended (the Function Regulations)

Commons registration - The registration of Common land or town or village greens and to register the variation of rights of common as set out in Schedule 1 to the Function Regulations

Highways' use and regulation - The exercise of powers relating to the regulation of the use of highways as set out in Schedule 1 to the Function Regulations.

Health and Safety - Functions relating to health and safety under any relevant statutory provision within the meaning of Part 1 of the Health and Safety at Work Act 1974, to the extent that those functions are discharged otherwise than in the Council's capacity as employer.

8.2 **Planning and Regulatory Public** **Rights of Way Sub-Committee**

The Planning and Regulatory Committee will appoint a Public Rights of Way Sub-Committee comprising of 5 Members. The Public Rights of Way Sub-Committee will have delegated to it the determination of Definitive Map Modification Orders and Public Path Orders.

8.3 **Standards Sub Committee**

The Planning and Regulatory Committee will establish a Standards Sub Committee.

Composition

a) The Standards Sub Committee will be composed of:

- three Councillors (who are Members of the parent Committee)
 - one person who is not a Councillor or an officer of the Council (an Independent Member);
 - when a complaint concerns a parish or town councillor the sub-committee will also include up to two Members of Parish/Town Councils wholly or mainly in the Council's area (a Parish Member) to be taken from a pool of co-opted parish Councillors from the Parish and Town Councils that comprise North Somerset.
- b) Neither the Independent Person or the Parish Member have voting rights at any meeting of the Sub Committee.
- c) Up to two Parish Members must be present when matters relating to Parish Councils or their Members are being considered.
- d) Neither the Independent Person or any Town or Parish Council may chair the Committee.

Role and function

The Standards Sub-Committee will have the following roles and functions:

- a) promoting and maintaining high standards of conduct by the Councillors, co-opted Members and church and parent governor representatives;
- b) advising the Council on the adoption or revision of the Members' Code of Conduct;
- c) advising, training or arranging to train Councillors, co-opted Members, church and parent governor representatives on matters relating to the Members' Code of Conduct;
- d) granting dispensations to Councillors, co-opted Members, church and parent governor representatives from requirements relating to interests set out in the Members' Code of Conduct;
- e) dealing with any complaint about conduct of a councillor or a town or parish councillor where the complaint alleges a breach of the Council's Code of Conduct in accordance with the Council's adopted Code of Conduct Complaints procedure.

Additional roles

- i) determine an appeal by Councillors regarding certain rulings made by the Chief Executive in relation to the Member/Officer Protocol
- ii) Consideration of cases where a Councillor has not been supplied with information requested by them and where that decision has been ratified by the Chief Executive

8.4 **Licensing Committee**

The Licensing Committee will consider matters relating to the Licensing Act 2003 and the Gambling Act 2005 as set out in Schedule 1 to the Functions regulations and other matters relating to that function. Taxi, gaming, food and miscellaneous licensing - Functions relating to licensing and registration as set out in Schedule 1 to the Functions Regulations.

8.5 **Licensing Sub Committee**

The Licensing Sub Committee shall consider all matters delegated to it by the Licensing Committee to determine. It will determine applications made under the Licensing Act 2003 and the Gambling Act 2005 where a Hearing is required.

8.6 **Employment Committee**

Appointment of Senior Officers - To interview candidates to make appointments to the following posts

- a) the Head of Paid Service subject to approval by the Council and
- b) Directors and s151 finance officer and monitoring officer.

Discipline and grievance – In the event of the Employment Sub-Committees not exercising any of their delegated decision making as detailed below to consider and determine appeals against dismissal, bullying and harassment and grievance and to deal with the discipline or termination of Head of Paid Service and any Director or Assistant Director and those officers that fall within the definition of “Deputy Chief Officer” in the Local Government and Housing Act 1989.

Redundancy – to consider proposals for Redundancies and Early Retirements (posts graded JM8 and above or equivalent).

Pay Scales and Honoraria – to consider and approve pay scales, honoraria and acting up payments in accordance with Council Policy and approved employment delegation criteria Financial Regulations.

8.6a **Employment Sub-Committees**

The Employment Sub-Committees shall consider all matters delegated to them by the Employment Committee to determine, as follows:

Appeals Sub-Committee

To deal with consider and determine appeals against discipline, dismissal, bullying and harassment and grievance.

Grievance Sub-Committee

To deal with consider and determine grievances concerning Head of Paid Service and any Director or Assistant Director and those officers that fall within the definition of "Deputy Chief Officer" in the Local Government and Housing Act 1989.

Staffing Sub-Committee

To deal with consider and determine the discipline or dismissal of Head of Paid Service and any Director or Assistant Director and those officers that fall within the definition of "Deputy Chief Officer" in the Local Government and Housing Act 1989.

[Note The Officer Employment Procedure Rules contained in Part 4 of the Constitution must be followed at all times including the specific requirements regarding approval by Council of the appointment of Head of Paid Service and dismissal of Head of Paid Service, Monitoring Officer and Chief Finance / s151 Officer]

8.7

Audit Committee

The Council will establish an independent Audit Committee with functions as set out below and to report directly to the Council and comprise five elected Members (Political Balance to apply) and two independent persons to be recruited by advertisement.

1. Governance

- a) The Audit Committee receives its authority and purpose direct from full Council and is independent of the Executive, Scrutiny, and other strategic groups and functions.
- b) The Audit Committee is a key component of the council's corporate governance arrangements, and as such has the right of free and unfettered access, via the council's statutory officers (chief executive, s151 officer and monitoring officer) to officers, members, other committees and functions including scrutiny committees, corporate risk management boards, and other groups as requested.
- c) The Audit Committee shall comprise five (5) members (political balance to apply), and lay members as appointed and recruited by advertisement.
- d) The quorum shall be three (3) members.

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- e) Includes to its meetings, as regular attendees, the CFO(s), the chief executive, the head of internal audit and the appointed external auditor. Other attendees may include the monitoring officer and the head of resources. These officers should also be able to access the committee, or the chair, as required.
- f) Has the right to call any other officers or agencies of the authority as required via the Head of Internal Audit, or statutory officers.
- g) Should assess the development needs of its committee members and provide appropriate briefings and training.
- h) May recommend to council to co-opt independent members to bring additional knowledge and expertise to the committee, or to reinforce neutrality or maintain continuity.
- i) Meets formally at least 4 times a year, and to review the workplan informally at least 4 times a year between the formal meetings.
- j) Meets privately and separately with the External Auditor and the Internal Audit Manager
- k) Reports regularly on its work to those charged with governance, and at least annually provides an assessment of its performance including updates on key deliverables, successes and concerns. An annual public report should demonstrate how the committee has discharged its responsibilities.
- l) Report key risk management, internal control or governance issues to the Executive or Council

2. Statement of Purpose

- a) To provide an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial management.
- b) To provide independent assurance to full Council and those charged with governance of the adequacy of the risk management framework and the internal control environment.
- c) To ensure the integrity of the financial reporting, treasury management and supporting governance processes including the work of internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.
- d) To consider and make recommendations on any other matters relating to corporate governance which are properly referred to the Committee inter alia, by the CLT, North Somerset Council Executive, Committees and Panels or which otherwise come to its attention.
- e) To prepare an annual report to council on the work of the Committee, including any measures necessary to improve the effectiveness of the Committee.
- f) To promote the value of the audit process.
- g) To keep abreast of audit developments and practice within Local Government as a whole.
- h) To ensure that environmental impact is included as an integral part of council processes and reports.

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- i) To have a clear policy on those items to be considered in private and those to be considered in public.
- j) To commission work, via the head of audit, from internal and external audit.

3. Corporate Governance, Risk Management and Internal Control

- a) To consider the council's arrangements for corporate governance and compliance with its own and other published standards and controls and recommending and agreeing necessary actions to ensure compliance with best practice.
- b) To review the adequacy of the Council's Corporate Governance arrangements, including matters such as internal control and risk management, financial strategy and policy, systems and processes, information technology, security and assurance, business continuity, critical incident, emergency management, procurement, and third party/outsourced services.
- c) To review the Annual Governance Statement prior to approval and be satisfied that it properly reflects the risk environment and any supporting assurances, including those from significant partners.
- d) To ensure that each Directorate embraces Risk Management and Internal Control at all levels, and provides appropriate visibility, transparency, and accountability on risk management, internal control, and governance issues, and can demonstrate that actions taken in respect of those issues contribute to improved Directorate performance.
- e) To monitor the effective development and operation of risk management in the council, and monitor progress in addressing risk-related issues where they are reported to, or come to the attention of, the committee.
- f) To review the Risk Management Annual Report and make recommendations as appropriate.
- g) To regularly review the Corporate Risk Register and make recommendations as appropriate.
- h) To ensure that appropriate council policies on 'whistle blowing' and complaints are in place, review and monitor their operation, and recommend changes as necessary.
- i) To review and approve the Risk Management Strategy and receive an annual Plan and monitor actual delivery against the plan at every meeting.
- j) To review and approve the Internal Control Strategy and receive an annual Plan and monitor actual delivery against the plan at every meeting.
- k) To monitor the operation of the Council's Constitution and keep its terms under review, including all procedure rules
- l) To consider and make recommendations on any proposals to make changes to the Constitution prior to its consideration by the Council.
- m) To inform the work of the remuneration Panel in advance of them making submissions to the Council.
- n) To approve payments or other benefits in cases of maladministration as required and make recommendations arising from any review by the Local Governance Ombudsman.

4. Internal Audit and Fraud

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- a) To ensure the independence and objectivity of the internal audit function
- b) To support the effectiveness of the internal audit process
- c) To promote the effective use of internal audit
- d) To monitor the effectiveness of the counter-fraud and anti-corruption strategy, actions and resources and recommend any necessary changes;
- e) To approve the internal audit charter;
- f) To review and approve the Audit Strategy and to recommend any necessary changes
- g) To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance, and any work required to place reliance upon those other sources;
- h) To monitor the delivery of the Internal Audit Plan and effectiveness of Internal Audit
- i) To review significant interim changes to the risk-based internal audit plan and resource requirements;
- j) To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations;
- k) To consider reports from the head of internal audit on internal audit's performance during the year. These will include updates on the work of internal audit including key findings, issues of concern, and action in hand as a result of internal audit work;
- l) To consider the head of internal audit's annual report including conformance with professional standards, and their opinion on the risk and internal control environment, the level of assurance it can give over the Council's corporate governance, and recommend any necessary changes;
- m) To consider summaries of specific internal audit reports where significant weaknesses have been identified.
- n) To monitor the implementation of agreed Internal and External audit recommendations using a progress report supplied by Internal Audit at every meeting and on demand ;
- o) To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable or there are concerns about progress with the implementation of agreed actions;
- p) To review the Fraud and Corruption Annual Report and make recommendations as appropriate;
- q) To contribute to the external quality assessment of internal audit that takes place at least once every five years;
- r) To provide free and unfettered access to the audit committee for the head of internal audit, including the opportunity for private meetings with the committee.

5. External Audit

- a) To oversee the appointment process for the External Auditor whether through Public Sector Audit Appointments Ltd (PSAA) or the authority's own auditor panel as appropriate.
- b) To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review

of any issues raised by PSAA or the authority's auditor panel as appropriate.

- c) To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements following receipt of the External Auditor's assessment.
- d) To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
- e) To consider specific reports as agreed with the external auditor including the External Audit Update Report and recommend any necessary changes.
- f) To comment on the scope and depth of external audit work in the External Audit Plan, to monitor its delivery and effectiveness during the year and to ensure it gives value for money.
- g) To monitor management action in response to issues raised by external audit.
- h) To support effective relationships between external audit and internal audit and other relevant bodies.

6. Financial Control & Reporting

- a) To review and approve the Council's annual statement of accounts; to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- b) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.
- c) To review and scrutinise the Council's Treasury Management arrangements including its Treasury Management & Investment Strategy and to make recommendations as appropriate.
- d) To review the Treasury Management Updates and Outturn and make recommendations as appropriate
- e) To review and consider any changes to Accounting policies and procedures that impact on the Council's accounting arrangements.
- f) To review and consider any changes to the Council's Financial Regulations and Contract Standing Orders prior to approval by Council

ARTICLE 9 - JOINT ARRANGEMENTS

9. Arrangements to promote well being

The Executive, in order to promote the economic, social or environmental well-being of its area, may

- 9.1.1 enter into arrangements or agreements with any person or body
- 9.1.2 co-operate with or facilitate or co-ordinate the activities of, any person or body and
- 9.1.3 exercise on behalf of that person or body any functions of that person or body

9.2 Joint arrangements

- 9.2.1 The Council may establish joint arrangements with one or more local authorities and/ or their Executives to exercise functions in any of the participating authorities, or advise the Council. Such arrangements may involve the appointment of a joint Committee with these other local authorities.
- 9.2.2 The Executive may establish joint arrangements with one or more local authorities to exercise functions. Such arrangements may involve the appointment of joint Committees with these other Local Authorities.
- 9.2.3 Except as set out below, the Executive may only appoint Executive Members to a joint Committee and those Members need not reflect the political composition of the Local Authority as a whole.
- 9.2.4 The Executive may appoint Members to a joint Committee from outside the Executive in the following circumstances:
 - the joint Committee has functions for only part of the area of the Authority, and that area is smaller than two-fifths of the Authority by area or population in such cases, the Executive may appoint to the joint Committee any Councillor who is a Member for an electoral ward which is wholly or partly contained within the area.
- 9.2.5 Details of any joint arrangements including any delegations to joint Committees will be found in the Council's Scheme of Delegations in Part 3 of this Constitution.

9.3 Access to Information

- 9.3.1 The Access to Information Rules in Part 4 of this Constitution apply.

9.3.2 If all Members of a joint Committee are Members of the Executive in each of the participating authorities the Access to Information regime is the same as that applied to this Executive.

9.3.3 If the joint Committee contains Members who are not in the Executive of any participating authority then the Access to Information rules in Part VA of the Local Government Act 1972 will apply.

9.4 **Delegation to and from other
local authorities**

9.4.1 The Council may delegate non-Executive functions to another Local Authority or, in certain circumstances, the Executive of another Local Authority.

9.4.2 The Executive may delegate Executive functions to another Local Authority or the Executive of another Local Authority in certain circumstances.

9.4.3 The decision whether or not to accept such a delegation from another Local Authority shall be reserved to the Council meeting.

9.5 **Contracting out**

The Executive may contract out to another body or organisation functions which may be exercised by an officer and which are Subject to an order under section 70 of the Deregulation and Contracting Out Act 1994, or under contracting arrangements where the contractor acts as the Council's agent under usual contracting out principles, provided there is no delegation of the Council's discretionary decision making.

ARTICLE 10 - OFFICERS

10. Management structure

10.1.1 The full Council may engage such staff as it considers necessary to carry out its functions.

10.1.2 The full Council will engage persons for the following posts, designated Chief Officers:

Post	Functions and areas of responsibility
Chief Executive	Overall responsibility for Services and Staff
Director of Corporate Services	Corporate services and finance
Director of Place	Planning and Environmental Services including Trading Standards and Highways, Economic Development, Tourism, Leisure Services, Libraries
Director of Public Health	Public health and regulatory services (including environmental services and trading standards)
Director of Children's Services	Children and Young People's Services including Education
Director of Adult Services	Adult services

10.1.3 The Council will designate the following posts as shown:

Post	Designation
Chief Executive	Head of Paid Service
Director of Corporate Services	Section 151 Officer

Assistant Director Legal & Monitoring Officer
Governance

Such posts will have the functions described in Article 10.2 – 10.4 below.

The Head of Paid Service will determine and publicise a description of the overall departmental structure of the Council showing the management structure and deployment of officers. This is set out in Part 7 of this Constitution

10.2 Service Functions of the Head of Paid

The Head of Paid Service will keep the Council informed on the manner in which the discharge of the Council's functions is co-ordinated, the number and grade of officers required for the discharge of the functions and the organisation of officers.

The Head of Paid Service may not be the Monitoring Officer but may hold the post of Section 151 Officer if a qualified accountant.

10.3 Officer Functions of the Monitoring

- 10.3.1 The Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is widely available for consultation by Members, staff and the public.
- 10.3.2 After consulting with the Head of Paid Service and Section 151 Officer, the Monitoring Officer will report to the full Council or to the Executive in relation to an Executive function if he or she considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.
- 10.3.3 The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Standards Sub-Committee.
- 10.3.4 The Monitoring Officer will receive and act on complaints to the Standards Sub-Committee concerning the conduct of councillors or of town or parish councillors, reports made by the ethical standards officers and the decisions of the case tribunals.
- 10.3.5 The Monitoring Officer will conduct investigations into matters referred by the Standards Sub-Committee and make reports or recommendations in respect of them to the Standards Sub-Committee.

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- 10.3.6 The Monitoring Officer will ensure that Executive decisions, together with the reasons for those decisions and relevant officer reports and background papers are made publicly available as soon as possible.
- 10.3.7 The Monitoring Officer will advise whether decisions of the Executive are in accordance with the budget and policy framework.
- 10.3.8 The Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all Councillors.
- 10.3.9 The Monitoring Officer cannot be the Section 151 Officer or the Head of Paid Service.

10.4 **Functions of the Section 151 Officer**

- 10.4.1 After consulting with the Head of Paid Service and the Monitoring Officer, the Section 151 Officer will report to the full Council or to the Executive in relation to an Executive function and the Council's external auditor if he or she considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.
- 10.4.2 The Section 151 Officer will have responsibility for the administration of the financial affairs of the Council.
- 10.4.3 The Section 151 Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.
- 10.4.4 The Section 151 Officer will provide advice on the scope of powers and the authority to take decisions, maladministration, financial impropriety probity and policy framework issues to all Councillors and will support and advise Councillors and officers in their respective roles.
- 10.4.5 The Section 151 Officer will provide financial information to the media, Members of the public and the community.

10.5 **Duty to provide sufficient resources to the Monitoring Officer and Section 151 Officer**

The Council will provide the Monitoring Officer and Section 151 Officer with such officers and sufficient accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

10.6

Conduct

Officers will comply with the Officers' Code of Conduct and the Protocol on Officer/Member Relations set out in Part 5 of this Constitution.

10.7

Employment

The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out in Part 4 of this Constitution.

ARTICLE 11 - DECISION MAKING

11. Responsibility for decision making

The Council will issue and keep up to date a record of what part of the Council or individual has responsibility for particular types of decisions or decisions relating to particular areas or functions. This record is set out in Part 3 of this Constitution.

11.1 Principles of decision making

All decisions of the Council will be made in accordance with the following principles and will always be recorded where it is legally required to do so:

11.1.1 Proportionality (the action must be proportionate to the desired outcome)

11.1.2 Due consultation and the taking of advice from professional officers

11.1.3 Respect for human rights

11.1.4 A presumption in favour of openness

11.1.5 Clarity of aims and desired outcomes and

11.1.6 Explaining what options have been considered and the reason for the decision

11.1.7 Decisions relating to the functions listed in Article 4.02 will be made by the full Council and not delegated

11.1.8 Key decisions are those taken by the Executive which are likely to:

11.1.8.1 result in the Local Authority incurring expenditure which is or the making of savings which are significant having regard to the Local Authority's budget for the service or function to which the decision relates. In most cases this will mean savings or expenditure of £500,000 or over, or

11.1.8.2 to be significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the Local Authority

11.1.9 A decision taker may only make a key decision in accordance with the requirements of the Executive Procedure Rules set out in Part 4 of this Constitution

11.2 Council Decision making by the full

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Subject to Article 11.6 the Council meeting will follow Council Standing Orders and the Access to Information Procedure Rules set out in part 4 of this Constitution when considering any matter

11.3 **Decision making by the Executive**

Subject to Article 11.6, the Executive will follow the Executive Procedure Rules set out in Part 4 of this Constitution

11.4 **Decision making by the Policy and Scrutiny Panels**

Policy and Scrutiny Panels will follow the Policy and Scrutiny Panel Procedure rules set out in part 4 of this Constitution.

11.5 **Decision making by other Committees and Sub Committees established by the Council**

Subject to Article 11.6, other Council Committees and Sub Committees will follow those parts of the Council Procedure Rules set out in Part 4 of this Constitution as apply to them.

11.6 **Decision making by Council bodies acting as tribunals**

The Council, a Councillor or an officer acting as a tribunal or in a quasi-judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility of any person will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

ARTICLE 12 - FINANCE, CONTRACTS AND LEGAL MATTERS

12. Financial Management

The management of the Council's financial affairs will be conducted in accordance with the financial rules set out in Part 4 of this Constitution.

12.1 **Contracts**

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

12.2 **Legal Proceedings**

The Assistant Director Legal and Governance is authorised to institute, defend or participate in any legal proceedings in any case where such a case is necessary to give effect to decisions of the Council or in any case where the Assistant Director Legal and Governance considers that such action is necessary to protect the Council's interests.

12.3 **Authentication of documents**

Where any document is necessary to any legal procedure or proceedings on behalf of the Council, it will be signed by the Assistant Director Legal and Governance or other person authorised by him/her unless any enactment authorises or requires, or the Council has given requisite authority to some other person.

Any contract with a value exceeding £1000 entered into on behalf of the Local Authority in the course of the discharge of [an Executive council](#) function shall be made in writing. Such contracts must be signed by at least two officers of the authority or made under the common seal of the Council by at least one officer as provided by Contract Standing Orders.

12.4 **Common Seal of the Council**

The Common Seal of the Council will be kept in a safe place in the custody of the Assistant Director Legal and Governance. A decision of the Council, or any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal will be affixed to those documents, which in the opinion of the Assistant Director Legal and Governance should be sealed. The affixing of the Common Seal will be attested by the Assistant Director Legal and Governance or some other person authorised by him/her.

ARTICLE 13 - REVIEW AND REVISION OF THE CONSTITUTION

13. Duty to monitor and review constitution

The Monitoring Officer will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect.

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

- 13.1.1 observe meetings of different parts of the Member and officer structure
- 13.1.2 undertake an audit trail of sample decisions
- 13.1.3 record and analyse issues raised with him/her by Members, officers, the public and other relevant stakeholders and
- 13.1.4 compare practices in the Authority with those in other comparable authorities or national examples of best practice

13.2

Changes to the Constitution

- 13.2.1 **Approval.** Changes to the Constitution will only be approved by the full Council after comments on the proposal by The Monitoring Officer have been made available to Council.

ARTICLE 14 - SUSPENSION, INTERPRETATION, AND PUBLICATION OF THE CONSTITUTION

14. Suspension of the Constitution

14.1 Limit to suspension. The Articles of this Constitution may not be suspended. The rules specified below may be suspended by the full Council to the extent permitted within those rules and the law.

14.2 Procedure to suspend. A motion to suspend any rules will not be moved without notice unless at least half of the whole number of Councillors are present. The extent and duration of suspension will be proportionate to the result to be achieved, taking into account the purposes of the Constitution set out in Article 1.

14.3 Rules capable of suspension. The following rules may be suspended in accordance with Article 14.

14.3.1 Standing Orders for Council and Committees and Sub-Committees

14.3.2 Contract Standing Orders

14.3.3 Executive Standing Orders

14.3.4 Policy and Scrutiny Panel Standing Orders

14.4 Interpretation

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

14.5 Publication

14.5.1 The Assistant Director Legal and Governance will make available a copy of this Constitution to each Member of the Authority upon delivery to him/her of that individual's Declaration of Acceptance of Office on the Member first being elected to office.

14.5.2 The Assistant Director Legal and Governance will ensure that copies are available for inspection at Council offices, libraries and other appropriate locations, and can be purchased by Members of the local press and the public on payment of a reasonable fee.

14.5.3 The Assistant Director Legal and Governance will ensure that the summary of the Constitution is made widely available within the area and is updated as necessary.

Schedule 1: Description of Executive Arrangements

The following parts of this Constitution constitute the Executive arrangements:

1. Article 6 (Policy and Scrutiny Panels) and the Policy and Scrutiny Panel Rules.
2. Article 7 (The Executive) and the Executive Procedure Rules.
3. Article 9 (Joint Arrangements) There are two Joint Arrangement Committees with other authorities, which includes Bristol City Council, South Gloucestershire and Bath and North-East Somerset Councils as set out in part 3 (6).
4. Article 11 (Decision making) and the Access to Information Procedure Rules
5. Part 3 (Responsibility for Functions)

PART 3

RESPONSIBILITY FOR FUNCTIONS

Responsibility for Council functions

The full Council will approve the Council's Budget and the following statutory plans:

the annual library plan;
the crime and disorder reduction strategy;
development plan documents;
licensing authority policy statement;
local transport plan;
~~plans and alterations which comprise the development plan;~~
the sustainable community strategy;
the youth justice plan

The Council also has responsibility for the following areas which it has delegated to the Planning and Regulatory Committee, Standards Sub-Committee and Employment Committee and is referred to in Schedule 1 of the Local Government (Functions and Responsibilities) (England) Regulations 2000 as amended which can be found at the end of this part of the Constitution.

1. Planning and Regulatory Committee

Planning and conservation - Functions relating to town and country planning and development control as specified in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended (the Function Regulations)

Commons registration - The registration of Common land or town or village greens and to register the variation of rights of common as set out in Schedule 1 to the Function Regulations

Highways' use and regulation - The exercise of powers relating to the regulation of the use of highways as set out in Schedule 1 to the Function Regulations.

Health and Safety - Functions relating to health and safety under any relevant statutory provision within the meaning of Part 1 of the Health and Safety at Work Act 1974, to the extent that those functions are discharged otherwise than in the Council's capacity as employer.

Elections - Functions relating to elections as set out in Schedule 1 to the Functions Regulations

Membership

The Membership of the Planning and Regulatory Committee shall consist of thirteen Members of the Council

1.1 **Planning and Regulatory Public Rights of Way Sub-Committee**

The Planning and Regulatory Committee will appoint a Public Rights of Way Sub-Committee comprising of 5 Members. The Public Rights of Way Sub-Committee will have delegated to it the determination of Definitive Map Modification Orders and Public Path Orders.

1.2 **Standards Sub Committee**

The promotion and maintenance of high standards of conduct within the Council and within the parish councils of North Somerset – To advise the Council on the adoption or revision of its Code of Conduct. Granting dispensations to Councillors, co-opted Members, church and parent governor representatives from requirements relating to interests set out in the Members' Code of Conduct.

Advising, training or arranging to train Councillors, co-opted Members, church and parent governor representatives on matters relating to the Members' Code of Conduct. Dealing with any complaint about conduct of a councillor or of a town or parish councillor where that complaint alleges a breach of the Council's Code of Conduct in accordance with the Council's adopted Code of Conduct complaints procedure.

Membership

There are three Members of the Standards Sub-Committee. Apart from the District Councillors there is an independent co-opted Member and if the complaint concerns a parish or town council the sub-committee will also include up to two co-opted parish or town councillors to advise the committee. The co-opted Members will not have any voting rights at meetings of the sub-committee.

2. **Health and Wellbeing Board**

The approval of the joint strategic needs assessment and the joint health and wellbeing strategy in accordance with sections 116 and 116a of The Local Government and Public Involvement in Health Act 2007 and to

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encourage integrated working.

Membership

As set out in the Health and Social Care Act 2012 with any additional members that the Council determines.

3. Employment Committee

Appointment of Senior Officers - To interview candidates to make appointments to the following posts

- a) the Head of Paid Service subject to approval by the Council and
- b) Directors and s151 finance officer and monitoring officer.

Discipline and grievance - In the event of the Employment Sub-Committees not exercising any of their delegated decision making as detailed below to consider and determine appeals against dismissal, bullying and harassment and grievance and to deal with the discipline or termination of Head of Paid Service and any Director or Assistant Director and those officers that fall within the definition of "Deputy Chief Officer" in the Local Government and Housing Act 1989.

Redundancy – to consider proposals for Redundancies and Early Retirements (posts graded JM8 and above or equivalent).

Pay Scales and Honoraria – to consider and approve pay scales, honoraria and acting up payments in accordance with Council Policy and approved employment delegation criteria.

Membership

The Membership of the Employment Committee shall consist of at least five Members of the Council, one of which shall be a Member of the Executive.

For senior officer appointments the Executive Member(s) with the portfolio(s) for the Directorate concerned may substitute one of the ordinary Members of this committee for that appointment process only but the total number of Executive Members appointed for a Committee shall not constitute the majority of the Members of the Committee.

3.1 Employment Sub-Committees

The Employment Sub-Committees shall consider all matters delegated to them by the Employment Committee to determine, as follows:

Appeals Sub-Committee

To deal with consider and determine appeals against discipline, dismissal, bullying and harassment and grievance.

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Grievance Sub-Committee

To deal with consider and determine grievances concerning Head of Paid Service and any Director or Assistant Director and those officers that fall within the definition of "Deputy Chief Officer" in the Local Government and Housing Act 1989.

Staffing Sub-Committee

To deal with consider and determine the discipline or dismissal of Head of Paid Service and any Director or Assistant Director and those officers that fall within the definition of "Deputy Chief Officer" in the Local Government and Housing Act 1989.

[Note The Officer Employment Procedure Rules contained in Part 4 of the Constitution must be followed at all times including the specific requirements regarding approval by Council of the appointment of Head of Paid Service and dismissal of Head of Paid Service, Monitoring Officer and Chief Finance / s151 Officer]

Membership

The Membership of the Employment Sub-Committees shall each comprise three Members of the Council who will also be Members of the Employment Committee.

4. Licensing Committee

The Licensing Committee will consider matters relating to the Licensing Act 2003 and the Gambling Act 2005 as set out in Schedule 1 to the Functions regulations and other matters relating to that function. Taxi, gaming, food and miscellaneous licensing - Functions relating to licensing and registration as set out in Schedule 1 to the Functions Regulations.

Membership

The Membership of the Licensing Committee shall be no more than 15 Members of the Council and no less than 12 Members.

TABLE OF DELEGATIONS OF LICENSING FUNCTIONS

MATTER TO BE DEALT WITH	FULL COUNCIL	SUB-COMMITTEE	OFFICERS
--------------------------------	---------------------	----------------------	-----------------

Three-year licensing policy	X		
Policy not to permit casinos	X		
Fee Setting – when appropriate			X (Can delegate decision to Licensing Committee but no automatic delegation so for Licensing Authority to decide)
Application for premises licences		Where representations have been received and not withdrawn	Where no representations received/representations have been withdrawn
Application for variation to a licence		Where representations have been received and not withdrawn	Where no representations received/representations have been withdrawn
Application for a transfer of a licence		Where representations have been received from the Commission	Where no representations received from the Commission
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/representations have been withdrawn
Review of a premises licence		X	
Application for club gaming/club machine permits		Where representations have been received and not withdrawn	Where no representations received/representations have been withdrawn
Cancellation of club gaming/club machine permits		X	
Application for other			X

permits			
Cancellation of licensed premises gaming machine permits			X
Consideration of temporary use notice		Where representations have been received and hearing deemed necessary	Where no representations received or where representations received and hearing deemed unnecessary
Decision to give a counter notice to a temporary use notice		X	

4.1

Licensing Sub Committee

The Licensing Sub Committee shall consider all matters delegated to it by the Licensing Committee to determine. It will determine applications made under the Licensing Act 2003 and the Gambling Act 2005 where a Hearing is required.

Membership

A Licensing Sub Committee shall be convened where a hearing of an application is required. The membership of a Licensing Sub Committee shall not exceed 3 Members of the Council who will also be Members of the Licensing Committee.

5. Audit Committee

The Council will establish an independent Audit Committee to support the Council in the effective discharge of risk management, internal control and governance responsibilities with functions as set out in Article and to report directly to the Council, the Leader and Chief Executive Officer and Director of Corporate Services on any matters it believes needs to be brought to their attention.

It is the primary source of objective guidance and assurance to the Council on the effectiveness of its risk management, internal control and governance framework. Its function is that of advice, monitoring and review.

Membership

The Membership of the Audit Committee shall comprise five elected Members (Political Balance to apply) and two independent persons to be recruited by advertisement and interview.

6. Joint Committees

The following joint arrangements are in place:

6.1 Joint Health Overview and Scrutiny Committee

This Council has entered into joint arrangements with Bristol City Council and South Gloucestershire Council for the purpose of scrutinising:

- (i) the Bristol, North Somerset and South Gloucestershire (BNSSG) Sustainability and Transformation Plan (STP); and
- (ii) the specific projects and proposals emerging from the STP which have cross-boundary implications (within the BNSSG).

Membership:

The Council's membership on the joint committee shall comprise seven members, political balance to apply.

6.2 West of England Combined Authority Joint Executive Committee

The Joint Committee is established to deal with any relevant functions that fall outside those set out in the West of England Combined Authority Order 2017 – full terms of reference can be found at <https://www.westofengland-ca.gov.uk/wp-content/uploads/2017/11/171109-WECA-PUBLISHED-CONSTITUTION-9-NOVEMBER-2017.pdf>

Membership:

Each constituent council must appoint one of its elected members to be a member of the Combined Authority/Joint Executive Committee, and also a substitute member.

7. Responsibility for Executive functions

The Executive will determine all other matters on behalf of the Council within the budget and the policies set by full Council, including those local choice functions that appear in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended, save for those that appear in the list at the end of Part 3 of this Constitution. The Leader in consultation with the Deputy Leader will determine the Membership of

and the portfolios of the Executive Members. At the Annual Council Meeting the Leader of the Council will provide a list of Members of the Executive to the Council together with a list of the areas for which each of them will be responsible.

EXECUTIVE MEMBER PORTFOLIO

1. Appointment

Annually on the determination of the Leader of the Council who will also be the Chairman of the Executive. The allocation of Executive Member Portfolios will also be a determination of the Leader of the Council.

2. Terms of reference

2.1 As a Member of the Executive :-

2.1.1 To participate in and share collective responsibility for the development and execution of Council policy and Executive decisions

2.2 As an Executive Member with portfolio responsibilities:-

2.2.1 To participate in the Executive in respect of portfolio responsibilities and share collective responsibility for decisions taken by the Executive as a whole.

2.2.2 To act as spokesperson and advocate for the Council in respect of portfolio responsibilities and at all times to promote the reputation and interests of North Somerset Council locally and nationally.

2.2.3 To develop and recommend to the Executive new policies in accordance with the Council's overall strategic approach, engaging as required with other Executive Members, officers, Policy and Scrutiny Panels, Area Forum and external partners/interest groups/ service users.

2.2.4 To provide politically accountable guidance on the management and implementation of policy in relation to activities within the portfolio.

2.2.5 To exercise delegated powers on those matters within the portfolio area of responsibility on all those matters on which the Executive Members approval is sought in accordance with Financial Regulations or at the request of the Director.

2.2.6 That where key decisions are to be made in the exercise of delegated powers, the report be published five clear working days in advance of the meeting.

2.2.7 To refer matters which the Executive Member considers to be sensitive matters or matters that have significant Council wide implications to the Executive

2.2.8 To respond to reports of Policy and Scrutiny Panels

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- 2.2.9 To lead the process of continuous improvement and responsiveness of Council services with the portfolio to achieve best value.
- 2.2.10 To ensure that activities within the portfolio take account of the Council's vision, core values and guiding principles
- 2.2.11 To represent the Council politically at national and local level, on outside bodies or in partnership with other agencies
- 2.2.12 To provide the principal point of contact to all forms of media on the appropriate portfolio areas, to provide clear, well informed responses as required.
- 2.2.13 To establish the role of key spokesperson on issues relating to the appropriate portfolio area, both internally and externally to ensure that responses are informed and up to date.
- 2.2.14 To provide the link between the Executive and the appropriate officers for the specified portfolio area
- 2.2.15 To decide to award contracts with values as set out in Financial Regulations/Contract Standing Orders on behalf of the Council concerning the specific portfolio area in accordance with the Council's Contract Standing Orders.
- 2.2.16 To give guidance on the setting of Budget priorities.
- 2.2.17 To receive representations from Members of the Council acting in their capacity as ward Members in relation to the provision of services to local people.
- 2.2.18 To prepare responses to consultation papers issued by the Government and other outside bodies, in consultation with the relevant officer - and where there are Council wide implications to submit a draft response to the Executive for approval.

3. Limitations

- 3.1.1 An Executive Member cannot be a Member of a Policy and Scrutiny Panel.
- 3.1.2 Cross portfolio matters shall be dealt with jointly with the other portfolio holder.
- 3.1.3 Matters which the Executive Member considers to have significant Council wide implications must be referred to the Executive.
- 3.1.4 Any matter may be referred to the Executive at the discretion of the Executive Member.

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OFFICER DELEGATIONS AND AUTHORISATIONS

1. GENERAL CONDITIONS ON ALL DELEGATED POWERS

The powers delegated to officers shall be exercised in accordance with all statutory provisions and:

The Constitution

- 1.1 The Council's approved Budget.
- 1.2 Where the officer taking a decision is of the opinion that the Subject matter involves considerations within the professional expertise or responsibility of another officer, or has significant political or policy implications, he or she shall, wherever possible, consult with that other officer, or the relevant Executive Member or Committee authorising action.
- 1.3 An officer shall not exercise his or her delegated powers in a way which is contrary to any minuted decision of the Council.
- 1.4 An officer need not exercise his or her delegated power in any particular matter. In these circumstances, he or she shall refer the matter to the relevant Executive Member or Committee.
- 1.5 An officer may authorise any officer within his or her (or exceptionally in another) directorate to exercise any or all of his or her delegated powers under this scheme. That in the event of any Director post being vacant, the appropriate Assistant Director or Head of Service may exercise those powers normally delegated to the Director.
- 1.6 Any mention of this scheme to any Act shall be deemed to include any statutory instruments thereunder and shall be deemed to refer to the same as at any time amended and where such Act or instrument has been replaced, consolidated or re-enacted such mention shall be deemed to refer to the relevant provisions of the replacing, consolidating or re-enacting Act or instrument.
- 1.7 With the exception of 3.10 and 3.20 of the Financial Regulations none of the powers shall be deemed to authorise the sale, grant, purchase or assignment of the freehold or a lease for more than seven

years of any land or buildings, or the filling of a vacancy in the establishment on a permanent basis.

1.8 For the avoidance of doubt the term "Director" in this Scheme includes the Chief Executive .

2. GENERAL POWERS OF ALL DIRECTORS AND THE CHIEF EXECUTIVE)

- 2.1 To take decisions (within the limitations in Section 1 above) on all matters of management or professional responsibility and to put into effect approved schemes of the Council's Strategy and Service Plan.
- 2.2 To take emergency action on behalf of the Council on any matter in cases of urgency or emergency with, wherever possible, prior consultation with the Chief Executive and the Executive Member and the Chairman of the appropriate Policy and Scrutiny Panel or Committee and Subject to a report as soon as possible afterwards to the appropriate body.
- 2.3 To take decisions on all matters relating to employees including filling of vacancies and dismissal of employees (subject to advice obtained from the Head of Human Resources) in accordance with the designations approved by Council (including Assistant Directors/ Heads of Service where indicated).
- 2.4 Any reference to the authorisation of officers in respect of carrying out functions shall include authorisation of persons other than officers of the Council to discharge functions where appropriate and permitted by legislation
- 2.5 To exercise any power and take or do any action or thing which is relevant, incidental, ancillary or conducive to their functions and management responsibilities including (without prejudice to the generality of the foregoing) any provision of the following Acts:

Local Authorities (Goods and Services) Act 1970
Local Government Acts 1972 and 2003
Crime and Disorder Act 1998
Local Government Act 2000
Disability Discrimination Acts 1995 and 2005
Race Relations Act 1976
Human Rights Act 1998
Anti-Social Behaviour Act 2003

3. THE CHIEF EXECUTIVE

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- 3.1 To be and exercise the powers of the Head of Paid Service under the Local Government and Housing Act 1989.
- 3.2 To authorise or do any act or thing necessary to affect any decision of the Council, the Executive or any Committee.
- 3.3 To take or authorise such action as seems to him or her appropriate to preserve the Council's position pending the consideration by the Council or any Committee of parliamentary bills, statutory orders and instruments or any other proposal, plan or scheme of a public or private body affecting the interests of the Council.
- 3.4 To promote the public image and relations of the Council and its relations with external agencies and bodies.
- 3.5 To be responsible for the overall strategic and corporate management, personnel strategy, programme implementation and performance review of the Council.
- 3.6 To make arrangements for dealing with the well-being functions under the Local Government Act 2000 and any new functions or matters or any functions or matters not specifically allocated in this scheme to another Director.
- 3.7
- 3.8

4. DIRECTOR OF CORPORATE SERVICES

- 4.1 To have overall responsibility for all the Financial affairs of the Council in accordance with section 151 of the Local Government Act 1972 and section 114 of the Local Government Finance Act 1988 and the function of local land charges and commons registration.
- 4.2 To be responsible for the Council's corporate financial operations including statutory accounts preparation, bank accounts, cash flows, borrowing, revenues, investments, insurances, capital finance and financial management systems.

- 4.3 To monitor the accountancy functions and financial operations of the Council.
- 4.4 Overall responsibility to ensure that the Council is provided with effective and competitive corporate support services
- 4.5 Overall responsibility for business continuity within the Directorate

5. ASSISTANT DIRECTOR LEGAL AND GOVERNANCE

- 5.1 To be and exercise the powers of the Monitoring Officer under the Local Government and Housing Act 1989 and Local Government Acts 2000 2003 and the Local Government and Public Involvement in Health Act 2007.
- 5.2 To act as Clerk to the Council and make arrangements for the conduct of Council, Executive and Committee meetings, the recording of decisions, and the maintenance of the Constitution.
- 5.3 To be the Council's Solicitor and to institute, defend and settle any claims, appeals, complaints and legal proceedings relating to any function of the Council.
- 5.4 To authorise persons to appear for and represent the council in court under section 223 of the local government act 1972 and section 60 of the county courts act 1984.

6. DIRECTOR OF PLACE

- 6.1 To exercise all the functions (including the authorisation of officers under various) of the Local Planning Authority and Mineral Planning Authority and in relation to building control including (without prejudice to the generality of the foregoing) functions of Local Authorities under the following Acts:

National Parks and Access to the Countryside Act 1949
 Countryside Act 1968
 Wildlife and Countryside Act 1981
 Building Act 1984
 Town and Country Planning Act 1990 as amended
 Planning (Hazardous Substances) Act 1990
 Planning (Listed Buildings and Conservation Areas) Act 1990
 Planning (Consequential Provisions) Act 1990

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Planning and Compensation Act 1991
Countryside and Rights of Way Act 2000
Flood and Water Management Act 2010
Anti-Social Behaviour Crime and Policing Act 2014

(NOTE: The Council has an approved procedure for certain planning applications to be referred to Committee).

6.2 To exercise all the functions of the Local Highway Authority (including the authorisation of officers for that purpose) and in relation to engineering, road traffic, car parking and transportation (without prejudice to the generality of the foregoing) functions of local authorities under the following Acts:

Public Health Act 1936
Coast Protection Act 1949
Chronically Sick and Disabled Persons Act 1970
Land Compensation Act 1973
Health and Safety at Work, etc. Act 1974
Road Traffic Act 1974
Reservoirs Act 1975
Safety at Sports Grounds Act 1975
Highways Act 1980
Cycle Track Act 1984
Road Traffic Regulation Act 1984
Transport Act 1985
Fire Safety and Safety of Places of Sports Act 1987
Road Traffic Act 1988
New Roads and Street Works Act 1991
Land Drainage Act 1991
Water Resources Act 1991
Traffic Calming Act 1992
Environment Act 1995
Road Traffic Reduction Acts 1997 and 1998
Traffic Management Act 2004

6.3 To exercise all the functions of the Council in relation to, waste collection and disposal, burials and cremation, street naming and numbering safety and the environment (other than those specifically exercisable by a Local Planning Authority) to include without prejudice to the generality of the foregoing) the functions of local authorities under the following Acts and to include the authorisation of officers:

Public Health Acts 1875 to 1961
Open Spaces Act 1906
Cremation Acts 1902 and 1952

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Caravan Sites and Control of Development Act 1960
Health and Safety at Work (Etc.) Act 1974
Control of Pollution Act 1974
Safely of Sports Grounds Act 1975
Public Health (Control of Disease) Act 1984
Building Act 1984
Environmental Protection Act 1990
Clean Air Act 1993
Environment Act 1995
Noise Act 1996
Waste Minimisation Act 1998
Anti-Social Behaviour Act 2003
Town Improvement Clauses Act 1847
Cleaner Neighbourhood and Environment Act 2005
Health Act 2006
Violent Crime Reduction Act 2006

6.4 To exercise the functions of the Council in relation to charities, licensing and to deal with all matters relating to the status, route, diversion and extinguishment of rights of way including (without prejudice to the generality of the foregoing) functions of local authorities under the following Acts and to include the authorisation of officers:

Town Police Clauses 1847 and 1889
Public Health Acts Amendment Act 1907
Gaming Act 1968
Theatres Act 1968
Local Government (Miscellaneous Provisions) Act 1976
Cinemas Act 1985
Charities Act 1985
Licensing Act 2003
Gambling Act 2005

6.5 To exercise all the functions of the Council in relation to leisure and recreational services, the youth service, libraries, museums and tourism including (without prejudice to the generality of the foregoing) functions of local authorities under the following Acts:

Public Health Act 1875
Open Spaces Act 1906
Allotment Acts 1908-1950
National Parks and Access to the Countryside Act 1949
Public Libraries and Museums Act 1964
Local Government (Miscellaneous Provisions) Act 1976

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Local Government Act 1972
Commons Act 2006
Natural Environment and Rural Communities Act 2006

- 6.6 To promote economic development and community safety in North Somerset including (without prejudice to the generality of the foregoing) the exercise of the functions of the Council under the following Acts:

Local Government and Housing Act 1989

- 6.7 Overall responsibility for business continuity within the Directorate.

7. DIRECTOR OF CHILDREN'S SERVICES

- 7.1 To exercise all the functions of the Local Education Authority and all functions of the Council in relation to Children's Social Services including (without prejudice to the generality of the foregoing) functions of Local Authorities under the following Acts:

Education Acts 1944 - 2005
Education and Training Act 1973
Employment of Children Act 1973
Local Government (Miscellaneous Provisions) Act 1982
Education Reform Act 1988
Further and Higher Education Act 1992
Education (Schools) Acts 1992 - 2002
Nursery Education and Grant Maintained Schools Act 1996
Anti-Social Behaviour Act 2003
Adoption Act 1976
Children Act 1989 & 2004
Family Law Act 1996
Youth Justice and Criminal Evidence Act 1999
Health and Social Care Act 2001
Carers (Recognition and Services) Act 2004
Carers (Equal Opportunities) Act 2004
National Health Service and Community Care Act 1990
Disabled Persons (Services Consultations and Rehabilitation) Act 1986
Health Social Security and Social Services Adjudication Act 1983
Local Authority Social Services Act 1970
Schools Inspections Act 1996
Schools Standards and Framework Act 1998
Teaching and Higher Education Act 1998
Learning and Skills Act 2000
Special Educational Needs and Disability Act 2001
Childcare Act 2004 & 2006

7.2 Overall responsibility for business continuity within the Directorate.

8. DIRECTOR OF ADULT SOCIAL SERVICES

8.1 To exercise all the functions of the Council in relation to Adult Social Services including (without prejudice to the generality of the foregoing) function of local authorities under the following Acts including the authorisation of officers:

National Assistance Act 1948
Local Authority Social Services Act 1970
Chronically Sick and Disabled Persons Act 1970
National Health Service Act 1977
Mental Health Act 1983
Health, Social Security and Social Services Adjudication Act 1983
Disabled Persons (Services Consultations and Representation) Act 1986
National Health Service and Community Care Act 1990
Carers (Recognition and Services) Act 1995
Health and Social Care Act 2001
Mental Capacity Act 2005

8.2 To exercise all the functions of the Council as Housing Authority including (without prejudice to the generality of the foregoing) functions under the following Acts:

Housing Acts 1985 - 2004
Rent (Agriculture) Act 1976
Protection from Eviction Act 1977
Rent Act 1977
Local Government and Housing Act 1989
Housing Grants, Construction and Regeneration Act 1996
Homelessness Act 2002
Local Government (Miscellaneous Provisions) Act 1976
Local Government (Miscellaneous Provisions) Act 1982
Public Health Act 1936
Public Health Act 1961
Caravan Sites and Control of Development Act 1960
Caravan Sites Act 1968
Criminal Justice and Public Order Act 1994
Civil Procedure Rules Part 55
Building Act 1984
Environmental Protection Act 1990
Prevention of Damage by Pests Act 1949

8.3 Overall responsibility for business continuity within the Directorate.

9. DIRECTOR OF PUBLIC HEALTH

9.1 To exercise all the functions of the Council in relation to food and drugs, shops, trading standards, weights and measures, and public protection including (without prejudice to the generality of the foregoing) the functions of local authorities under the following Acts and to include the authorisation of officers:-

Medicines Act 1968
Trade Description Acts 1968 and 1972
European Communities Act 1972
Fair Trading Act 1973
Hallmarking Act 1973
Food Act 1984
Weights and Measures Act 1987
Food Safety Act 1990
Sunday Trading Act 1994
Enterprise Act 2002
Private Security Industries Act 2001

9.2 To exercise all the Public Health functions of the Council including (without prejudice to the generality of the foregoing) functions under the following Act (s)

National Health Service Act 2006 (as amended by the Health and Social Care Act 2012)

THE LOCAL AUTHORITIES (FUNCTIONS AND RESPONSIBILITIES) (ENGLAND) REGULATIONS 2000 AS AMENDED

Schedule 1

Function

Provision of Act or Statutory Instrument

A. Functions relating to town and country planning and development control

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| <p>5. Power to determine application for planning permission.</p> <p>6. Power to determine applications to develop land without compliance with conditions previously attached.</p> <p>7. Power to grant planning permission for development already carried out.</p> <p>8. Power to decline to determine application for planning permission.</p> <p>9. Duties relating to the making of determinations of planning applications.</p> <p>10. Power to determine application for planning permission made by a local authority, alone or jointly with another person.</p> <p>11. Power to make determinations, give approvals and agree certain other matters relating to the exercise of permitted development rights.</p> <p>12. Power to enter into agreement regulating development or use of land.</p> <p>13. Power to issue a certificate of existing or proposed lawful use or development</p> | <p>Sections 70(1)(a) and (b) and 72 of the Town and Country Planning Act 1990 (c.8).</p> <p>Section 73 of the Town and Country Planning Act 1990.</p> <p>Section 73A of the Town and Country Planning Act 1990.</p> <p>Section 70A of the Town and Country Planning Act 1990.</p> <p>Sections 69, 76 and 92 of the Town and Country Planning Act 1990 and Articles 8, 10 to 13, 15 to 22 and 25 and 26 of the Town and Country Planning (General Development Procedure) Order 1995 (S.I. 1995/419) and directions made thereunder.</p> <p>Section 316 of the Town and Country Planning Act 1990 and the Town and Country Planning General Regulations 1992 (S.I. 1992/1492).</p> <p>Parts 6, 7, 11, 17, 19, 20, 21 to 24, 26, 30 and 31 of Schedule 2 to the Town and Country Planning (General Permitted Development) Order 1995 (S.I. 1995/418).</p> <p>Section 106 of the Town and Country Planning Act 1990.</p> <p>Sections 191(4) and 192(2) of the Town and Country Planning Act 1990.</p> |
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| 14. Power to serve a completion notice. | Section 94(2) of the Town and Country Planning Act 1990. |
| 15. Power to grant consent for the display of advertisements. | Section 220 of the Town and Country Planning Act 1990 and the Town and Country Planning (Control of Advertisements) Regulations 1992. |
| 16. Power to authorise entry onto land. | Section 196A of the Town and Country Planning Act 1990. |
| 17. Power to require the discontinuance of a use of land. | Section 102 of the Town and Country Planning Act 1990. |
| 18. Power to serve a planning contravention notice, breach of condition notice or stop notice. | Sections 171C, 187A and 183(1) of the Town and Country Planning Act 1990. |
| 18A Power to issue a temporary stop notice | Section 171E of the Town and Country Planning Act 1990 |
| 19. Power to issue an enforcement notice. | Section 172 of the Town and Country Planning Act 1990. |
| 20. Power to apply for an injunction restraining a breach of planning control. | Section 187B of the Town and Country Planning Act 1990. |
| 21. Power to determine applications for hazardous Substances consent, and related powers. | Sections 9(1) and 10 of the Planning (Hazardous Substances) Act 1990 (c. 10). |
| 22. Duty to determine conditions to which old mining permissions, relevant planning permissions relating to dormant sites or active Phase I or II sites, or mineral permissions relating to mining sites, as the case may be, are to be subject. | Paragraph 2(6)(a) of Schedule 2 to the Planning and Compensation Act 1991, paragraph 9(6) of Schedule 13 to the Environment Act 1995 (c. 25) and paragraph 6(5) of Schedule 14 to that Act. |
| 23. Power to require proper maintenance of land. | Section 215(1) of the Town and Country Planning Act 1990. |
| 24. Power to determine application for listed building consent, and related powers. | Sections 16(1) and (2), 17 and 33(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 (c.9). |

- 25.** Power to determine applications for conservation area consent. Section 16(1) of the Planning (Listed Buildings and Conservation Areas Act 1990, as applied by section 74(3) of that Act.
- 26.** Duties relating to applications for listed building consent and conservation area consent. Sections 13(1) and 14(1) and (4) of the Planning (Listed Buildings and Conservation Areas) Act 1990(c.9) and regulations 3 to 6 and 13 of the Planning (Listed Buildings and Conservation Areas) Regulations 1990 (S.I. 1990/1519) and paragraphs 8, 15 and 26 of Department of the Environment, Transport and the Regions Circular 01/01.
- 27.** Power to serve a building preservation notice, and related powers. Sections 3(1) and 4(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 (c.9).
- 28.** Power to issue enforcement notice in relation to demolition of listed building in conservation area. Section 38 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (c.9).
- 29.** Powers to acquire a listed building in need of repair and to serve a repairs notice. Sections 47 and 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (c.9).
- 30.** Power to apply for an injunction in relation to a listed building. Section 44A of the Planning (Listed Buildings and Conservation Areas) Act 1990 (c.9)[23].
- 31.** Power to execute urgent works. Section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (c.9).
- B. Licensing and registration functions (in so far as not covered by any other paragraph of this Schedule)**
- 1.** Power to issue licences authorising the use of land as a caravan site ("site licences"). Section 3(3) of the Caravan Sites and Control of Development Act 1960 (c. 62).
- 2.** Power to license the use of moveable dwellings and camping sites. Section 269(1) of the Public Health Act 1936 (c.49).

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| 3. Power to license hackney carriages and private hire vehicles. | (a) as to hackney carriages, the Town Police Clauses Act 1847 (10 & 11 Vict. c. 89), as extended by section 171 of the Public Health Act 1875 (38 & 39 Vict. c. 55), and section 15 of the Transport Act 1985 (c. 67); and sections 47, 57, 58, 60 and 79 of the Local Government (Miscellaneous Provisions) Act 1976 (c. 57); (b) as to private hire vehicles, sections 48, 57, 58, 60 and 79 of the Local Government (Miscellaneous Provisions) Act 1976. |
| 4. Power to license drivers of hackney carriages and private hire vehicles. | Sections 51, 53, 54, 59, 61 and 79 of the Local Government (Miscellaneous Provisions) Act 1976. |
| 5. Power to license operators of hackney carriages and private hire vehicles. | Sections 55 to 58, 62 and 79 of the Local Government (Miscellaneous Provisions) Act 1976. |
| 6. Power to register pool promoters. | Schedule 2 to the Betting, Gaming and Lotteries Act 1963 (c. 2) |
| 7. Power to grant track betting licences. | Schedule 3 to the Betting, Gaming and Lotteries Act 1963. |
| 8. Power to license inter-track betting schemes. | Schedules 5ZA to the Betting, Gaming and Lotteries Act 1963. |
| 9. Power to grant permits in respect of premises with amusement machines. | Schedule 9 to the Gaming Act 1968 (c. 65). |
| 10. Power to register societies wishing to promote lotteries. | Schedule 1 to the Lotteries and Amusements Act 1976 (c. 32). |
| 11. Power to grant permits in respect of premises where amusements with prizes are provided. | Schedule 3 to the Lotteries and Amusements Act 1976. |
| 12. Power to issue cinema and cinema club licences. | Section 1 of the Cinema Act 1985 (c. 13). |
| 13. Power to issue theatre licences. | Sections 12 to 14 of the Theatres Act 1968 (c. 54). |

- 14.** Power to issue entertainment's licences. Section 12 of the Children and Young Persons Act 1933 (c. 12), section 52 of, and Schedule 12 to, the London Government Act 1963 (c. 33), section 79 of the Licensing Act 1964 (c. 26), sections 1 to 5 and 7 of, and Parts I and II of the Schedule to, the Private Places of Entertainment (Licensing) Act 1967 (c. 19) and Part I of, and Schedules 1 and 2 to, the Local Government (Miscellaneous Provisions) Act 1982 (c. 30).
Sections 5 to 8 of the Licensing Act 2003 (c. 17)
- 14A.** Functions relating to licensing Sections 5 to 8 of the Licensing Act 2003 (c. 17)
- 14B.** Power to resolve not to issue a casino premises licence Section 166 of the 2005 Act
- 14C.** Power to designate officer of the licensing authority as an authorised person for a purpose relating to the premises. Section 304 of the 2005 Act.
- 14D.** Power to institute criminal proceedings. Section 346 of the 2005 Act
- 14E.** Power to exchange information. Section 350 of the 2005 Act.
- 14F.** Functions relating to the determination of fees for premises licences. The Gambling (Premises Licence Fees)(England and Wales) Regulations 2007 (S.I. 2007/479).
- 15.** Power to license sex shops and sex cinemas. The Local Government (Miscellaneous Provisions) Act 1982, section 2 and Schedule 3.
The Hypnotism Act 1952 (c. 46).
- 16.** Power to license performances of hypnotism. Sections 13 to 17 of the Local Government (Miscellaneous Provisions) Act 1982.
- 17.** Power to license premises for acupuncture, tattooing, ear-piercing and electrolysis. Section 94 of the Public Health Acts Amendment Act 1907 (c. 53).
- 18.** Power to license pleasure boats and pleasure vessels. Paragraphs 1(2) and 9 of Schedule 12 to the London Government Act 1963 (c. 33) and Part V of the London Local Authorities Act 1995 (c. x).
Part III of, and Schedule 4 to, the Local Government (Miscellaneous Provisions) Act 1982, Part III of the London Local Authorities Act 1990 (c. vii) and section 6 of the London Local Authorities Act 1994 (c. xii).
- 19.** Power to register door staff.
- 20.** Power to license market and street trading.

- 21.** Power to license night cafes and take-away food shops. Section 2 of the Late Night Refreshment Houses Act 1969 (c. 53), Part II of the London Local Authorities Act 1990 and section 5 of the London Local Authorities Act 1994.
- 22.** Duty to keep list of persons entitled to sell non-medicinal poisons. Sections 3(1)(b)(ii), 5, 6 and 11 of the Poisons Act 1972 (c. 66).
- 23.** Power to license dealers in game and the killing and selling of game. Sections 5, 6, 17, 18 and 21 to 23 of the Game Act 1831 (c. 32); sections 2 to 16 of the Game Licensing Act 1860 (c. 90), section 4 of the Customs and Inland Revenue Act 1883 (c. 10), sections 12(3) and 27 of the Local Government Act 1874 (c. 73), and section 213 of the Local Government Act 1972 (c. 70).
- 24.** Power of register and license premises for the preparation of food. Section 19 of the Food Safety Act 1990 (c. 16).
- 25.** Power to license scrap yards. Section 1 of the Scrap Metal Dealers Act 1964 (c. 69).
- 26.** Power to issue, amend or replace safety certificates (whether general or special) for sports grounds. The Safety of Sports Grounds Act 1975 (c. 52).
- 27.** Power to issue, cancel, amend or replace safety certificates for regulated stands at sports grounds. Part III of the Fire Safety and Safety of Places of Sport Act 1987 (c.27).
- 28.** Power to issue fire certificates. Section 5 of the Fire Precautions Act 1971 (c. 40).
- 29.** Power to license premises for the breeding of dogs. Section 1 of the Breeding of Dogs Act 1973 (c. 60) and section 1 of the Breeding and Sale of Dogs (Welfare) Act 1999 (c. 11).
- 30.** Power to license pet shops and other establishments where animals are bred or kept for the purposes of carrying on a business. Section 1 of the Pet Animals Act 1951 (c. 35); section 1 of the Animal Boarding Establishments Act 1963(c. 43); the Riding Establishments Acts 1964 and 1970 (1964 c. 70 and 1970 c. 70); section 1 of the Breeding of Dogs Act 1973 (c. 60), and sections 1 and 8 of the Breeding and Sale of Dogs (Welfare) Act 1999.
- 31.** Power to register animal trainers and exhibitors. Section 1 of the Performing Animals (Regulation) Act 1925 (c. 38).
- 32.** Power to license zoos. Section 1 of the Zoo Licensing Act 1981 (c. 37).
- 33.** Power to license dangerous wild animals. Section 1 of the Dangerous Wild Animals Act 1976 (c. 38).

- 34.** Power to license knackers' yards. Section 4 of the Slaughterhouses Act 1974. See also the Animal By-Products Order 1999 (S.I. 1999/646).
- 35.** Power to license the employment of children. Part II of the Children and Young Persons Act 1933 (c. 33), byelaws made under that Part, and Part II of the Children and Young Persons Act 1963 (c. 37).
- 36.** Power to approve premises for the solemnisation of marriages. Section 46A of the Marriage Act 1949 (c. 76) and the Marriages (Approved Premises) Regulations 1995 (S. I. 1995/510)
- 37.** Power to register common land or town or village greens, except where the power is exercisable solely for the purpose of giving effect to -
- (a) an exchange of lands effected by an order under section 19(3) of, or paragraph 6(4) of Schedule 3 to, the Acquisition of Land Act 1981 (c. 67) or Regulation 6 of the Commons Registration (New Land) Regulations 1969 (S.I. 1969/1843).
- (b) an order under section 147 of the Inclosure Act 1845 (c. 8 & 9 Vict. c. 118).
- 38.** Power to register variation of rights of common. Regulation 29 of the Commons Registration (General) Regulations 1966 (S.I. 1966/1471).
- 39.** Power to license persons to collect for charitable and other causes. Section 5 of the Police, Factories etc. (Miscellaneous Provisions) Act 1916 (c. 31) and section 2 of the House to House Collections Act 1939 (c. 44).
- 40.** Power to grant consent for the operation of a loudspeaker. Schedule 2 to the Noise and Statutory Nuisance Act 1993 (c. 40).
- 41.** Power to grant a street works licence. Section 50 of the New Roads and Street Works Act 1991 (c. 22).
- 42.** Power to license agencies for the supply of nurses. Section 2 of the Nurses Agencies Act 1957 (c. 16).

43. Power to issue licences for the movement of pigs. Article 12 of the Pigs (Records, Identification and Movement) Order 1995 (S.I. 1995/11).
44. Power to license the sale of pigs. Article 13 of the Pigs (Records, Identification and Movement) Order 1995.
45. Power to license collecting centres for the movement of pigs. Article 14 of the Pigs (Records, Identification and Movement) Order 1995.
46. Power to issue a licence to move cattle from a market. Article 5(2) of the Cattle Identification Regulations 1998 (S.I. 1998/871).
- 46A. Power to grant permission for provision, etc of services, amenities, recreation and refreshment facilities on highway, and related powers. Sections 115E, 115F and 115K of the Highways Act 1980
- 47A. Duty to publish notice in respect of proposal to grant permission under section 115E of the Highways Act 1980. Section 115G of the Highways Act 1980[3]
47. Power to permit deposit of builder's skip on highway. Section 139 of the Highways Act 1980 (c. 66).
48. Power to license planting, retention and maintenance of trees etc. in part of highway. Section 142 of the Highways Act 1980.
49. Power to authorise erection of stiles etc. on footpaths or bridleways. Section 147 of the Highways Act 1980.
50. Power to license works in relation to buildings etc. which obstruct the highway. Section 169 of the Highways Act 1980.
51. Power to consent to temporary deposits or excavations in streets. Section 171 of the Highways Act 1980.
52. Power to dispense with obligation to erect hoarding or fence. Section 172 of the Highways Act 1980.
53. Power to restrict the placing of rails, beams etc. over highways. Section 178 of the Highways Act 1980.
54. Power to consent to construction of cellars etc. under street. Section 179 of the Highways Act 1980[44].

- 55.** Power to consent to the making of openings into cellars etc. under streets, and pavement lights and ventilators. Section 180 of the Highways Act 1980.
- 56.** Power to sanction use of parts of buildings for storage of celluloid. Section 1 of the Celluloid and Cinematography Film Act 1922 (c. 35).
Regulations 4 and 5 of the Meat Products (Hygiene) Regulations 1994 (S.I. 1994/3082)
- 57.** Power to approve meat product premises.
- 58.** Power to approve premises for the production of minced meat or meat preparations. Regulation 4 of the Minced Meat and Meat Preparations (Hygiene) Regulations 1995 (S.I. 1995/3205).
- 59.** Power to approve dairy establishments. Regulations 6 and 7 of the Dairy Products (Hygiene) Regulations 1995 (S.I. 1995/1086).
- 60.** Power to approve egg product establishments. Regulation 5 of the Egg Products Regulations 1993 (S.I. 1993/1520).
- 61.** Power to issue licences to retail butchers' shops carrying out commercial operations in relation to unwrapped raw meat and selling or supplying both raw meat and ready-to-eat foods. Schedule 1A to the Food Safety (General Food Hygiene) Regulations 1995 (S.I. 1995/1763).
- 62.** Power to approve fish products premises. Regulation 24 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998 (S.I. 1998/994).
- 63.** Power to approve dispatch or purification centres. Regulation 11 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998.
- 64.** Power to register fishing vessels on board which shrimps or molluscs are cooked. Regulation 21 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998.
- 65.** Power to approve factory vessels and fishery product establishments. Regulation 24 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998.
- 66.** Power to register auction and wholesale markets. Regulation 26 of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998.
- 67.** Duty to keep register of food business premises. Regulation 5 of the Food Premises (Registration) Regulations 1991 (S.I. 1991/2828).

68. Power to register food business premises. Regulation 9 of the Food Premises (Registration) Regulations 1991.
69. Power to register motor salvage operators Part 1 of the Vehicles (Crime) Act 2001
70. Functions relating to the registration of Common land and town or village greens Part 1 of the Commons Act 2006 and the Commons Registration (England) Regulations 2008
- C. Functions relating to health and safety at work**
Functions under any of the “relevant statutory provisions” within the meaning of Part I (health, safety and welfare in connection with work, and control of dangerous Substances) of the Health and Safety at Work etc. Act 1974, to the extent that those functions are discharged otherwise than in the authority’s capacity as an employer. Part I of the Health and Safety at Work etc. Act 1974 (c. 37)[48].
- D. Functions relating to elections**
1. Duty to appoint an electoral registration officer. Section 8(2) of the Representation of the People Act 1983 (c. 2)[49].
 2. Power to assign officers in relation to requisitions of the registration officer. Section 52(4) of the Representation of the People Act 1983.
 3. Functions in relation to parishes and parish Councils. Part II of the Local Government and Rating Act 1997 (c. 29) and Subordinate legislation under that Part.
 4. Power to dissolve small parish Councils. Section 10 of the Local Government Act 1972.
 5. Power to make orders for grouping parishes, dissolving groups and separating parishes from groups. Section 11 of the Local Government Act 1972.
 6. Duty to appoint returning officer for local government elections. Section 35 of the Representation of the People Act 1983.
 7. Duty to provide assistance at European Parliamentary elections. Section 6(7) and (8) of the European Parliamentary Elections Act 2002 (c.24).
 8. Duty to divide constituency into polling districts. Sections 18A to 18E of, and Schedule A1 to, the Representation of the People Act 1983.
 9. Power to divide electoral divisions into polling districts at local government elections. Section 31 of the Representation of the People Act 1983.

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| 10. Powers in respect of holding of elections. | Section 39(4) of the Representation of the People Act 1983. |
| 11. Power to pay expenses properly incurred by electoral registration officers. | Section 54 of the Representation of the People Act 1983. |
| 12. Power to fill vacancies in the event of insufficient nominations. | Section 21 of the Representation of the People Act 1985. |
| 13. Duty to declare vacancy in office in certain cases. | Section 86 of the Local Government Act 1972. |
| 14. Duty to give public notice of a casual vacancy. | Section 87 of the Local Government Act 1972. |
| 15. Power to make temporary appointments to parish Councils. | Section 91 of the Local Government Act 1972. |
| 17. Power to Submit proposals to the Secretary of State for an order under section 10 (pilot schemes for local elections in England and Wales) of the Representation of the People Act 2000. | Section 10 of the Representation of the People Act 2000 (c. 2). |
| 18. Duty to consult on change of scheme for elections | Sections 33(2), 38(2) and 40(2) of the 2007 Act. |
| 19. Duties relating to publicity | Sections 35, 41 and 52 of the 2007 Act. |
| 20. Duties relating to notice to Electoral Commission | Sections 36 and 42 of the 2007 Act. |
| 21. Power to alter year or ordinary election of parish councillors | Section 53 of the 2007 Act. |
| 22. Functions relating to change of name of electoral area | Section 59 of the 2007 Act. |
| E. Functions relating to name and status of areas and individuals | |
| 1. Power to change the name of a county, district or London borough. | Section 74 of the Local Government Act 1972. |
| 2. Power to change the name of a parish. | Section 75 of the Local Government Act 1972. |
| 3. Power to confer title of honorary alderman or to admit to be an honorary freeman. | Section 249 of the Local Government Act 1972. |
| 4. Power to petition for a charter to confer borough status. | Section 245b of the Local Government Act 1972. |
| EA. Functions relating to community governance | |
| 1. Duties relating to community governance | Section 79 of the 2007 Act. |
| 2. Functions relating to community governance petitions | Sections 80, 83 to 85 of the 2007 Act. |

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| 3. Functions relating to terms of reference of review | Section 81(4) of the 2007 Act. |
| 4. Power to undertake community governance review | Section 82 of the 2007 Act. |
| 5. Functions relating to making recommendations | Sections 87 – 92 of the 2007 Act. |
| 6. Duties when undertaking review | Sections 93 – 95 of the 2007 Act. |
| 7. Duty to publish outcome of review | Section 96 of the 2007 Act. |
| 8. Duty to send 2 copies of order to Secretary of State and Electoral Commission | Section 98(1) of the 2007 Act. |
| 9. Power to make agreements about incidental matters | Section 99 of the 2007 Act. |
| F. Power to make, amend, revoke, re-enact or enforce byelaws | Any provision of any enactment (including a local Act), whenever passed, and section 14 of the Interpretation Act 1978 (c. 30)[51]. |
| 1. Duty to enforce Chapter 1 and regulations made under it. | Section 10(3) of the 2006 Act |
| 2. Power to authorise officers | Section 10(5) of, and paragraph 1 of Schedule 2 to, the 2006 Act. Paragraphs 13, 15 and 16 of Schedule 1 to the 2006 Act Smoke-free (Vehicle Operators and Penalty Notices) Regulations 2007 (S.I. 2006/760). |
| 3. Functions relating to fixed penalty notices | Smoke-free (Premises and Enforcement) Regulations 2006 (S.I.2006/3368). |
| 4. Power to transfer enforcement functions to another enforcement authority | |
| FA. Functions relating to smoke-free premises, etc | |
| 1. Duty to enforce Chapter 1 and regulations made under it. | Section 10(3) of the 2006 Act. |
| 2. Power to authorise officers. | Section 10(5) of, and paragraph 1 of Schedule 2 to, the 2006 Act. Paragraphs 13, 15 and 16 of Schedule 1 to the 2006 Act. Smoke-free (Vehicles Operators and Penalty Notices) Regulations 2007 (S.I. 2006/760). |
| 3. Functions relating to fixed penalty notices. | Smoke-free (Premises and Enforcement) Regulations 2006 (S.I. 2006/3368). |
| 4. Power to transfer enforcement functions to another enforcement authority. | |
| G. Power to promote or oppose local or personal Bills. | Section 239 of the Local Government Act 1972. |
| H. Functions relating to pensions etc. | |

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| 1. Functions relating to local government pensions | Regulations under Sections 7, 12 or 24 of the Superannuation Act 1972. |
| 2. Functions under the Fireman's Pension Scheme relating to pensions, etc. as respects persons employed as Members of fire brigades maintained pursuant to section 4 of the Fire Services Act 1947. | Regulations under section 7, 12 or 24 of the Superannuation Act 1972 (c. 11)[52]. |
| I. Miscellaneous functions | |
| Part I: functions relating to public rights of way | |
| 1. Power to create footpath or bridleway by agreement | Section 25 of the Highways Act 1980 (c. 66) |
| 2. Power to create footpaths and bridleways. | Section 26 Highways Act 1980 |
| 3. Duty to keep register of information with respect to maps, statements and declarations. | Section 31A of the Highways Act 1980 |
| 4. Power to stop up footpaths and bridleways. | Section 118 Highways Act 1980 |
| 5. Power to determine application for public path extinguishments order. | Section 118ZA and 118C(2) of the Highways Act 1980 |
| 6. Power to make a rail crossing extinguishments order. | Section 118A of the Highways Act 1980 |
| 7. Power to make a special extinguishments order. | Section 118B of the Highways Act 1980 |
| 8. Power to divert footpaths and bridleways. | Section 119 Highways Act 1980 |
| 9. Power to make a public path diversion order. | Sections 119ZA and 119C(4) of the Highways Act 1980 |
| 10. Power to make a rail crossing diversion order. | Section 119A of the Highways Act 1980 |
| 11. Power to make a special diversion order. | Section 119B of the Highways Act 1980 |
| 12. Power to require applicant for order to enter into agreement. | Section 119C(3) of the Highways Act 1980 |
| 13. Power to make an SSSI diversion order. | Section 119D of the Highways Act 1980 |
| 14. Duty to keep register with respect to applications under sections 118ZA, 118C, 119ZA and 119C of the Highways Act 1980. | Section 121B of the Highways Act 1980 |
| 15. Power to decline to determine certain applications. | Section 121C of the Highways Act 1980 |
| 16. Duty to assert and protect the rights of the public to use and enjoyment of highways. | Section 130 Highways Act 1980 |

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| 17. Duty to serve notice of proposed action in relation to obstruction. | Section 130A of the Highways Act 1980 |
| 18. Power to apply for variation of order under section 130B of the Highways Act 1980. | Section 130B(7) of the Highways Act 1980 |
| 19. Power to authorise temporary disturbance of surface of footpath or bridleway. | Section 135 of the Highways Act 1980 |
| 20. Power temporarily to divert footpath or bridleway. | Section 135A of the Highways Act 1980 |
| 21. Functions relating to the making good of damage and the removal of obstructions. | Section 135B of the Highways Act 1980 |
| 22. Powers relating to the removal of things so deposited on highways as to be a nuisance. | Section 149 Highways Act 1980 |
| 23. Power to extinguish certain public rights of way. | Section 32 of the Acquisition of Land Act 1981 (c. 67) |
| 24. Duty to keep a definitive map and statement under review. | Section 53 Wildlife and Countryside Act 1981 |
| 25. Power to include modifications in other orders. | Section 53A of the Wildlife and Countryside Act 1981 |
| 26. Duty to keep register of prescribed information with respect to applications under section 53(5) of the Wildlife and Countryside Act 1981 | Section 53B of the Wildlife and Countryside Act 1981 |
| 27. Duty to reclassify roads used as public paths. | Section 54 Wildlife and Countryside Act 1981 |
| 28. Power to prepare map and statement by way of consolidation of definitive map and statement. | Section 57A of the Wildlife and Countryside Act 1981 |
| 29. Power to designate footpath as cycle track. | Section 3 of the Cycle Tracks Act 1984 (c. 38) |
| 30. Power to extinguish public right of way over land acquired for clearance | Section 294 of the Housing Act 1981 (c. 68) |
| 30A. Power to authorise stopping up or diversion of Highway. | Section 247 of the Town and Country Planning Act 1990 (c. 8) |
| 31. Power to authorise stopping-up or diversion of footpath or bridleway. | Section 257 of the Town and Country Planning Act 1990 |

32. Power to extinguish public rights of way over land held for planting purposes.	Section 258 of the Town and Country Planning Act 1990
33. Power to enter into agreements with respect to means of access.	Section 35 of the Countryside and Rights of way Act 2000 (c. 37)
34. Power to provide access in absence of agreement.	Section 37 of the Countryside and Rights of Way Act 2000
Part II: other miscellaneous functions	
35. Functions relating to sea fisheries	Sections 1, 2, 10 and 19 of the Sea Fisheries Regulation Act 1966 (c. 38)
36. Power to make Standing Orders.	Section 106 of, and paragraph 42 of Schedule 12 to the Local Government Act 1972 (c. 70)
37. Power to appoint staff, and to determine the terms and conditions on which they hold office (including procedures for their dismissal).	Section 112 Local Government Act 1972
38. Power to make Standing Orders as to contracts.	Section 135 Local Government Act 1972
39. Duty to make arrangements for proper administration of financial affairs etc.	Section 151 of the local Government Act 1972
40. Power to appoint officers for particular purposes (appointment of "proper officers").	Section 270(3) of the local Government Act 1972
41. Power to make limestone pavement order	Section 34(2) of the Wildlife and Countryside Act 1981 (c. 69)
42. Power to make closing order with respect to take away food shops.	Section 4 of the Local Government Act (Miscellaneous Provisions) Act 1982 (c. 30)
43. Duty to designate officer as the head of the authority's paid service, and to provide staff, etc.	Section 4(1) of the Local Government and Housing Act 1989
44. Duty to designate officer as the monitoring officer, and to provide staff, etc.	Section 5(1) of the Local Government and Housing Act 1989
44A. Duty to provide staff, etc to person nominated by monitoring officer.	Section 82A(4) and (5) of the Local Government Act 2000[5]
44B. Powers relating to overview and scrutiny committees (voting rights of co-opted members).	Paragraphs 12 and 14 of Schedule 1 to the Local Government Act 2000

45. Duty to approve authority's statement of accounts, income and expenditure and balance sheet or record of receipts and payments (as the case may be) of The Accounts and Audit Regulations 1996 (S.I. 1996/590)
46. Powers relating to the protection of important hedgerows. The Hedgerows Regulations 1997 (S.I. 1997/1160)
47. Powers relating to the preservation of trees. Sections 197 to 214D Town and Country Planning Act 1990, and the Trees Regulations 1999 (S.I. 1999/1892)
- 47A. Powers relating to complaints about high hedges Part 8 of the Anti-Social Behaviour Act 2003
48. Power to make payments or provide other benefits in cases of maladministration etc. Section 92 Local Government Act 2000
49. Power to make an order identifying a place as a designated public place for the purpose of police powers in relation to alcohol consumption. Section 13(2) of Criminal Justice and Police Act 2001
- 49A. Power to make or revoke an order designating a local authority as an alcohol disorder zone Section 16 Violent Crime Reduction Act 2006
50. Power to apply for an enforcement order against unlawful works on common land Section 41 of the Commons Act 2006
- Power to protect unclaimed registered and unclaimed town or village greens against unlawful interference Section 45(2) (a) Commons Act 2006
51. Power to institute proceedings for offences in respect of unclaimed registered common land and unclaimed town and village greens Section 45(2)(b) Commons Act 2006

Local Choice functions the responsibility of the Council

1. The making of arrangements under section 200 (questions on police matters at Council meetings) or the Police Act 1996 for enabling questions to be put on the discharge of the functions of the police authority.
2. The making of appointments under paragraph 2 to 4 (appointments of members by relevant councils) of Schedule 2 (police authorities established under section 3) to the Police Act 1996.
3. The determination of an appeal against any decision made by or on behalf of the authority (where a right of appeal exists)

PART 4

RULES OF PROCEDURE

1. STANDING ORDER 1 - 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 take place in March, April or May.

The annual meeting will:

- 1.1 elect a person to preside if the Chairman of the Council is not present;
- 1.2 elect the Chairman of the Council;
- 1.3 elect the Vice Chairman of the Council;
- 1.4 approve the minutes of the last meeting;
- 1.5 receive any announcements from the Chairman;
- 1.6 elect the Leader;
- 1.7 appoint at least one Policy and Scrutiny Panel, a Standards Sub-Committee and such other Committees as the Council consider appropriate to deal with matters which are neither reserved to the Council nor Executive functions;
- 1.8 agree the scheme of delegation or such part of it as the Constitution determines it is for the Council to agree as set out in Part 3, of this Constitution;
- 1.9 approve a programme of ordinary meetings of the Council for the year; and
- 1.10 consider any business set out in the notice convening the meeting.

At the annual meeting, the Council will:

- 1.11 decide which Committees to establish for the municipal year;

- 1.12 decide the size and terms of reference for those Committees;
- 1.13 decide the allocation of seats to political groups in accordance with the political balance rules;
- 1.14 receive nominations from Councillors to serve on each Committee and outside body
- 1.15 appoint~~ment~~ to those Committees and outside bodies except where appointments to those bodies has been delegated by the Council or is exercisable only by the Executive.

2. STANDING ORDER 2 - 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:

- 2.1 elect a person to preside if the Chairman and Vice Chairman are not present;
- 2.2 receive any declarations of interest from Members;
- 2.3 approve the minutes of the last meeting;
- 2.4 receive any announcements from the Chairman, Leader or Head of Paid Service;
- 2.5 deal with any business from the last Council meeting;
- ~~2.6~~ ~~receive questions from, and provide answers to, the public in relation to matters which in the opinion of the person presiding at the meeting are relevant to the business of the meeting;~~
- ~~2.6~~~~2.7~~ To hear Members of the public under public participation, to receive petitions and deputations made by the public, receive questions from, and provide answers to, the public in relation to matters which in the opinion of the person presiding at the meeting are relevant to the business of the meeting (where it is not possible to provide an answer at the meeting when a question is put the following meeting will be advised of the answer); a total of 30 minutes in total being allotted for this agenda item
- ~~2.7~~~~2.8~~ receive reports from the Executive and the Council's Committees and receive questions and answers to any

of those reports;

2.82.9 _____ receive reports about and receive questions and answers on the business of joint arrangements and external organisations;

2.92.10 _____ consider motions;

2.102.11 _____ consider any other business specific in the summons to the meeting including the consideration of proposals from the Executive in relation to the Council's budget and policy framework and reports of a Policy and Scrutiny Panel for debate.

3. STANDING ORDER 3 - EXTRAORDINARY MEETINGS

Those listed below may request the Proper Officer to call Council meetings in addition to ordinary meetings:

- 3.1 _____ the Council by resolution;
- 3.2 _____ the Chairman of the Council;
- 3.3 _____ the Monitoring Officer; and
- 3.4 _____ any five Members of the Council if they have signed a requisition presented to the Chairman and he/she has refused to call a meeting or has failed to call a meeting within 7 days of the presentation of the requisition.

4. STANDING ORDER 4 - TIME AND PLACE OF MEETINGS

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

5. STANDING ORDER 5 - NOTICE OF AND SUMMONS TO MEETING

The Proper 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 3 clear days before a meeting, the Proper Officer will send a summons ~~signed by him or her~~ by post or electronic communication to every Member of the Council or leave it at their usual place of residence. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

6. STANDING ORDER NO 6 - POLITICAL GROUPS

- 6.1 _____ A political group shall be recognised by the Council as a "Political Group" where a notice in writing is/has

been delivered to the Assistant Director Legal and Governance, signed by two or more Members who wish to be treated as such and the Assistant Director Legal and Governance has also been notified in writing of the name of the political group and the name of one Member of the political group who has signed the notice and who is to act as its Leader. All Members who wish to be regarded as Members of that political group shall also sign the notice. The Leader and Deputy Leader of each group shall be notified to the Assistant Director Legal and Governance in the same way.

Communication

- 6.2 The Leader of a political group or in that person's absence the Deputy Leader will be a point of contact between officers and Members of that political group.

7. STANDING ORDER NO 7 - LEADER OF THE COUNCIL

- 7.1 The "Leader of the Council" shall be elected by the Council at the annual post-election meeting for a period of four years ending at the following annual post-election meeting. The Leader shall also be Chairman of the Executive.

- 7.2 The Leader will hold office until

7.2.1 He/she resigns from office or

7.2.2 He/she is suspended from being a Councillor under Part III of the Local Government Act 2000 (although he/she may resume office after the period of suspension) or

7.2.3 He/she is removed from office by resolution of the Council or

7.2.4 On expiry of their term of office.

- 7.3 If at the annual post-election meeting the Council fails to elect a Leader, then the Leader shall be elected at a subsequent meeting of the Council.

- 7.4 If the Leader resigns or is removed by resolution of the Council, he shall cease to be Leader immediately. ~~unless~~ If a Leader cannot be appointed at that meeting, ~~in which case the Councillor resigning or removed as Leader shall remain in office until the next Council meeting~~ the Deputy Leader shall fulfil the role of Leader until a new Leader is appointed.

- 7.5 The Leader will appoint the Deputy Leader and up to eight Members of the Council to form the Executive.

8. STANDING ORDER NO 8 - CHAIRMAN OF COUNCIL

- 8.1 The Chairman of the Council shall be elected annually by the Council.
- 8.2 Any power or duty of the Chairman in relation to the conduct of the meeting may be exercised by the Vice Chairman or other person presiding at the meeting
- 8.3 In the case of an equality of votes the person presiding at the meeting shall give a casting vote in addition to any other vote he may have.
- 8.4 The Chairman may cancel, alter or rearrange a meeting of which he is chairman if in consultation with the Leader and Chief Executive he considers that there is likely to be insufficient business to be conducted at that meeting or it would be more efficient for conducting business if the meeting were altered or rearranged. If the Chairman wishes to alter or rearrange a meeting of the Council he shall give 10 working days' notice of the altered or rearranged meeting to the public. In exceptional circumstances the length of notice can be waived but in these cases the Chairman shall obtain the agreement of the Leader of the Council before the alteration or rearranged meeting is notified to the public and other Members.

9. STANDING ORDER NO 9 - VICE CHAIRMAN

- 9.1 The Council shall at the annual meeting appoint a Member of the Council to be Vice-Chairman of the Council.
- 9.2 Subject to any Standing Orders made by the Council, anything authorised or required to be done by, to or before the Chairman may be done by, to or before the Vice-Chairman.

10. STANDING ORDER NO 10 - CHAIRMAN OF MEETING

- 10.1 At a meeting of the Council the Chairman, if present, shall preside.
- 10.2 If the Chairman be absent from a meeting of the Council, then the Vice-Chairman of the Council, if present, shall preside.
- 10.3 If both the Chairman and Vice-Chairman of the Council be absent from a meeting of the Council another

Member of the Council chosen by the Members of the Council shall preside.

- 10.4 The person presiding at the meeting may exercise any power or duty of the Chairman in relation to the conduct of a meeting.

11. STANDING ORDER NO 11 - QUORUM

- 11.1 No business shall be transacted at a meeting of the Council unless at least one quarter of the whole number of Members of the Council be present.
- 11.2 If, during any meeting of the Council, the Chairman, after counting the number of Members present, declares that there is not a quorum present, the meeting shall stand adjourned.
- 11.3 The consideration of any business not transacted shall be adjourned to the next ordinary meeting of the Council.

12. STANDING ORDER NO 12 - RECORD OF ATTENDANCES

All Members present during the whole or part of a meeting ~~must sign their names on the attendance sheet before the conclusion of every meeting shall be recorded as in attendance (for all or part). Non-attendance shall also be recorded indicating whether or not the member proffered apologies.~~

Commented [GR1]: Apologies and no shows noted and published.

Commented [NB2R1]: See amend

13. STANDING ORDER NO 13 - ORDER OF BUSINESS

~~The Monitoring Officer will determine the initial order of the agenda. The meeting Chair or the meeting may decide to vary the order of business. Except as otherwise stated by the Chairman, the order of business at every Council meeting shall be –~~

Commented [GR3]: How is this different from SO2?

Commented [NB4R3]: See amends

- ~~13.1 To choose a person to preside if the Chairman and Vice-Chairman be absent.~~
- ~~13.2 To hear Members of the public under public participation, to receive petitions and deputations made by the public, a total of 30 minutes in total being allotted for this agenda item~~
- ~~13.3.2 To receive petitions presented by Members.~~
- ~~13.4.13.3 To receive any declarations of interest.~~

- ~~13.5~~13.4 _____ To approve as a correct record and sign the minutes of the previous meeting of Council.
- ~~13.6~~13.5 _____ To receive motions on notice by members.
- ~~13.7~~13.6 _____ To dispose of business (if any) remaining from the previous meeting.
- ~~13.8~~13.7 _____ To receive the four monthly schedule of work presented by the Executive.
- ~~13.9~~ _____ To consider the four monthly reports of the Policy and Scrutiny Panel(s)
- ~~13.10~~ _____ To deal with Question Time.
- ~~13.11~~13.8 _____ To deal with matters referred from the Executive.
- ~~13.12~~13.9 _____ To deal with matters referred from the Policy and Scrutiny Panels.
- ~~13.13~~13.10 _____ To deal with any other business.

14. STANDING ORDER NO 14 - MOTIONS ON NOTICE

- 14.1 Except for motions which may be moved without notice under Standing Order 15, written notice of every motion, signed by the Member giving notice, must be delivered to the Proper Officer not later than 7 clear working days before the date of the meeting. (These will be entered in a book open to public inspection).
- 14.2 Motions for which notice has been given will be listed on the agenda in the order in which notice was received, unless the Member giving notice states, in writing that they propose to move it to a later meeting or withdraw it.
- 14.3 Motions must be about matters for which the Council has a responsibility or which affect the District.
- 14.4 Motions shall be debated at the meeting of the Council if seven Members present indicate support for such debate. The Chairman must allow a reasonable amount of time for debate. Each motion shall be seconded before it is debated. A decision may be made at the conclusion of the debate or, at the Chairman's discretion, the motion may be forwarded to the Executive or the relevant Policy and Scrutiny Panel for their comments prior to any decision being made at a subsequent

meeting of the Council. Following debate, it may be decided that a resolution of the Council is unnecessary.

15. STANDING ORDER NO 15 - MOTIONS MOVED WITHOUT NOTICE

Matters which may be moved by a Member of the Council during the meeting

15.1 The following matters may be moved without notice on the agenda by Members during the meeting for the Chairman's ruling:-

- 15.1.1 Appointment of a Chairman of the meeting at which the motion is made.
- 15.1.2 The accuracy of the minutes.
- 15.1.3 Appointment of a Committee or Members thereof.
- 15.1.4 Adoption of statutory plans.
- 15.1.5 Adoption of the reports of the Policy and Scrutiny Panels and the Schedule of work of the Executive.
- 15.1.6 That leave be given to withdraw a matter raised.
- 15.1.7 Extending the time limit for speeches.
- 15.1.8 Amendments to matters raised.
- 15.1.9 That the Council proceeds to the next business.
- 15.1.10 That the question be put.
- 15.1.11 That the debate be adjourned.
- 15.1.12 That the Council adjourn.
- 15.1.13 Suspending Standing Orders in accordance with Standing Order No. 40
- 15.1.14 To resolve under Section 100A of the Local Government Act 1972 to exclude the public.
- 15.1.15 That a Member named under Standing Order No.19 be not further heard or leave the meeting.

16. STANDING ORDER NO 16 - PRESENTATION OF PETITIONS BY MEMBERS

Requirement(s) for Valid Petition

16.1 At a meeting of the Council, any Member of the Council may present a petition which is signed by persons other than a Member of the Council and which is relevant to any matter in relation to which the Council has powers or duties and which affects the District, or the inhabitants of that area or some of them. The Member presenting the petition shall be satisfied that the petition is proper to be received.

Notice of Petition

16.2 A Member wishing to present a petition shall give notice of intention to do so to the appropriate officer to act as Assistant Director Legal and Governance not later than 12 noon on the day of the meeting at which he/she wishes to present it. The petition shall not be accepted unless the appropriate officer to act as Assistant Director Legal and Governance has satisfied himself that the petition is proper to be presented.

Presentation of Petition

16.3 The presentation of a petition shall be confined to describing the Subject of the petition and indicating the number and description of the signatories, Subject to a time limit of three minutes for such presentation.

Action by Council on Petition

16.4 The Chairman shall either refer the petition to the next Council meeting or to the appropriate Committee(s), Sub-Committees, the Executive, an Executive Member or officers.

Petitions by Employees

16.5 The Council will not receive petitions from its employees acting in that capacity.

16.6 No member may, under the provisions of this Standing Order, present or speak to any petition which relates to any application for any statutory permission, licence or consent or any actual or proposed legal or enforcement action.

17. STANDING ORDER NO 17 – PUBLIC PARTICIPATION AND PRESENTATION OF PETITIONS BY THE PUBLIC

17.1 The presentation of Petitions and Deputations by the public will usually be held at the start of meetings of the Council, except where an item of business is required to be dealt with first, for example, the appointment of a Member to preside in the absence of the Chairman and Vice-Chairman. At the discretion of the Chairman with the agreement

Commented [GR5]: Except at the discretion of the chair with the agreement of Legal Officer

Commented [NB6R5]: See amends

[of the legal adviser petitions and deputations may be taken later in the meeting](#)

17.2 The time allotted for this section of the meeting shall not exceed thirty (30) minutes. The Chairman of the meeting shall determine the length of time to be allotted to each speaker with a maximum time limit per speaker of five (5) minutes for Public Participation and Deputations and three (3) minutes for Petitions. The Chairman of the meeting will select the order in which matters are to be dealt with.

17.3 All Public Participation by the public shall be subject to the Chairman's right to stop participation if the participant is not conducting themselves appropriately. Despite the individual's right to freedom of speech if in the opinion of the Chairman the participation is abusive or offensive the Chairman will have the ability to stop the participant from participating.

PUBLIC PARTICIPATION

17.4 Public Participation shall be limited to residents, business rate payers and electors of the area of the Council at the discretion of the Chairman and shall be in respect of any matter in relation to which the Council has powers or duties and, which affects the district or its inhabitants.

17.5 Requests for Public Participation must be submitted in writing to the appropriate officer to act as Assistant Director Legal and Governance to arrive by 12.00 noon on the working day before the Council meeting. Requests must contain details of the ~~S~~subject matter within the remit of the Council.

17.6 A Member of the public shall be limited to speak for five (5) minutes on the ~~S~~subject matter which has previously been notified to the Assistant Director Legal and Governance. The Chairman will respond in an appropriate way if necessary. [If requested by the member of the public the address will be read to the meeting by an officer or member of council. If submitted in writing a copy will be included in the minutes](#)

17.7 That the Chairman shall ensure that the relevant officer or member provides a written response to a member of the public who poses questions during public participation when a response cannot be dealt with in the time allocated.

17.8 The Chairman may refuse to hear participation which is not proper or relevant to the meeting. Where a public speaker has made defamatory or personally offensive or abusive statements about an individual, the Chairman shall have power to rule that the person be not heard and that that person be

Commented [GR7]: A member of the public may request that a nominee read a script or raise a petition? Where a written transcript of the public speech is presented it shall be included in the minutes.

Commented [NB8R7]: See amends

required to provide a written transcript in advance of any future address.

17.9 No question or comment shall be permitted under these procedures where it would result in either:-

17.9.1 the likely disclosure of exempt or confidential information, or

17.9.2 participation by its employees concerning matters related to their own or a colleague's employment

"Exempt" and "Confidential" shall have the same meanings for this purpose as they have under the access to information provisions contained in the Local Government Act 1972 and the ruling of the appropriate officer to act as Assistant Director Legal and Governance following consultation with the relevant Chairman, shall be conclusive in this regard.

PETITIONS

Requirement(s) for Valid Petition

17.10 At a meeting of the Council, any person resident in, or business ratepayer or a local government elector for the area of the Council, may present a petition which is relevant to any matter in relation to which the Council has powers or duties and which affects the District, or part of it, or the inhabitants of that area, or some of them. Only such persons may take part in the deputation.

Prohibited Subjects for Petitions

17.11 No person may, under the provisions of this Standing Order, present or speak to any petition which relates to any application for any statutory permission, licence or consent or any actual or proposed legal or enforcement action.

Notice of Petition

17.12 By noon at least seven working days before the meeting of the Council at which the petition is to be presented, the person wishing to present it shall give notice in writing of his/her intention to do so to the appropriate officer to act as Assistant Director Legal and Governance and shall show the petition to him. The Notice of intention to present a petition shall not be accepted unless the appropriate officer to act as Assistant Director Legal and Governance has satisfied himself the petition is proper to be presented.

Presentation of Petition

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~~April 2021~~ [February 2022](#)

17.13 The presentation of a petition shall be limited to not more than three (3) minutes and shall be confined to describing the Subject of the petition, indicating the number and description of the signatories and making such further supporting remarks relevant to the petition as the person presenting it shall think fit provided that such presentation does not include a personal attack upon any person.

Action by Council on Petition

17.14 The Chairman shall, without debate, either refer the petition to the appropriate Committee(s), Sub-Committee(s), or the Executive or the Executive Member or Officer(s).

Petitions by Employees

17.15 The Council shall not receive petitions from its employees acting in that capacity.

STANDING ORDER 17A – PUBLIC SPEAKING AT PLANNING AND REGULATORY COMMITTEE

17.16 This Standing Order applies to the Planning and Regulatory Committee when determining planning applications. Standing Order 17 applies to business of the Planning and Regulatory Committee other than when determining planning applications

17.17 Public speaking about applications for planning permission will be allowed at the start of relevant agenda items in accordance with the following [modifications requirements](#).

17.18 Notifications to speak, indicating whether the speaker supports or objects to the application, must be made in writing to the Assistant Director Legal and Governance by 12 noon ~~the three~~ working day before the ~~meeting~~.

17.19 If both the applicant and supporters of the application are present, the applicant may speak or defer to a supporter

17.20 If there is more than one person wishing to object to an application, the Chairman will invite those persons to agree a spokesperson among themselves. In default of agreement the Chairman may select one person to speak.

17.21 Public speaking about applications for planning permission will be limited to three minutes per applicant

Commented [NB9]: JC commented – 3 days??

Commented [NB10R9]: amended

Commented [GR11]: Very short notice???

Commented [NB12R11]: amended

and/or supporter and three minutes for the objectors. Each speaker will only be permitted to address the committee once and will not be able to participate further during consideration of the item.

17.22

The Committee will hear those speaking at the meeting in the following order unless the Chairman considers it preferable in conducting the business of the Council to hear speakers in a different order:- the speaker against the application first and the applicant or their supporter second. [Members of the committee may raise questions or points of clarification with any public speaker](#)

Commented [GR13]: Members of the committee may question the speaker for the purposes of clarification only, and at the discretion of the Chair.

Commented [NB14R13]: See amend

18. STANDING ORDER NO 18 – QUESTIONS

If any question arises on any matter which falls within any of the categories of exempt information within the meaning of section 100A and schedule 12A of the 1972 Act, it shall be considered by the Council after the public has been excluded from the meeting by a resolution, unless the Council otherwise resolves.

If any question under this Standing Order gives rise to a written answer, that answer shall be sent to the Member posing the question and recorded in full in the minutes of the meeting to enable all Members to view it.

Question Time

- 18.1 The Chairman of the Council shall invite Members to raise reasonable issues relevant to the work of the Executive or the Planning and Regulatory Committee, Employment, Licensing, Audit or Standards Sub-Committee.
- 18.2 Any Member raising an issue shall be afforded the opportunity and ask one supplementary question and receive an answer, or written reply, to such supplementary question.
- 18.3 In the event of a Member exercising his or her right of comment, the Chairman of the Executive or Member responding on his/her behalf shall be afforded the opportunity for final observations on the Subject, and such observations shall conclude the matter.
- 18.4 No more than twenty minutes in total shall be devoted to Question Time provided that such period may be extended at the discretion of the Chairman.

19. STANDING ORDER NO - 19 - RULES OF DEBATE

No speeches until motion seconded

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

Right to require motion in writing

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

Secunder's Speech

- 19.3 A Member when seconding a motion or amendment may, if he then declares his intention to do so, reserve his speech until a later period of the debate.

Only one Member to stand at a time

- 19.4 A Member when invited by the Chairman to speak, shall stand and address the Chairman. Members are not required to stand when speaking but may do so if they choose. If two or more Members indicate they wish to speak by raising their hand, the Chairman shall invite one to speak and the other or others shall if standing be seated decide the order of speakers. While a Member is speaking the other Members shall remain seated not interrupt, unless rising to raise a point of order, a personal explanation, or on a point of information.

Commented [GR15]: Still relevant?
Commented [NB16R15]: See amends

Content and length of speeches

- 19.5 A Member shall direct his speech to the question under discussion or to a personal explanation or to a point of order. No speech shall exceed five minutes, except by consent of the Chairman.

Amendments to Motions

- 19.6 An amendment shall be relevant to the motion and shall be: -

- 19.6.1 To refer wholly or partly a Subject of debate to a Committee for consideration or re-consideration.
- 19.6.2 To leave out words.
- 19.6.3 To leave out words and insert or add others.
- 19.6.4 To insert or add words.

But such omission, insertion or addition of words must have an effect which would not be achieved by the defeat of the motion.

- 19.7 Only one amendment may be moved and discussed at a time and no further amendment shall be moved until the amendment under discussion has been disposed of.

Notice of intention to move any further amendment and the nature thereof may, at the discretion of any Member, be given to the Chairman before a vote be taken on the amendment before the meeting.

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

- 19.8 If an amendment be lost, other amendments may be moved on the original motion. If an amendment be carried, the motion as amended shall take the place of the original motion and shall become the motion upon which any further amendment may be moved.

Alteration to Motion

- 19.9 A Member may with the consent of the Council signified without discussion-

19.9.1 Alter a motion of which he has given notice, or

19.9.2 With the further consent of his seconder alter a motion which he has moved if (in either case) the alteration be one which could be made as an amendment thereto.

Withdrawal of Motion

- 19.10 A motion or amendment may be withdrawn by the mover with the consent of his seconder, which shall be signified without discussion, and no Member may speak upon it after the mover has asked permission for its withdrawal, unless such permission shall have been refused.

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Right of Reply

- 19.11 The mover of a motion has a right to reply at the close of the debate on the motion, immediately before it shall be put to the vote. If an amendment is moved, the mover of the original motion shall also have a right of reply at the close of the debate on the amendment.

A Member exercising a right of reply shall confine himself to answering previous speakers, and shall not introduce new matter. The Chairman's ruling in this regard shall be final.

After every reply to which this Standing Order refers a decision shall be taken without further discussion.

The mover of an amendment to a motion shall have a right of reply at the conclusion of the debate on that amendment which shall be exercised immediately prior to the reply by the proposer of the original motion.

Motions which may be moved during Debate

19.12 When a motion is under debate no other motion shall be moved except the following -

- 19.12.1 To amend the motion.
- 19.12.2 To adjourn the meeting.
- 19.12.3 To adjourn the debate.
- 19.12.4 To proceed to the next business.
- 19.12.5 That the question be now put.
- 19.12.6 That a Member be not further heard (for reasons to be specified by the mover of the motion).
- 19.12.7 By the Chairman under Standing Order No. 36 that a Member do leave the meeting.
- 19.12.8 A motion under Section 100A of the Local Government Act 1972 to exclude the public.

Closure Motions

19.13 A Member may move without comment at the conclusion of a speech of another Member "That the Council proceed to the next business",

"That the question be now put",

"That the debate be now adjourned", or

"That the Council do now adjourn",

on the seconding of which the Chairman shall proceed as follows:-

19.13.1 On a motion to proceed to next business: unless in his opinion the matter before the meeting has been insufficiently discussed, ~~he shall first give the mover of the original motion a right of reply, and then~~ put to the vote the motion to proceed to the next business.

19.13.2 On a motion that the question be now put: unless in his opinion the matter before the meeting has been insufficiently discussed, he shall first put to the vote the motion that the question be now put, and if it be passed then give the mover of the original motion his right of reply under paragraph (11) of this standing order before putting his motion to the vote.

19.13.3 On a motion to adjourn the debate or the meeting: if in his opinion the matter before the meeting has not been sufficiently discussed and cannot reasonably be sufficiently discussed on that occasion, he shall put the adjournment motion to the vote without giving the mover of the original motion his right of reply on that occasion.

Points of Order, Points of Personal Explanation, Points of Information

19.14 A Member may rise on a point of order or in personal explanation and shall be entitled to be heard forthwith and may also rise on a point of information in which case he shall only be entitled to be heard if the Member speaking gives way and shall not be heard for more than one minute.

19.14.1 A "Point of Order" shall relate only to an alleged breach of a standing order or statutory provision and the Member shall specify the standing order or statutory provision and the way in which he considers it has been broken.

19.14.2 A "Personal Explanation" shall be confined to some material part of the Member's former speech which may appear to have been misunderstood in the present debate.

19.14.3 A "Point of Information" shall be confined to when any Member moves to challenge the factual accuracy of any other Member's speech.

19.15 The ruling of the Chairman on a point of order, or on the admissibility of a personal explanation or a point of information shall be final.

Respect for Chair

19.16 Whenever the Chairman ~~raises~~ requires during a debate, a Member then ~~standing speaking~~ shall ~~resume his seat and the Council shall~~ be silent ~~until the Chairman has determined how to proceed with business~~.

20. STANDING ORDER NO 20 - MATTERS REFERRED ~~TO~~ BY EXECUTIVE OR POLICY AND SCRUTINY PANEL

Commented [GR17]: From?

Commented [NB18R17]: amended

20.1 Any matter which is before the Executive for determination can be referred to Council by the Executive and the Executive shall explain whether the referral is for decision or comment.

20.2 Any matter which is before the Policy and Scrutiny Panels can be referred to Council by that Panel. If the Council wishes and if it is legally possible to do so the Council can determine the matter. The Council shall consider and respond to a formal Councillor Call for Action ([see Policy & Scrutiny Panel Standing Order 11](#)) within two months of receiving the reference and indicate what action (if any) it proposes to take on the matter.

20.3 A matter is referred to Council by the Executive or Policy and Scrutiny Panel by a vote of the Members of the Executive or Policy and Scrutiny Panel referring the matter.

21. STANDING ORDER 21 – ANNUAL REPORTS OF THE POLICY AND SCRUTINY PANELS

21.1 ~~Every year~~[At least annually](#) a report of the Policy and Scrutiny Panel(s) shall be presented to Council giving brief details of the work that each of the Policy and Scrutiny Panel(s) has undertaken during the previous year.

21.2 After the Chairman of the Policy and Scrutiny Panel has presented the report of that Panel to Council, other Members of the Council not part of that Panel may ask the Chairman questions on the report which has been presented on the work of that Policy and Scrutiny Panel.

21.3 If a question is put to the Chairman of the Policy and Scrutiny Panel which cannot be answered at the meeting, a written reply can be sent by the Chairman, following the Council meeting, to the Member concerned.

22. STANDING ORDER 22 – DISPUTE RESOLUTION

22.1 Where the Executive has Submitted a draft plan or strategy to the Council for its consideration, and following consideration of the draft by Council it has objections to the draft, the Council must before it amends, approves or adopts such a plan or strategy, inform the Leader of the objections together with instructions requiring the Executive to reconsider the draft plan or strategy in the light of those objections.

22.2 Where the Council gives instructions to the Leader in accordance with 22.1 above it must specify a period of

at least 5 working days from the instruction being given to the Leader after which time a response will be required.

22.3 The Leader may

22.3.1 Submit to the Council a revision of the draft plan or strategy as amended by the Executive with the Executive's reasons for any amendments or

22.3.2 inform the Council of any disagreement that the Executive has with any of the Council's objections and the reason for any disagreement.

22.4 Once the period given in 22.2 above for the Executive's comments has expired, the Council must when amending, approving or adopting the draft plan or strategy or the revised draft plan or strategy, take into account any amendments made to the draft plan or strategy that are included in any revised draft, the Executive's reasons for those disagreements which the Leader has Submitted to the Council within the period specified.

22.5 Before the 8th February in any financial year the Executive will Submit to the Council for its consideration in relation to the following financial year

22.5.1 estimates of the amounts to be aggregated in making a calculation in accordance with any of sections 32 to 37 or 43 to 49 of the Local Government and Finance Act 1992 ([the council tax setting calculations](#))

22.5.2 estimates of other amounts to be used for the purpose of such calculation

22.5.3 estimates of such calculation or

22.5.4 amounts required to be stated in a precept under Chapter IV of Part 1 of the Local Government and Finance Act 1992

and following consideration of those estimates or amounts the Council has any objections to them and wishes to alter or amend any of them it must inform the Leader of any objections which it has to the Executive's estimates or amounts and must give the Leader instructions requiring the Executive to reconsider, in the light of these objections, the estimates and amounts in accordance with the Council's requirements.

22.6 Where the Council gives instructions to the Executive in accordance with 22.5 above it must specify a period of at least 5 working days from when the Leader receives the instructions on behalf of the Executive within which time the Leader must

22.6.1 Submit a revision of the estimates or amounts as amended by the Executive which have been reconsidered in the light of the Council's requirements with the Executive's reasons for amendments

22.6.2 Inform the Council of any disagreement that the Executive has with the Council's objections and the Executive's reasons for such disagreement.

22.7 When the period specified in 22.6 above has expired the Council must when making calculations in accordance with those referred to in 22.5 above or issuing a precept under Chapter IV of Part 1 of the Local Government Finance Act 1992 take into account

22.7.1 any amendments to estimates or amounts that are included in any revised estimates or amounts

22.7.2 the Executive's reasons for those amounts

22.7.3 any disagreement that the Executive has with the Council's objections and

22.7.4 the Executive's reasons for that disagreement

which the Leader Submitted to Council or informed the Council of within the specified period

(Note : the above procedure does not apply to calculations or Substitute calculations which the Council is required to make in accordance with 52I,52J,52T, or 52U of the Local Government Act 1992 and amounts stated in precepts issued to give effect to calculations or Substitute calculations made in accordance with Section 52J or 52 U of that Act)

22A. STANDING ORDER 22A

Immediately after any vote at the budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

(Note: "budget decision" meeting of the relevant body at which it -
(i) makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992; or (ii) issues a precept under Chapter 4 of Part 1 of that Act, and includes a meeting where making the calculation or issuing the precept as the case may be/was included as an item of business on the agenda for that meeting; references to a vote are references to a vote on any decision related to the making of the calculation or the issuing of the precept as the case may be.)

23. STANDING ORDER NO 23 - VOTING

23.1 Subject to the provisions of any enactment all questions coming or arising before the Council shall be decided by a majority of the Members of the Council present and voting.

Commented [GR19]: Attending remotely? Assume quorate?

Commented [NB20R19]: Remote can only count if provision applies – as we know the temp remote working regs have lapsed

23.2 Subject to those provisions in the case of equality of votes, the person presiding at the meeting shall have a second or casting vote.

23.3 The mode of voting at meetings of the Council shall be by show of hands; provided that on the requisition of any Member of the Council made before the vote is taken (and supported by six Members ~~who signify their support by rising in their places~~) the voting on any question shall be by roll-call and shall be recorded so as to show how each Member present and voting gave his vote. The name of any Member present and not voting shall also be recorded.

Commented [GR21]: Really?

23.3.1 Where immediately after a vote has been taken at a meeting of a relevant body any Member of that body so requires, there shall be recorded in the minutes of the proceedings of that meeting whether that person cast his vote for the question or against the question or whether he abstained from voting.

23.3.2 In this paragraph "relevant body" means the Authority, a Committee or Sub-Committee of the Authority or a relevant Joint Committee or Sub-Committee of such a Committee.

24. STANDING ORDER NO 24 - VOTING ON APPOINTMENTS

Where there are more than two persons nominated for any position to be filled by the Council, and of the votes given there shall not be a majority in favour of one person, the name of the person having the least number of votes shall be struck off the list and a fresh vote shall be taken, and so on until a majority of votes be given in favour of one person.

25. STANDING ORDER NO 25 - MINUTES

25.1 Minutes of the proceedings of a meeting of the Council shall, ~~S~~subject to ~~S~~sub-paragraph 25.3 below, be drawn up and entered in a book kept for that purpose and shall be signed at the same or next following meeting of the Council by the person presiding thereat, and any minute purporting to be so signed shall be received in evidence without further proof.

25.2 Where in relation to any meeting of the Council the next such meeting is a meeting called under paragraph 3 (extraordinary meetings) or Schedule 12 of the Local Government Act 1972, the next following meeting of the Authority (being a meeting called otherwise than under that paragraph) shall be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) (signing of minutes) of that Schedule (a).

- 25.3 Notwithstanding anything in any enactment or rule of law to the contrary, the minutes of the proceedings of meetings of the Council may be recorded on loose leaves consecutively numbered, the minutes of the proceedings of any meeting being signed, and each leaf comprising those minutes being initialled, at the same or next following meeting of the Council, by the person presiding thereat, and any minute purporting to be so signed shall be received in evidence without further proof.
- 25.4 Until the contrary is proved, a meeting of the Council, a minute of whose proceedings has been made and signed in accordance with this paragraph, shall be deemed to have been duly convened and held, and all the Members present at the meeting shall be deemed to have been duly qualified.
- 25.5 The Chairman shall put the question that the minutes of the meeting of the Council held on the day of be approved as a correct record.
- 25.6 No discussion shall take place upon the minutes, except upon their accuracy, and any question of their accuracy shall be raised by motion. If no such question is raised, or if it is raised then as soon as it has been disposed of, the Chairman shall sign the minutes.

26. STANDING ORDER NO 26 - EXCLUSION OF PRESS AND PUBLIC

If Council, the Executive, Committee or Sub-Committee [or Policy and Scrutiny Panel](#) pass a resolution pursuant to Section 100A of the Local Government Act 1972 to exclude the press and public from the whole or part of their proceedings, then the effect of such resolution shall extend to Members of the Council present at the meeting who are not Members of the Committee or Sub-Committee [or Panel](#) concerned: provided that, except when the Committee or Sub-Committee are acting in a judicial or quasi-judicial capacity, such Members of the Council shall be permitted to remain if invited to do so by resolution of the Committee or Sub-Committee.

27. STANDING ORDER NO 27 - SCHEME OF DELEGATION

The Council shall approve a scheme for the delegation of its planning and regulatory functions detailed in Part 3 of the Constitution.

28. STANDING ORDER NO 28 - APPOINTMENT OF COMMITTEES, SUB COMMITTEES AND PANELS

- 28.1 The Council shall approve a scheme for the allocation of seats on Committees, Sub-Committees and Panels to political groups and to Councillors who are not Members of a political group in accordance with the requirements

of Section 15 of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990.

- 28.2 The appointment of Members to Committees and Policy and Scrutiny Panels shall be in accordance with the Local Government (Committees and Political Groups) Regulations 1990 and in the manner prescribed by the Council's Scheme of Delegation.

Review of Political Balance

- 28.3 Whenever the Council shall be required to review the allocation of seats on Committees/Sub-Committees and Panels to Political Groups or the Council resolves to carry out such a review, the Assistant Director Legal and Governance shall Submit a report to the Council showing what allocation of seats would in his/her opinion best meet the requirements of Section 15(4) of the 1989 Act.

- 28.4 In the light of such a report the Council shall determine the allocation of the seats to the Political Groups.

29. **STANDING ORDER NO 29 - ELECTION OF CHAIRMAN AND VICE CHAIRMAN OF COMMITTEES**

- 29.1 Unless such appointments have been made previously by the Council, every Committee shall, at its first meeting before proceeding to any other business, elect a Chairman for the year ("the Chairman") and may at any time elect a Vice-Chairman ("the Vice-Chairman") providing that in the event of the position of Chairman falling vacant before the end of the year, the Committee shall at its first meeting after the vacancy has occurred, before proceeding to any other business, elect a Chairman for the remainder of the year.

- 29.2 In the event of any Committee, Sub-Committee or Panel not so electing a Chairman, the meeting of the Committee, Sub-Committee or Panel shall automatically stand adjourned unless a Chairman can be elected for the duration of that meeting. The election of a Chairman for the Committee, Sub-Committee or Panel shall then be placed on the agenda of the next Committee, Sub-Committee or Panel meeting where the Committee, Sub-Committee or Panel shall elect a Chairman and may appoint a Vice-Chairman failing which the meeting shall again stand adjourned, unless a Chairman can be elected for the duration of the meeting (and so on).

- 29.3 If the Chairman of the Committee or Sub-Committee as appropriate be present at its meeting he/she shall

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preside or, in the event of his/her absence or inability to act the Vice-Chairman shall preside.

29.4 If it shall be necessary at any meeting for a Committee, Sub-Committee or Panel to appoint a person to preside for the duration of the meeting, the Assistant Director Legal and Governance shall call upon a Member of the Committee, Sub-Committee or Panel to move that a voting Member of the Committee, Sub-Committee or Panel shall be Chairman for the duration of the meeting. If discussion arises the Assistant Director Legal and Governance shall exercise the powers of the person presiding to regulate that discussion and to maintain order at that meeting.

29.5 ~~A Shadow Chairman for the purposes of these Standing Orders may be nominated by any political group, not being the group of which the Chairman is a Member. This nomination shall be delivered to the Assistant Director Legal and Governance signed by the Leader of the political group or his deputy. The Member who is to be Shadow Chairman shall be recognised as such by the Committee or Sub-Committee in question.~~

Commented [NB22]: We discussed and mooted leaving but having never had one and with no role for such position being set out this seems a useless provision. If a political group wants a briefing they have the right under the officer/member protocol

30. STANDING ORDER 30 - COMMITTEE SUBSTITUTION

Where a Member shall be unable to attend a meeting he/she may be substituted and, in such circumstances, the following procedures shall apply:

30.1 Notice of a substitution of a Member on a Committee, Policy and Scrutiny Panel, or other properly constituted body of Members shall be given to the appropriate officer to act as Assistant Director Legal and Governance prior to the meeting of that body.

30.2 Notice of substitution shall be given by the Leader of the appropriate political group only or, in his absence, by the duly appointed Deputy Leader.

30.3 Where a Member is not a Member of a Group, notice of substitution shall be given by the Member to be substituted.

30.4 Notice of substitution shall specify the period during which the Member will be substituted and such period shall be at least for the duration of the meeting/appointment.

30.5 Notice of substitution shall be in writing, where possible, and signed by the person giving such notice.

30.6 Notice of substitution shall be given prior to the dispatch of the relevant agenda, where possible.

30.7 During the period of substitution the substitute Member shall be deemed to be a full Member of the relevant body for all purposes.

30.8 At the commencement of any meeting of such a body where a substitution has taken place the Members of that body shall be advised of the substitution.

(Note: This scheme shall not apply to any Committee or body constituted on a geographical basis or Executive meetings).

31. STANDING ORDER NO 31 - SPECIAL MEETINGS OF COMMITTEE

31.1 The Chairman of a Committee or the Chairman of the Council may call a special meeting of the Committee at any time. A special meeting shall also be called on the requisition of a quarter of the whole number of the Committee, delivered in writing to the appropriate officer to act as Assistant Director Legal and Governance, but in no case shall fewer than three Members requisition a special meeting. The summons to the special meeting shall set out the business to be considered thereat and no business other than that set out in the summons shall be considered at that meeting.

31.2 A summons to attend a meeting of a Committee or a Sub-Committee or a special meeting of a Committee or a Sub-Committee shall, except in the case of emergency, be given not less than three clear days before the meeting.

32. STANDING ORDER NO 32 - QUORUM OF COMMITTEES AND SUB-COMMITTEES

32.1 Except where authorised by a statute or ordered by the Council, business shall not be transacted at a meeting of any Committee unless at least one quarter of the whole number of the Committee shall be present.

32.2 Provided that in no case shall the quorum of a Committee be less than three Members.

32.3 Except as aforesaid or otherwise ordered by the Committee which has appointed it, business shall not be transacted at a meeting of any Sub-Committee unless at least one quarter of the whole number of the Sub-Committee shall be present.

32.4 Provided that in no case shall the quorum of a Sub-Committee be less than two Members.

33. STANDING ORDER NO 33 - COMMITTEE AND SUB-COMMITTEE MINUTES AND VOTING

33.1 Until the contrary is proved, where a minute of any meeting of any such Committee or Sub-Committee has been made and signed, the Committee or Sub-Committee shall be deemed to have been duly constituted and to have had power to deal with the matters referred to in the minute, the meeting shall be deemed to have been duly convened and held and the Members present at the meeting shall be deemed to have been duly qualified.

33.2 Voting at a meeting of a Committee or Sub-Committee shall be by show of hands. ~~Provided that a~~ Any Member of a Committee or Sub-Committee may require before the vote is taken that the voting on any question shall be recorded so as to show the number of Members voting for or against a motion and the number abstaining. Any Member of a Committee or Sub-Committee may also require before the vote shall be taken (and supported by four Members ~~who signify their support by show of hands~~) that the voting shall be by roll call and shall be recorded so as to show how each Member present and voting gave his vote and those Members who abstained.

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34. STANDING ORDER NO 34 - STANDING ORDERS TO APPLY TO COMMITTEES AND SUB-COMMITTEES

All Standing Orders shall, with any necessary modifications, apply to the Planning and Regulatory Committee and its Sub-Committees, Employment, Licensing and Audit Committees

STANDING ORDER NO 34A – STANDING ORDERS TO APPLY TO STANDARDS SUB-COMMITTEE

All standing orders shall, with any necessary modifications, apply to the Standards Sub-Committee except Standing Orders ~~28 and 30~~.

35. STANDING ORDER NO 35 - MOTIONS AFFECTING PERSONS EMPLOYED BY THE COUNCIL

If any question arises at a meeting of the Council (or of a Committee thereof to which Section 100A of the Local Government Act 1972 applies) as to the appointment, promotion, dismissal, salary, superannuation or conditions of service, or as to the conduct of any person employed by the Council, such question shall not be the Subject of discussion until the Council or Committee, as the case may be, has decided whether

or not the power of exclusion of the public under section 100A of the Local Government Act 1972 shall be exercised.

36. STANDING ORDER NO 36 - DISORDERLY CONDUCT

36.1 If at a meeting any Member of the Council, in the opinion of the Chairman notified to the Council, misconducts himself by persistently disregarding the ruling of the Chairman, or by behaving irregularly, improperly or offensively, or by wilfully obstructing the business of the Council, the Chairman or any other Member may move "that the Member named be not further heard", and the motion if seconded shall be put and determined without discussion.

Continued Misconduct by a named Member

36.2 If the Member named continues his misconduct after a motion under the foregoing paragraph has been carried the Chairman shall -

EITHER move "that the Member named do leave the meeting" (in which case the motion shall be put and determined without seconding or discussion):

OR adjourn the meeting of the Council for such period as he in his discretion shall consider expedient.

General Disturbance

36.3 In the event of general disturbance, which in the opinion of the Chairman renders the due and orderly despatch of business impossible, the Chairman in addition to any other power vested in him may, without question put, adjourn the meeting of the Council for such period as he in his discretion shall consider expedient.

Disturbance by Members of the Public

36.4 The provisions of Section 100A are without prejudice to any power of exclusion to suppress or prevent disorderly conduct or other misbehaviour at a meeting.

36.5 If a Member of the public interrupts the proceedings at any meeting the Chairman shall warn him. If he continues the interruption the Chairman shall order his removal from the Council Chamber. In case of general disturbance in any part of the chamber open to the public, the Chairman shall order that part to be cleared.

37. STANDING ORDER NO 37 - INTERESTS OF MEMBERS

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37.1 Where any Member or co-opted Member has given notice to the Monitoring Officer of a pecuniary interest (as defined by the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012) on his or her part or on the part of his or her partner, and is thereby relieved of the statutory duty to declare that interest at a meeting at which the interest or other matter affecting that interest is to be considered, the Member or co-opted Member shall nevertheless orally remind the meeting of that interest. The Member shall do this either at the point in the agenda when declarations of interests are requested or as soon as they become aware that an item involves a disclosable pecuniary interest of theirs or their partner. Any such declaration shall be recorded in the minutes.

37.2 Where any Member has declared a disclosable pecuniary interest, whether by giving notice to the Monitoring Officer, or by making an oral declaration at the meeting, the Member shall withdraw from the room in which the meeting is being held while the matter is under consideration, unless they have before the meeting at which the disclosable pecuniary interest is to be discussed, been given a dispensation from the Standards Sub Committee.

38. STANDING ORDER NO 38 - INTERESTS OF OFFICERS IN CONTRACTS

38.1 If it comes to the knowledge of an officer employed by the Council that a contract in which he has any pecuniary interest whether direct or indirect (not being a contract to which he is himself a party) has been or is proposed to be entered into by the Council or any Committee thereof, he shall as soon as practicable, give notice in writing to the authority of the fact that he is interested therein.

38.2 An officer of a Local Authority shall not under colour of his office or employment, accept any fee or reward whatsoever other than his proper remuneration.

39. STANDING ORDER NO 39 - RECORD OF INTERESTS

The appropriate officer to act as Assistant Director Legal and Governance shall record in a book to be kept for the purpose particulars of any declaration or notice of a pecuniary interest in a contract, and the book shall be open during office hours to the inspection of any Member of the Council.

40. STANDING ORDER NO 40- SUSPENSION AND AMENDMENT OF STANDING ORDERS

- 40.1 Any of the preceding Standing Orders may be suspended so far as regards any business at the meeting where its suspension is moved.
- 40.2 A motion to suspend Standing Orders shall not be moved without notice unless there shall be present at least one half of the whole number of the Members of the Council.
- 40.3 Any motion to add to, vary or revoke these Standing Orders will when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the Council.

41. STANDING ORDER NO 41 - INTERPRETATION OF STANDING ORDERS

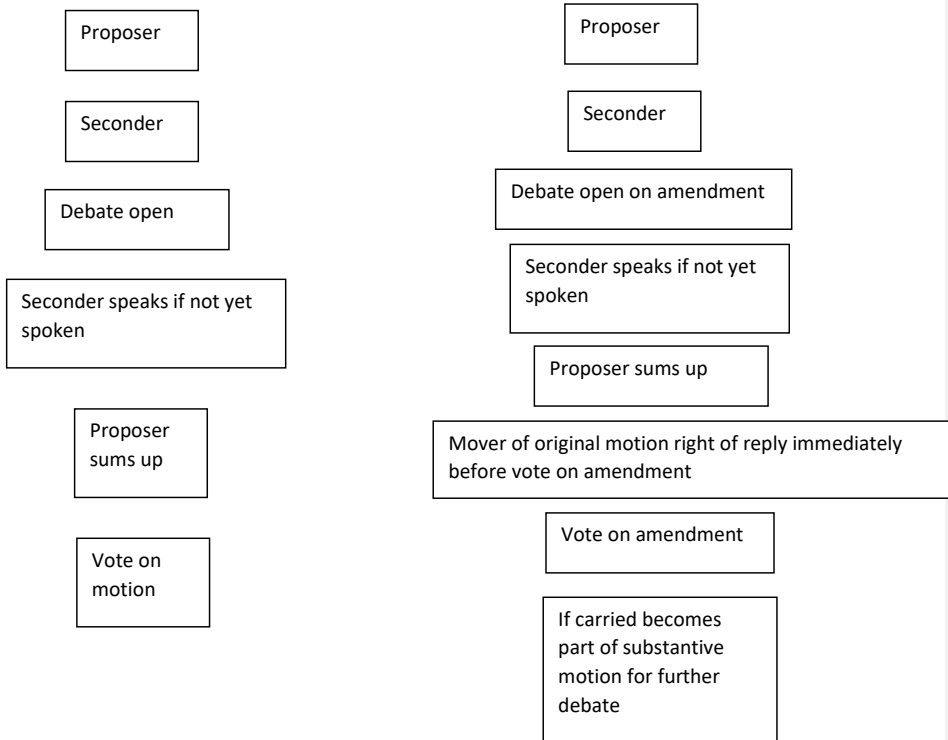
The ruling of the Chairman as to the construction or application of any of these standing orders, or as to any proceedings of the Council shall not be challenged at any meeting of the Council.

Debate Process

Commented [NB23]: Example flow chart
Thoughts on other useful ones invited

Main Motion

Amendment



ACCESS TO INFORMATION PROCEDURE RULES

1. Scope

These rules apply to all meetings of the Council, Policy and Scrutiny Panels, Area Committees, the Planning and Regulatory Committee and its sub-committees, Employment, Licensing and Audit Committees and public meetings of the Executive (together called meetings).

2. Additional rights of information

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

3. Rights to attend meetings

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

4. Notice of meetings

The Council will give at least five clear working days notice of any meetings by posting details of the meeting at the Town Hall, Weston-super-Mare, the designated office.

5. Access to the agenda and reports before the meeting

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

6. Supply of copies

The Council will supply copies of:

- 6.1.1 any agenda and reports which are open to the public for inspection;
- 6.1.2 any further statements or particulars necessary to indicate the nature of the items on the agenda; and
- 6.1.3 if the Proper Officer thinks fit, copies of any other documents supplied to the Councillors in connection with an item

to any person on payment of a charge for postage and any other costs, such as photocopying.

7. Access to minutes etc. after the meeting

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

- 7.1 the minutes of the meeting or records of decisions taken, together with reasons, for all meetings of the Executive, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- 7.2 a summary of any proceedings not open to the public where the minutes open to the inspection would not provide a reasonably fair and coherent record;
- 7.3 the agenda for the meeting; and
- 7.4 reports relating to items when the meeting was open to the public.

8. Background papers

- 8.1 List of background papers

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

- 8.1.1 disclose any facts or matters on which the report or an important part of the report is based; and
- 8.1.2 which have been relied on to a material extent in preparing the report

but does not include published works or those which disclose exempt or confidential information (as defined in rule 10) and in respect of Executive reports the advice of a political advisor.

- 8.2 Public inspection of background papers

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

9. Exclusion of access by the public to meetings

- 9.1 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.

9.2 public Exempt information - discretion to exclude

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

Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

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 Court Order.

9.4 Meaning of exempt information

Exempt information means information falling within the following 7 categories (Subject to any condition):

- 9.4.1 Information relating to any individual.
- 9.4.2 Information which is likely to reveal the identity of an individual.
- 9.4.3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 9.4.4 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.
- 9.4.5 Information in respect of which a claim to legal privilege could be maintained in legal proceedings.
- 9.4.6 Information which reveals the authority proposes -

~~9.4.7~~9.4.6.1 to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or

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~~9.4.8~~9.4.6.2 to make an order or direction under any enactment

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9.5 Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

10. Exclusion of access by the public to reports

If the Proper Officer thinks fit, the Council may exclude access by the public to reports which in his/her opinion relate to items during which, in accordance with Rule 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.

11. Application of rules to the Executive

Rules 12- 23 apply to the Executive and its Committees. If the Executive or its Committees meet to take a key decision then it must also comply with rules 1-10 unless Rule 14 (general exceptions) or Rule 15 (special urgency) apply. A key decision is defined in Article 11.1.8 of this Constitution.

If the Executive or its Committees meet to discuss a key decision to be taken collectively, with an officer other than a political assistant present, within 28 days of the date according to the forward plan by which it is to be decided, then it must be able to comply with Rules 1-10 unless Rule 14 (general exceptions) or Rule 15 (special urgency) apply. A key decision is defined in Article 11.1.8 of this Constitution. This requirement does not include meetings whose sole purpose is for officers to brief Members.

12. Procedure before taking a key decision

12.1 Subject to Rule 14 (general exceptions), a key decision may not be taken unless:

~~Subject to Rule 14 (general exceptions), a key decision may not be taken unless:~~

12.1.1 a notice (called here a forward plan) has been published in connection with the matter in question;

12.1.2 at least 5 clear working days have elapsed since the publication of the forward plan; and

12.1.3 where the decision is to be taken at a meeting of the Executive or its Committees, notice of the meeting has been given in accordance with Rule 4 (notice of meetings).

13. The forward plan

13.1 Period of forward plan

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

13.2 Contents of forward plan

The forward plan will contain matters which the Leader has reason to believe will be Subject of a key decision to be taken by the Executive, a Committee of the Executive, individual Members of the Executive, officer or under joint arrangements in the course of discharging an Executive function during the period covered by the plan. It will describe the following particulars in so far as the information is available or might reasonably be obtained:

- 13.2.1 the matter in respect of which a decision is to be made;
- 13.2.2 where the decision taker is an individual, his/her name and title, if any and where the decision taker is a body, its name and details of membership;
- 13.2.3 the identity of the principle groups whom the decision taker proposes to consult before taking the decision;
- 13.2.4 the means by which any such consultation process is proposed to be undertaken;
- 13.2.5 the steps any person might take who wishes to make representations to the Executive or decision taker about the matter in respect of which the decision is to be made, and the date by which those steps must be taken; and
- 13.2.6 a list of documents Submitted to the decision taker for consideration in relation to the matter.

The forward plan must be published at least 28 days before the start of the period covered.

13.3 Annual notification of the plan

The Proper Officer will publish once a year a notice in at least one newspaper circulating in the area, stating:

- 13.3.1 that key decisions are to be taken on behalf of the Council;
- 13.3.2 that a forward plan containing particulars of the matters on which decisions are to be taken will be prepared on a monthly basis;
- 13.3.3 that the plan will contain details of the key decisions to be made for the four-month period following its publication;
- 13.3.4 that each plan will be available for inspection at reasonable hours free of charge at the Council's main office at the Town Hall, Weston-super-Mare and public

libraries;

- 13.3.5 that each plan will contain a list of the documents Submitted to the decision takers for consideration in relation to the key decisions on the plan;
- 13.3.6 the address from which, Subject to any prohibition or restriction on their disclosure copies of, or extracts from, any document listed in the forward plan is available;
- 13.3.7 that other documents may be Submitted to the decision takers;
- 13.3.8 the procedure for requesting details of documents (if any) as they become available; and
- 13.3.9 the dates on each month in the following year on which each forward plan will be published and available to the public at the Council's offices.

Exempt information need not be included in a forward plan and confidential information cannot be included.

14. General exceptions

If a matter which is likely to be a key decision has not been included in the forward plan, then Subject to Rule 15 (special urgency), the decision may still be taken if:

- 14.1.1 the decision must be taken by such a time that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- 14.1.2 the Proper Officer has informed the Chairman of a relevant Policy and Scrutiny Panel, or if there is no such person, each Member of that Panel in writing, by notice of the matter to which the decision is to be made;
- 14.1.3 the Proper Officer has made copies of that notice available to the public at the offices of the Council; and
- 14.1.4 at least 5 clear working days have elapsed since the Proper Officer complied with 14.1.1 and 14.1.2.

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

15. Special urgency

If by virtue of the date by which a decision must be taken Rule 14 (general exceptions) cannot be followed, then the decision can only be taken if the decision taker (if an individual) or the Chairman of the body making the decision, obtains the agreement of the Chairman of the relevant Policy and Scrutiny Panel that the taking of the decision cannot be reasonably deferred. If there is no

Chairman of a relevant Policy and Scrutiny Panel or if the Chairman of each relevant Policy and Scrutiny Panel is unable to act, then the agreement of the Chairman of the Council, or in his/her absence the Vice-Chairman will suffice.

16. Report to Council

16.1 When a Policy and Scrutiny Panel can require a report

If a Policy and Scrutiny Panel thinks that a key decision has been taken which was not:

16.1.1 included in the forward plan or

16.1.2 the Subject of the general exception procedure or

16.1.3 the Subject of an agreement with a relevant Policy and Scrutiny Panel Chairman, or the Chairman or Vice Chairman of the Council under Rule 15, the Panel may require the Executive to Submit a report to the Council within such reasonable time as the Panel specifies. The power to require a report rests with the Panel, but is also delegated to the Proper Officer, who shall require such a report on behalf of the Panel when requested by the Chairman or any 5 Members. Alternatively the requirement may be raised by resolution passed at a meeting of the relevant Policy and Scrutiny Panel.

16.2 Executive's report to Council

The Executive will prepare a report for Submission to the next available meeting of the Council. However, if the next meeting of the Council is within 7 days of receipt of the written notice or the resolution of the Committee, then the report may be submitted to the meeting after that. The report to Council will set out particulars of the decision, the individual or body making the decision, and if the Leader is of the opinion that it was not a key decision the reasons for the decision.

16.3 Quarterly reports on special urgency decisions

In any event the Leader will submit quarterly reports to the Council on the Executive decisions taken in circumstances set out in Rule 15 (special urgency) in the preceding three months. The report will include the number of decisions so taken and a summary of the matters in respect of which those decisions were taken.

17. Record of Decisions

After any meeting of the Executive or any of its Committees, whether held in public or private, the Proper Officer or where no officer was present, the person presiding at the meeting, will produce a record of every decision taken at that

meeting as soon as reasonably practicable. The record will include a statement of the reasons for each decision and any alternative option considered and rejected at that meeting.

18. Notice of meetings of the Executive

Members of the Executive or its Committees will be entitled to receive five clear working days' notice of a meeting to which they are summoned, unless the meeting is convened at shorter notice as a matter of urgency.

19. Decisions by individual Members of the Executive

19.1 Reports intended to be taken into account

Where an individual Member of the Executive receives a report which he/she intends to take into account in making a key decision, then he or she will not make the decision until at least 5 clear working days after receipt of that report.

19.2 Provision of copies of reports to Policy and Scrutiny Panels

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

19.3 Record of individual decision

As soon as reasonably practicable after an Executive decision has been taken by an individual Member of the Executive or a key decision has been taken by an officer, he/she will prepare, or instruct the Proper Officer to prepare, a record of the decision, a statement of the reasons for it and any alternative options considered and rejected. The provisions of Rules 7 and 8 (inspection of documents after meetings) will also apply to the making of decisions by individual Members of the Executive. This does not require the disclosure of exempt or confidential information or advice from a political assistant.

20. Policy and Scrutiny Panels access to documents

20.1 Rights to copies

Subject to Rule 21.2 below, a Policy and Scrutiny Panel will be entitled to copies of any documents which are in the possession or control of the Executive and which contain material relating to

20.1.1 any business transacted at a public meeting of the Executive; or

20.1.2 any decision taken by an individual Member of the Executive.

20.2 Limit on rights

A Policy and Scrutiny Panel will not be entitled to:

20.2.1 any document that is in draft form;

20.2.2 any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision they are reviewing or scrutinising or intend to scrutinise; or

20.2.3 the advice of a political advisor.

21. Additional rights of access for Members

21.1 Material relating to previous business

All Members will be entitled to inspect any document which is in the possession or under the control of the Executive and contains material relating to any business previously transacted at a meeting unless either a) or b) below applies,

21.1.1 it contains exempt information falling within paragraphs 1, 2, 3, 4, 5 and 7 of Schedule 12A to the local Government Act 1972 but with regard to category 3 only where the information sought does not relate to any terms proposed or to be proposed by or to an authority in the course of negotiations for a contract

21.1.2 it contains the advice of a political advisor

21.2 Material relating to key decisions

All Members of the Council will be entitled to inspect any document (except those available only in draft form) in the possession or under the control of the Executive which relates to any key decision unless paragraph a) or b) above applies.

21.3 Rights of Access of Members to Other Council Information and Access to Land

Members may have access to documents or other recorded information in the possession of or under the control, of the authority access to which is necessary for the proper discharge of the members' functions as a councillor.

21.4 Provided that

21.4.1 No Member may be entitled to inspect documents or have access to any information relating to a matter in which the member has a personal and prejudicial interest.

21.4.2 A Non-Executive Member may be refused the right to inspect any document or recorded information which is not necessary for them to inspect for the

purposes of the proper discharge of their function as a councillor or if there is good reason why such inspection should be refused.

21.4.3 Access to information not in the form of a document need not be given to a Non-Executive Member where the cost of providing the access is unreasonably high, or during such period as the giving of the access would reasonably disrupt the work of the authority.

21.5 Copies of documents

Where a Non-Executive Member inspects a document the authority may lawfully make a copy of that document to which the councillor is entitled, on request.

21.6 Provided that

21.6.1 if a copy is given, a reasonable charge shall be made for the copy unless the Chief Executive otherwise directs

21.6.2 a copy may also be refused if the Chief Executive considers that it is impracticable to make a copy.

21.7 Refusal of Access

If the Chief Executive considers that access to any document or other information by a Member is not necessary for the proper discharge of their functions or there is good reason why access should be refused then (except in the case where rights under section 100F of the LGA 1972 apply) the Chief Executive Officer may refuse a Member concerned access to the document or information in question.

21.8 Access to Land and refusal of Access

If a Non-Executive Member wishes to have access to land or buildings in the occupation of the Authority to which the public do not have access, the Member will apply to the Chief Executive and unless the Chief Executive considers that there is good reason why such access should not be given, permission shall be given subject to any conditions to that permission, including that the Member shall be accompanied by a specified officer.

If any Member is dissatisfied with any determination of the Chief Executive the matter may be referred to the Standards Committee who may after hearing representations from the Member reconsider the Chief Executive's decision.

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

BUDGET AND POLICY FRAMEWORK RULES

1. The framework for Executive decisions

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

2. Process for developing the framework

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

- 2.1 Before a plan /strategy/budget needs to be adopted, the Executive or Executive Member responsible will either draft initial proposals or obtain the relevant Policy and Scrutiny Panel(s) opinion on any alterations or additions that are required to existing plans or their view that a new policy is required. Any representations made to the Executive/Executive Member shall be taken into account in formulating the initial proposals, and shall be reflected in any report. The Executive/Executive Member shall set out a reasonable timescale for the views of the Policy and Scrutiny Panel(s).
- 2.2 If the Executive/Executive Member draft initial proposals before obtaining the views of the relevant Policy and Scrutiny Panel(s) those initial proposals shall then be referred to the relevant Policy and Scrutiny Panels for further consideration. The proposals will be referred by sending a copy to the Proper Officer who will forward them to the Chairman of the relevant Panel. The Policy and Scrutiny Panel may obtain views from Area Committees, where they consider that this is relevant. The Policy and Scrutiny Panel shall report to the Executive/Executive Member on the outcome of its deliberations. The Executive/Executive Member shall set out a reasonable time-scale for the views of the Policy and Scrutiny Panel to be reported back to them.
- 2.3 Having considered the report of the Policy and Scrutiny Panel, the Executive if it considers it appropriate, may amend its proposals before submitting them to the Council meeting for consideration.
- 2.4 The Council will consider the proposals of the Executive and may adopt them, amend them, refer them back to the Executive for further consideration, or Substitute its own proposals in their place.
- 2.5 The Council's decision will be published in accordance with Article 4 and a copy shall be given to the Leader.

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The notice of decision shall be dated and shall state either that the decision shall be effective immediately or (if the Executive's proposals are not accepted without amendment) that the Council's decision will become effective on the expiry of at least 7 working days after the publication of the notice of decision, unless the Leader objects to it within that period.

2.6 If the Leader objects to the decision of the Council, he/she shall give written notice to the Proper Officer to that effect prior to the date upon which the decision is to be effective. The written notification must state the reasons for the objection. Where such notification is received, the Proper Officer shall convene a further meeting of the Council to reconsider its decision and the decision shall not be effective pending that meeting.

2.7 The Council meeting must take place within 7 working days of the receipt of the written objection. At that meeting the decision of the Council shall be reconsidered in the light of the objection, which shall be available in writing for the Council.

2.8 The Council shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made in public in accordance with Article 4 and shall be implemented immediately.

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

3. Decisions outside the budget or policy framework

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

3.2 If the Executive, individual Member of the Executive and any officers, or joint arrangements discharging Executive functions want to make such a decision, they shall take

advice from the Monitoring Officer and the Section 151 Officer as to whether the decision they want to make would be contrary to the policy framework, or contrary or not wholly within the budget. If the advice of the Monitoring Officer is that the decision must be referred by that body or person to the Council for decision, unless the decision is a matter of urgency, in which case the provisions of paragraph 4 (urgent decisions outside budget and policy framework) shall apply.

4. Urgent decisions outside the budget or policy framework

4.1 The Executive, an individual Members of the Executive or officers or joint arrangements discharging Executive functions may take decisions which are 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:

4.1.1 if it is not possible to convene a quorate meeting of the full Council; and

4.1.2 if the chair of the relevant Policy and Scrutiny Panel agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the Chairman of the relevant Policy and Scrutiny Panel's consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the Chairman of the relevant Policy and Scrutiny Panel the consent of the Chairman of Council and in the absence of both, the Vice-Chairman will be sufficient.

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

5. Virement

The Council shall annually agree a range of budget heads which appropriately sets out a summary of the budget plans of the Council across the General Fund Revenue Budget and the Capital Programme.

The term virement refers to transfers of budgets between or within cost centres. Virement may only be used in the very specific circumstances set out in the Financial Regulations elsewhere within this Constitution (Part 1 pp 4.24 to 4.26 (Revenue) and 4.39 to 4.42 (Capital)).

6. In-year changes to policy framework

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

- 6.1 which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
- 6.2 necessary to comply with the law, ministerial direction or government guidance;
- 6.3 in relation to the policy framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration; and
- 6.4 which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change.

7. Call-in of decisions outside the budget or policy framework

- 7.1 Where a Policy and Scrutiny Panel is of the opinion that an Executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the Monitoring Officer who will seek advice from the Section 151 Officer.
- 7.2 In respect of functions which are the responsibility of the Executive, the Monitoring Officers report shall be to the Executive, with a copy to every Member of the Council. Regardless of whether the decision is delegated or not, the Executive must meet to decide what action to take in respect of the Monitoring Officers report and to prepare a report to Council in the event that the Monitoring Officer conclude that the decision was a departure, and to the Policy and Scrutiny Panel if the Monitoring Officer concludes that the decision was not a departure.
- 7.3 If the decision has yet to be made, or has been made but not implemented, and the advice from the Monitoring Officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the Policy and Scrutiny Panel may refer the matter to Council. In such cases no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet within 7

working days of the request by the Policy and Scrutiny Panel. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer. The Council may either:

- 7.3.1 endorse the decision or proposal of the Executive as falling within the existing budget and policy framework, in this case no further action is required, save that the decision of the Council be minuted and circulated to all Councillors in the normal way
or
- 7.3.2 amend the Council's financial regulations or policy concerned to encompass the decision or proposal of the body or individual and agree to the decision with immediate effect. In this case no further action is required save the decision of the Council be minuted and circulated to all Councillors in the normal way
or
- 7.3.3 where the Council accepts that the decision or proposal is contrary to the policy framework or contrary or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, require the Executive to reconsider the matter in accordance with the advice of the Monitoring Officer.

EXECUTIVE PROCEDURE RULES

1. How does the Executive operate?

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

- 1.1 the Executive as a whole;
- 1.2 a Committee of the Executive;
- 1.3 an individual Member of the Executive;
- 1.4 an officer;
- 1.5 joint arrangements; or
- 1.6 another Local Authority.

2. Delegation by the Leader

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

- 2.1 the names, addresses and wards of the people appointed to the Executive by the Leader;
- 2.2 the extent of any authority delegated to Executive Members individually, including details of the limitation of their authority;
- 2.3 the terms of reference and constitution of such Executive Committees as the Leader appoints and the names of the Executive Members appointed to them;
- 2.4 the nature and extent of any delegation of Executive functions to any other authority or joint arrangement and the names of those Executive Members appointed to any joint arrangement for the coming year;
- 2.5 the nature and extent of any delegations to officers with the details of any limitation on that delegation, and the title of the officer to whom the delegation is made.

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3. Sub-delegation of Executive functions

- 3.1 Where the Executive, or an individual Member of the Executive is responsible for an Executive function, they may delegate further to a joint arrangement or an officer.
- 3.2 Unless the Council directs otherwise, if the Leader delegates functions to the Executive, the Executive may delegate further to a Committee of the Executive or an officer.
- 3.3 Unless the Leader directs otherwise, a Committee of the Executive to whom functions have been delegated by the Leader may delegate further to an officer;
- 3.4 Even where Executive functions have been delegated, that fact does not prevent the discharge of the delegated functions by the person or body who delegated.

4. Conflicts of interest

- 4.1 Where the Leader has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- 4.2 If every Member of the Executive has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- 4.3 If the exercise of an Executive function has been delegated to a Committee of the Executive, an individual Member or an officer, and should a conflict arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made and otherwise as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution

5. Dismissal of Executive Member

The Leader of the Council can dismiss a person nominated by him to be an Executive Member on giving notice to an Executive meeting. Another Member of the Council can then be nominated by the Leader of the Council to fill the vacancy. Such alterations will be reported to the Council meeting following the alteration.

6. Meetings of the Executive

The Executive will plan to meet in public at least six times a year at times to be agreed by the Leader. The Executive shall meet at the Council's main office at the Town Hall, Weston-super-Mare or another location to be agreed by the Leader.

~~7. The Executive and Best Value~~

~~Best Value of the Council's services and functions shall be the responsibility of the Executive and an individual Executive Member shall have particular responsibility to ensure that the Best Value process as determined by legislation is complied with by the Council. Policy and Scrutiny Panels can be used by the Executive to consider the reviews undertaken by officers and report to the Executive their findings and recommendations on the future of the service or function. The Executive will be responsible for taking decisions as a result of a Best Value Review.~~

Commented [NB24]: The Best Value duty from LGA 1999 remains but Best Value Reviews have repealed and so duty is now just a general statement for Las to achieve best value through efficiency and effectiveness

8.7. Management meeting

Before an Executive meeting there will be a Management meeting where senior officers of the Council meet with the Executive, including the Chairman of the Executive to discuss the business of the Council and progress the work plan approved by the Council. This meeting will also discuss policy and the budget situation and whether alterations to policy or budget will be required to be reported to the Council and will normally be held in private.

9.8. Public decisions of the Executive

Key decisions taken by the Executive as a whole, have to be taken at a public meeting of the Executive and advance notice of the decision is therefore required. A "key decision" is an Executive decision which is likely:-

~~9.18.1~~ _____ to result in the Local Authority incurring expenditure which is, or the making of savings which are, significant having regard to the Local Authority's budget for the service or function to which the decision relates. In most cases this will mean expenditure or savings of £500,000 or over, or

~~9.28.2~~ _____ to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the Local Authority

With regard to decisions referred to above, they shall not be taken by an individual Executive Members unless prior notice that the decision is to be taken has been issued and at least five clear working days have elapsed since the notice had been published.

However, in a case of urgency, if the decision taker or the Chairman of the Executive writes to the Chairman of the Policy and Scrutiny Panel or if that is not possible, each Member of that Panel of the matter in relation to which a decision is to be taken to obtain their agreement to the matter being dealt with as urgent and the a copy of the notice is made available at the offices of the Authority for public inspection, a decision can be taken by the Executive or decision taker without the usual public notice.

In cases of emergency where there is insufficient time to serve a notice then only if the decision taker or the Chairman of the Executive has obtained from the relevant Chairman of the relevant Policy and Scrutiny Panel or from the Chairman of the Authority (Vice Chairman if absent), if no Chairmen of Policy and Scrutiny Panel are available, that the decision cannot be deferred can the decision be taken.

The following Standing Orders are to control the proceedings of Executive meetings:-

STANDING ORDERS

1. Executive Standing Order 1

- 1.1 The Leader as elected by the Council shall be the Chairman of the Executive.
- 1.2 The Chairman can cancel a meeting of the Executive or alter the time or date of the meeting on giving ten working days' notice to the Members of the Council and the public.
- 1.3 There may be circumstances where the Chairman wishes to alter or rearrange a meeting and is not able to give the ten working days stipulated above. However, this course of action will only be permissible in exceptional circumstances and Subject to the Chairman explaining those circumstances to the other Members of the Council.

2. ESO 2

The Chairman of the Executive shall chair meetings of the Executive if he is in attendance. If the Chairman of the Executive is unable to attend or is called away during the meeting the Deputy Leader shall chair the meeting

3. ESO 3

- 3.1 Formal meetings of the Executive where decisions are taken shall take place as and when necessary and in any event will take place at least six times per municipal year. All formal meetings of the Executive will be held in public except in cases of emergency as detailed under the legislation.
- 3.2 Formal meetings of the Executive will be held in public except if there is exempt information to be discussed. The agenda will state whether there is exempt business and will also state the categories of exempt information that apply to them. The public and press will only be excluded after passing the appropriate resolution under the Local Government Act 1972.

4. ESO 4

No Substitute Executive Members are permitted.

5. ESO 5

5.1 The agenda and papers referring to the items to be discussed at an Executive meeting will be issued at least five clear working days before the meeting to which it refers. A list of background papers will be available for public inspection.

5.2 All papers will be ~~distributed~~ [made available](#) to Members of the relevant Policy and Scrutiny Panel and relevant ward Councillors.

6. ESO 6

6.1 Members of the public at the discretion of the Chairman, will be able to address the Executive at the beginning of the meeting of the Executive, on matters that affect the area or its residents and over which the Executive has powers and duties. The time allocated for members of the public to address the Executive Meeting shall be limited to 15 minutes, with any individual being permitted to speak for no longer than three (3) minutes and a maximum of four (4) speakers being permitted to speak at any meeting.

6.2 The right to address the Executive Meeting shall be limited to those that are resident in North Somerset, business ratepayers or electors of North Somerset but anyone that is, in the opinion of the Chairman, abusive, offensive or giving misleading information shall, when asked by the Chairman to stop, not be permitted to speak further and may be escorted from the meeting.

6.3 Requests from Members of the public to address the Executive Meeting must be received in writing at the Town Hall, Weston-super-Mare before 12 noon, the working day before the meeting, and must detail the subject matter to be discussed.

6.4 If the Chairman of the Executive considers that a person has abused their ability to participate at Executive Meetings they will, at the direction of the Chairman, not be permitted to address any further meetings of the Executive or Council.

7. ESO 7

Members of the Council who are not Members of the Executive as well as being able to attend any Executive meeting will also have the opportunity to address the Executive meeting at the start of its meeting. The period of time at the start of the meeting allowed for this will be 15 minutes. Members of the Council who are not Members of the Executive may ask questions of the Executive during the meeting on matters on the agenda as they are discussed by indicating to the Chairman their wish to speak. New

items of business, however, cannot be raised and questions can only relate to matters which are the Ssubject of discussion on the agenda.

8. ESO 8

If during the meeting the Members of the Executive believe that an item should be referred to Council then the matter will be referred with or without the views of the Executive.

9. ESO 9

Matters to be discussed and determined by the Executive can be referred to the relevant Policy and Scrutiny Panel/Area Committees for their views before a decision is taken by the Executive. The request for the Policy and Scrutiny Panel /Area Committee view can state a date by which a response is required but this date should take into account the designated meeting dates for the Policy and Scrutiny Panels/Area Committees.

10. ESO 10

Where matters are considered by the Executive for discussion and where a decision is required, the decision will be undertaken by a vote on a course of action proposed by a Member of the Executive. The Chairman of the Executive meeting will have a casting vote should the voting be equal.

11. ESO 11

The Executive will prepare for publication and for receipt by the Council, a schedule of work covering a four-month period. The Schedule will be issued to the public once it has been received and approved by the Council. The Schedule will be up dated and referred to each Council meeting.

12. ESO 12

The Executive shall consider and respond to a formal Councillor Call for Action within two months of receiving the reference and indicate what action (if any) it proposes to take on the matter.

POLICY AND SCRUTINY PANEL PROCEDURE RULES

1. Areas of remit

There will be five Policy and Scrutiny Panels of the Council, ~~who will have the following remit of the Council.~~ Each Policy and Scrutiny Panel will consider matters within its terms of reference and placed before them by the Executive and will respond with the views of the majority of the Members of the Policy and Scrutiny Panel on the matter which has been referred. ~~Each Policy and Scrutiny Panel will monitor areas of~~ ~~Executive Reviews which fall within their remit and report to the Executive the outcome of the review in that particular area.~~

Commented [NB25]: BV Reviews repealed

The Policy and Scrutiny Panel will scrutinise decisions taken by the Executive and will where there is concern over a decision either report that to the Executive or in cases which appear to have been taken by the Executive which are outside either the budget or policy of Council, refer the matter to Council. If during the course of its work the Policy and Scrutiny Panel finds that the Council needs to address a particular matter either specifically or by an alteration to the Council's policy then this shall be reported to the Executive. If the Executive requests the Policy and Scrutiny Panel to undertake work to consider alteration to the Council's policy then the Policy and Scrutiny Panel shall undertake this work and then report back to the Executive its conclusions. If a Scrutiny Panel refers a matter to them, the Executive or individual Executive Member as appropriate shall respond formally to the Scrutiny Panel concerned.

2. Constitution and number

Each Policy and Scrutiny Panel will have the number of Members of the Council approved by full Council and will be apportioned to the political groups in accordance with political balance. The Chairman and Vice Chairman of each Policy and Scrutiny Panel shall be elected by the Council at its annual meeting. The Chairman of each of the Policy and Scrutiny Panels will also attend a meeting with the Chairman of an Executive meeting after the Executive has met (in accordance with ESO 11) to discuss those decisions and to discuss individual Executive Member decisions which a Policy and Scrutiny Panel Chairman wishes to discuss

3. Reporting arrangements

Each of the Policy and Scrutiny Panels shall prepare an annual report for Submission to Council concerning the particular Policy and Scrutiny Panels remit and the work which has been undertaken by the Policy and Scrutiny Panel and bringing to the attention of the Council areas of concern which in the opinion of the Policy and Scrutiny Panel should be addressed by the Executive.

STANDING ORDERS

The following rules will apply to proceedings of a Policy and Scrutiny Panel Meeting:-

1. Policy and Scrutiny Panel Standing Order 1

- 1.1 Council will elect the Chairman of a Policy and Scrutiny Panel at its annual meeting. The Council will also elect the Vice-Chairman of each of the Policy and Scrutiny Panels but if this does not happen for any reason the Policy and Scrutiny Panel shall proceed in accordance with Council Standing Order 29 to elect a Chairman.
- 1.2 The Chairman of the Policy and Scrutiny Panel if present shall chair the meeting but in their absence the Vice-Chairman shall preside.
- 1.3 The Chairman of a Policy and Scrutiny Panel can cancel a meeting of the Policy and Scrutiny Panel or alter the time or date of the meeting on giving ten working days' notice of the alteration to the Members of the Council and the public.
- 1.4 In exceptional circumstances the Chairman may alter or rearrange the date of the meeting without giving the requisite ten working days' notice but in those circumstances the Chairman shall obtain the agreement of the Leader of the Council before informing other Members of the Council and the public of the altered or rearranged meeting.

2. SSO 2

Any Member of the Council can be appointed to a Policy and Scrutiny Panel except the Leader, Deputy Leader and any other Member of the Council who is an Executive Member.

3. SSO 3

Substitutes are permitted Subject to the following exceptions:

- 3.1 Council The Leader and Deputy Leader of the
- 3.2 an Executive Member Any other Member of the Council who is

However, no-one shall consider matters as a Member of a Policy and Scrutiny Panel for which they have been directly involved in making the decision being considered.

4. SSO 4

The Policy and Scrutiny Panels shall meet as and when required but shall be programmed to meet [formally in public](#) at least three times per municipal year. The Chairman of a Policy and Scrutiny Panel can call a meeting of that Panel at any time and can cancel and rearrange such a meeting. [Informal meetings of Panels or working groups of Panel members \(and other invitees\) may also be convened to undertake development work or to consider matters not requiring a formal decision. Informal meetings and working groups may be held in public or in private.](#)

5. SSO 5

The quorum of a Policy and Scrutiny Panel shall be one third of the Members of that Committee. To determine the number all fractions shall be rounded up to the next number.

6. SSO 6

[Formal Meetings](#) of the Policy and Scrutiny Panel will be held in public except if there is exempt information to be discussed. The agenda will state whether there is any exempt business to be considered and state the relevant category. The public and press will only be excluded after passing the appropriate resolution under the Local Government Act 1972.

7. SSO 7

Councillors must declare interests. The Council's Code of Conduct and the Local Government Act 1972 determine the interests that have to be declared.

8. SSO 8

Political Groups will be required to declare formal "whipping" arrangements to the Assistant Director Legal and Governance in writing before such arrangements are implemented at a meeting

9. SSO 9

9.1 Members of the public, at the discretion of the Chairman of the Policy and Scrutiny Panel, will be entitled to address the Policy and Scrutiny Panel on matters which affect the district or its inhabitants and for which the Policy and Scrutiny Panel has the relevant position of reviewing decisions or commenting on the matter for some other purpose.

9.2 Members of the Policy and Scrutiny Panel may ask questions of the Member of the public and a dialogue between the two parties can be undertaken.

9.3 Requests from Members of the public to address the Committee must be received in writing at the Town Hall, Weston-super-Mare before 12 noon, the working day before the meeting, and must detail the Subject matter to be discussed.

9.4 No question or comment shall be entitled to refer to exempt or confidential information as defined in Schedule 12 to the Local Government Act 1972 and referred to in the Constitution.

9.5 That the Chairman shall ensure that the relevant officer or member provides a written response to a member of the public who poses questions during public participation when a response cannot be dealt with in the time allocated.

9.6 Where a public speaker has made defamatory or personally offensive or abusive statements about an individual, the Chairman shall have power to rule that the person be not heard and that such person be required to provide a written transcript in advance of any future address.

10. SSO 10

10.1 The Policy and Scrutiny Panel or the Panel's Chairman and Vice-Chairman can require an Executive Member to attend a meeting to answer questions or explain matters that the Policy and Scrutiny Panels are considering. If an Executive Member is instructed to attend he/she must do so but if they are unable to do so because of matters outside their control then the Chairman or Vice Chairman of the Executive will attend in their place.

10.2 If the Policy and Scrutiny Panel require an officer to attend one of their meetings then the Director or Assistant Director or officer of equivalent standing of the Directorate concerned shall attend and can be accompanied by another officer to assist the Director or Assistant Director at the meeting. A Director or Assistant Director will be required to answer questions or otherwise assist the Committee with its business.

10.3 The Policy and Scrutiny Panel can invite the attendance of any person outside the authority to attend a Policy and Scrutiny Panel meeting to answer questions or otherwise assist the Committee with its business.

11. SSO 11

- 11.1 Any Councillor may request for any local government, crime and disorder or other matter (other than any function excluded by legislation), within the terms of remit of a Policy and Scrutiny Panel, to be placed as an item on the agenda to be discussed at the next meeting of the Policy and Scrutiny Panel. The matter shall be known as a “Councillor Call for Action” and the Councillor shall have the right to speak at the Panel meeting concerned.
- 11.2 A Councillor Call for Action relating to a crime and disorder matter shall be referred to the [Community and Corporate Organisation Policy and Scrutiny Panel](#), [Partnerships, Corporate Organisation and Overview/Management Policy and Scrutiny Panel](#).
- 11.3 A request for a Councillor Call for Action to be placed on the agenda of the Policy and Scrutiny Panel, must be received at the Town Hall, Weston-super-Mare, nine working days before the day of the meeting. The item must be open to discussion at the meeting and the Panel may decide to refer the report or recommendation to either the Executive or the full Council on the matter. The Panel must notify the councillor who made the request of its decision and its reasons and must provide that councillor and any relevant partner body with any report of recommendation it makes.
- 11.4 The Executive or the Council must consider any Councillor Call for Action referred to it by a Scrutiny Panel and must respond within two months of receiving the reference indicating what (if any) action it is proposed to take on the matter.
- 11.5 A request may also be made verbally at a Panel meeting by a member of the Panel for an item to be considered for inclusion on the Panel’s work plan for a future meeting.

12. SSO 12

A Policy and Scrutiny Panel can refer a matter to Council if it concerns an area of remit of the particular Policy and Scrutiny Panel and it is concerned about the decision taken by the Executive but only if it is of the opinion that the decision taken by the Executive is either outside the policy of the Council or not within the budget approved by Council. In all other cases where the Policy and Scrutiny Panel is concerned about a decision of the Executive, it can only refer the matter back to the Executive and express those concerns and ask the Executive to reconsider the decision.

13. SSO 13

13.1 Each Policy and Scrutiny Panel will undertake the work requested of it by the Council and the Executive but will not make any decisions that could be acted on as decisions of the Council.

13.2 Each Policy and Scrutiny Panel will prepare an annual report for Submission to Council on the work it has been undertaking and any steps, which they think should be taken by the Council. This opinion can be arrived at either from the work they have been undertaking or as a result of matters coming to their attention for scrutinyisation.

14. SSO 14

14.1 Within five working days of the publication of an Executive or Executive Member decision, any two Members of a policy and scrutiny panel of the Council, can request a meeting (["a call-in meeting"](#)) of the Policy and Scrutiny Panel concerned to consider the Executive or Executive Member decision.

14.2 The two Members concerned can request a [call-in](#) meeting of the ~~Policy and Scrutiny~~ Panel by writing to the Chairman of the ~~Policy and Scrutiny~~ Panel and sending a copy to the Proper Officer of the Council stating that [such a call-in](#) meeting is requested and indicating the decision of the Executive which is to be considered at the [call-in](#) meeting ~~of the Policy and Scrutiny Panel~~ and stating the reason for the call in and how a matter within the remit of the ~~Policy and Scrutiny~~ Panel is affected by the Executive decision.

14.3 If [such a call-in meeting](#) request ~~of the Chairman of the Policy and Scrutiny Panel~~ is received by the Proper Officer, the decision of the Executive which is to be considered shall not be implemented for at least ten working days during which time the ~~Policy and Scrutiny~~ Panel will have considered the decision and the Executive will be made aware of the ~~Policy and Scrutiny~~ Panel's opinion.

14.4 If the ~~Policy and Scrutiny~~ Panel, when it considers the decision of the Executive, decides that it should be reconsidered it shall make that recommendation to the Executive. If in the opinion of the Policy and Scrutiny Panel, and the consideration of the Monitoring Officer, the decision of the Executive in question, has not been taken within the policies of the Council or within the budget approved by Council, the ~~Policy and Scrutiny~~ Panel shall refer the decision to Council and notify the Executive accordingly.

~~44.4~~14.5 The procedure to be adopted at a call-in meeting shall be determined by the Chairman of the Panel with the aim of most effectively considering the subject matter but will normally comprise the members calling in the executive decision explaining any concerns and how matters within the remit of the Panel are affected followed by the Executive Member responding regarding those concerns and matters and the rationale for promoting the decision followed by deliberation and, if appropriate, agreement of recommendation(s) of the Panel

FINANCIAL REGULATIONS

1. Introduction

Financial Regulations govern the way the Council undertakes financial forward planning, annual budget setting, budget monitoring and management, and closing of the accounts – setting out the responsibilities of **Council, Executive (and Policy and Scrutiny Panels)**, the **Section 151 Officer (Director of Corporate Services)**, **Directors** and **Heads of Service**. These aspects are set out in Part 1 (Financial Management).

Financial Regulations also govern the way day to day financial administration is conducted and financial controls are exercised. These aspects are set out in Part 2 (Financial Administration).

Financial Regulations are supported by other elements of the Council Constitution, in particular:-

- Contract Standing Orders
- Scheme of Delegation
- Budget & Policy Framework Rules
- Management of Assets, Property and Land

2. Status of Financial Regulations

Financial regulations apply to every member and officer of the Council and anyone acting on its behalf, with the exception of schools with delegated funding under the Local Management of Schools, who have their own Financial Regulations.

The regulations identify the financial responsibilities of the **Council, Executive and Executive Members**, the **Chief Executive**, the **Monitoring Officer**, the **Section 151 Officer**, other **Directors** and **Heads of Service** and the **Head of Internal Audit**.

The Regulations shall not override any statutory provisions that apply.

Where applicable, consultants or agencies acting for the Council will be bound by these procedures and it should be a condition of their employment or engagement that they do so. However, where the council operates a shared arrangement with another council the regulations of each party should apply to its own operation.

Substantial breaches of Financial Regulations shall be reported to the **Section 151 Officer** by the relevant **Director** and may be treated as disciplinary offences.

No report having financial implications shall be submitted to **Council** or **Executive** without adequately timed prior consultation with the **Section 151**

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Officer and/or officers delegated to undertake such functions by him/her. The **Section 151 Officer** or his / her representative should also be consulted on decision notices with financial implications to be signed by Executive Members or Directors.

These procedures shall be reviewed regularly by the **Section 151 Officer** but at least every 3 years. The **Council** should approve all amendments and summaries of changes resulting from reviews of codes of best practice, procedures or explanatory notes. Relevant financial thresholds should additionally be reviewed against inflation on an annual basis wherever possible.

3. Responsibilities

Section 151 of the Local Government Act 1972 states that each local Council “shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs”.

The “arrangements” include the Council’s Financial Regulations, Contract Standing Orders and the Scheme of Delegation (so far as it relates to financial matters). In approving those arrangements, Members are bound by the general principles of administrative law.

The Council’s appointed officer under Section 151 is the **Director of Corporate Services**. In addition, three **Deputy S151 Officers** exist and are the **Head of Corporate Accountancy** and the two posts of **Business Partner (Finance)**. In performing his/her functions as the appointed officer, he/she shall seek to ensure that the management of the Council’s financial affairs accord with the arrangements approved by Council subject to his overarching statutory duties including those referred to below. The **Section 151 Officer** owes a fiduciary duty to the public to carry out those duties effectively and these cannot be overridden by the Council.

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

The roles and responsibilities of the **Council**, the **Executive**, and **Committees** for Council functions are described in Part 3 of the Constitution.

The Statutory Officers

The **Statutory Officers Group** meets on a quarterly basis to consider financial, insurance and legal risks and comprises:

The **Chief Executive** as **Head of Paid Service**.

The **Assistant Director Legal and Governance** as the **Monitoring Officer**.

The **Director of Corporate Services**, as the **Section 151 Officer**.

The functions of the Statutory Officers are described in Article 12 of the Constitution, and their responsibilities are described in Part 3 – Officer Delegations and Authorisations.

Other Council Officers

Head of Internal Audit

(for the purpose of these regulations, this title refers to the officer responsible for delivering an internal audit service in accordance with the CIPFA Code).

The **Head of Internal Audit** is responsible for providing an internal audit function which meets the requirements of the Public Sector Internal Audit Standards and providing an opinion, in support of the Annual Governance Statement, on how the Council's risk management processes identify, evaluate, monitor and report that controls are operating effectively within the Council. The **Head of Internal Audit** helps the **Section 151 Officer** discharge his/her responsibilities under section 151. Irrespective of the organisational position of internal audit, this officer should have the right to report on matters concerning internal audit and internal control directly to the **Chief Executive** and/or the **Audit Committee**.

Directors

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

It is the responsibility of **Directors** to consult with the **Section 151 Officer** and seek approval on any matter liable to affect the Council's finances as prescribed by limits set out within these Financial Regulations, before any commitments are incurred.

Each **Director** is responsible for observing the Council's Financial Regulations and for monitoring financial performance within their directorate.

Directors are responsible for ensuring that all staff in their directorates are made aware of the existence and content of the Council's Financial Regulations and other internal regulatory documents, and that they comply with them. They must also ensure that either hard or electronic copies are available for reference within their directorates.

As part of these Regulations, **Directors** should ensure that there are arrangements to enable staff and the public to raise and report any issues of concern in accordance with the Council's Whistle Blowing policy.

Each **Director** is responsible for ensuring that any expenditure incurred within their service is in accordance with both the purpose and objectives of the services being provided and provides value for money. Expenditure must not be incurred or charged to any budget where such expenditure bears no relation to the service being provided.

Each **Director** is required to maintain a scheme of financial delegation in accordance with the minimum standards as determined by the **Section 151 Officer**, and which accords to the financial limits included within the overall scheme of delegation and contract rules and that this scheme is reflected within the council's corporate financial management system.

Each **Director** is responsible for the control and accountability of employees and the security, custody and control of all of the resources, including plant, buildings, materials, cash and stores, appertaining to his/her directorate.

Where it becomes apparent that there is failure to meet the rules as set out in this document, it is the responsibility of the **Director**, or the **Section 151 Officer** to report such failings immediately in accordance with the established reporting structure.

Corporate Management Team

The **Chief Executive** and **Directors** and other appointments as determined by the **Chief Executive** who form the Corporate Management Team, chaired by the **Chief Executive** are responsible, individually and collectively, for ensuring that efficiency and value for money are achieved across the Council, in service delivery, internal processes and systems of control, procurement of goods/services and the use of assets.

As budget holders they are responsible for the budgets delegated to deliver the services within their Directorate in line with the priorities of the Council. Whilst they may delegate this responsibility within their Directorate they remain accountable in exercising overall financial control.

Heads of Service and Service Managers and delegated budget holders

Heads of Service are individually responsible for ensuring that the services within their remit are delivered in line with the agreed policy, and support the strategic direction of the Council. As budget holders, they are responsible for the budgets delegated to them to deliver their service in line with the priorities within the Corporate Plan.

Finance Business Partners

The **Finance Business Partners** advise **Directors** and their management teams on all financial matters. They are supported in this role by the accountants, who are responsible for the preparation of budget reports and the provision of specialist advice and general guidance on financial systems, including rules and procedures. However, responsibility for budgetary control lies with the **Directors** as delegated budget holders, their **Heads of Service** and **Service Managers**.

As part of the overall governance arrangements, it is expected that each **Finance Business Partner** is a member of the **Financial Strategy Board**, chaired by the **s151 Officer**, or any successor group which is provided the responsibility for overall management of financial matters.

The Property Investment Board

The Council's Property Investment Strategy provides for the establishment of a Commercial Investment Fund under the management of a **Property Investment Board**. **The Property and Investment Board** shall be made up of the following members:

- The Leader of the Council
- The Executive Member/s responsible for finance and/or property asset management
- The Chief Executive
- The Director of Corporate Services /Section 151 officer
- The Assistant Director Legal and Governance / Monitoring Officer

The Property Investment Board has powers to make offers and negotiate terms on commercial properties before seeking full approval to make investments in line with these Financial Regulations. The approval thresholds for these transactions are contained in paragraph 7.4.

Part 1 – Financial Management

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1 MEDIUM TERM FINANCIAL PLAN

- 1.1 The Council's Constitution sets out how decisions are made including setting the Council Budget. Whilst the Council Budget sets out what those decisions are, the Medium Term Financial Plan determines the underlying principles behind them and is key in driving the delivery of the Corporate Plan.
- 1.2 The Medium Term Financial Plan indicates future years' budgets and potential council tax levels. Those indications are based on the current available information and provide the starting point for future years' budgets.
- 1.3 The Medium Term Financial Plan, approved by **Council**, sets out the **Executive's** approach on a range of issues, including:-

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- the way in which corporate priorities are considered as part of the Council's capital and revenue budget processes;
- the likely direction of travel of the authority recognising investment and savings opportunities;
- the level of balances and reserves (having taken account of advice from the **Section 151 Officer**);
- the approach to bidding for external funding;
- the setting of fees and charges;
- the management of financial risks.

1.4 The Medium Term Financial Plan will normally be approved by **Council** at the start of each four-year municipal term, and be updated annually or sooner if there is a need to respond to significant changes in resource and/or expenditure assumptions.

2 FINANCIAL FORWARD PLANNING

2.1 The **Section 151 Officer**, in consultation with the **Executive Member with responsibility for Finance**, will maintain a Medium Term Financial Plan that covers a period of at least four financial years, including the current financial year.

2.2 The Medium Term Financial Plan will be produced and reported in conjunction with the annual budget and council tax proposals to Executive and Council in line with relevant financial legislation at that time. Further updates on the Medium Term Financial Plan may be reported during the year.

2.3 The Medium Term Financial Plan will cover revenue and capital budgets, and will highlight how resources are being directed to address Corporate Plan priorities.

2.4 In respect to resources, the Medium Term Financial Plan will take account of the following:-

- forecasts of formula and specific grants;
- increases in fees and charges, and the introduction of new charges;
- interest earnings;
- levels of reserves and balances;
- increased income from rents, council tax and retained Business Rates;
- capital receipts and grants and prudential borrowing.

2.5 In respect to expenditure, the Medium Term Financial Plan will take account of the following:-

- full year effects of previous decisions;
- changes in responsibility arising from new or amended legislation or regulations, net of increased income from new fees and charges;
- direction of resources to achieving Corporate Plan priorities and targets and potential re-direction from non-priority areas;

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- forecast changes in service demand;
- investment in line with the Council's transformation programme;
- forecasts of inflation, pay awards and interest rates;
- efficiency savings;
- planned service reductions;
- prudential borrowing;
- financial risks.

2.6 In that the Medium Term Financial Plan has a horizon up to four years, it is to be expected that figures in later years will often be preliminary estimates and/or aspirations of future decisions and changes in council policy.

3. ANNUAL REVENUE BUDGET SETTING

3.1 The **Council** shall set the annual revenue budget each year and shall make the required decisions to set a legal Council Tax in line with relevant financial legislation at that time.

3.2 The **Executive** shall organise and oversee work necessary to draft and propose a Medium Term Financial Plan and the annual revenue budget for presentation to Council in accordance with its responsibilities.

3.3 **Directors** shall provide any service or financial advice as required by the **Executive** or its Members to enable the revenue budget to be drafted for Council.

3.4 The **Executive Member with responsibility for Finance** shall liaise with the **Section 151 Officer** in considering the Medium Term Financial Plan and annual revenue budget, and the underlying financial assumptions within them and advise the **Executive** as appropriate.

3.5 The **Executive Member with responsibility for Finance** and the **Section 151 Officer** shall organise appropriate consultations and briefings on the Medium Term Financial Plan and annual revenue budget and shall, specifically, consult with the Council's **Policy & Scrutiny Panels** at least once in the budget setting process.

3.6 The **Executive Member with responsibility for Finance** shall liaise with the **Section 151 Officer** to approve the tax base to be used in setting the budget and council tax and advise the Executive as appropriate.

3.7 The form of information required by the **Executive** to draft the revenue budget shall be defined by the **Chief Executive** and the **Section 151 Officer** to ensure consistency of approach.

3.8 The timetable for preparation of the Medium Term Financial Plan and the revenue budget shall be defined by the **Executive Member with**

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responsibility for Finance and the Section 151 Officer.

- 3.9 The revenue budget shall be agreed in such a form that the responsible **Director or nominated head of service**, as budget holder will be publicly identifiable, together with the relevant **Executive Member(s)** and published in the relevant budget documents.
- 3.10 The budget shall be agreed in such a format that the budgets for responsibilities of each **Director** will be identifiable and published in the annual budget documents.
- 3.11 The revenue budget that the **Executive** recommends to Council must be based on reasonable estimates of expenditure and income, and take account of:-
- outturn forecasts for the current year;
 - latest projection of income from fees and charges;
 - guidance from the **Section 151 Officer** on the appropriate level of reserves, balances and contingencies; and
 - financial risks associated with proposed budget developments, reductions and ongoing projects as detailed within the required annual directorate risk and robustness statements.

Bidding for External Revenue Funding

- 3.12 If revenue expenditure involves bidding for funds from any external body approval shall be required to agree in principle to the scheme and its financial impact before any formal bid is made to any relevant body.
- 3.13 For any schemes requesting up to £250,000 of external funding and without any match funding requirement, the relevant **Head of Service** shall be required to agree in principle to the scheme and its financial impact before any formal bid is made to any relevant body for any schemes.
- 3.14 For any schemes / projects requesting up to £1,000,000 of external funding, the relevant **Director(s)** and the **Section 151 Officer** shall be required to agree in principle to the scheme and its financial impact before any formal bid is made to any relevant body for any schemes
- 3.15 For schemes / projects requesting funding between £1,000,000 and £5,000,000, the **Executive Member(s)** in consultation with the relevant **Director(s)** and the **Section 151 Officer** shall be required to agree in principle to the scheme and its financial impact before any formal bid is made to any relevant body for any schemes.
- 3.16 For schemes / projects requesting funding between £5,000,000 and £10,000,000, the **Executive** shall be required to agree in principle to the scheme and its financial impact before any formal bid is made to any

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relevant body for any schemes

- 3.17 For schemes requesting funding over £10,000,000, the **Council** shall be required to agree in principle to the scheme and its financial impact before any formal bid is made to any relevant body for any schemes
- 3.18 All bids for revenue funding between £500,000 and £5,000,000 shall be retrospectively reported to the **Executive** for information as part of the corporate budget monitoring reports.
- 3.19 Reference should be made to paragraphs 5.1 to 5.8 of these regulations, which set out the specific reporting requirements for all funding bids.

Definition of Capital Expenditure

- 3.20 Section 16 of the Local Government Act 2003 and Regulation 25 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, provide a definition of capital expenditure.
- 3.21 Capital expenditure is principally in respect of acquiring, constructing or enhancing physical assets (including buildings, land and immovable equipment) which provide benefit over several years. In this instance, enhancement relates to works which are intended to lengthen the useful life of an asset, increase the open market value of the asset or substantially increase the extent to which an asset can be used in the delivery of services.
- 3.22 Capital is also defined more widely for example expenditure on computer software and on the making of loans or grants for capital expenditure by another body.

Capital Budget Setting – General

- 3.23 The **Council** shall set the capital budget of the Council and approve the prudential indicators for the period of the Medium Term Financial Plan and in addition shall at least annually agree the means by which that spending is to be funded in line with relevant financial legislation at that time.
- 3.24 The capital budget shall be for at least one year, but the **Council** shall also have the authority to set budgets for more than one year, subject to identifying corresponding funding.
- 3.25 The **Executive** shall undertake work necessary to draft and propose the capital budget for presentation to **Council** to carry out its responsibilities. This work should take account of:
- forecasts of capital receipts and grants;
 - affordability of prudential borrowing over the period of the council's

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Medium Term Financial Plan.

- 3.26 **Directors** shall provide advice as required by **Executive Members** to enable the capital budget to be drafted for **Council**.
- 3.27 The **Executive Member with responsibility for Finance** shall liaise with the **Section 151 Officer** in considering the capital budget and the underlying financial assumptions within it and advising the **Executive** as appropriate.
- 3.28 The form of information required by the **Executive** to draft the capital budget shall be defined by the **Chief Executive** and the **Section 151 Officer** to ensure consistency of approach.
- 3.29 The timetable for preparation of the capital budget shall be defined by the **Executive Member with responsibility for Finance** and the **Section 151 Officer**.
- 3.30 The budget shall be agreed in such a form that the responsible **Director** as budget holder will be publicly identifiable together with the relevant **Executive Member(s)** and published in the relevant budget documents.
- 3.31 The **Section 151 Officer** shall develop a Capital Programme in line with the requirements of the Council's Asset Management Plans prepared by the **Head of Property and Asset Management**, in conjunction with the **Chief Executive** and **Directors** for the agreement of the **Executive Member with responsibility for Finance** and the **Executive**.
- 3.32 The relevant **Director** shall be responsible for developing asset management plans in relation to directorate functions (e.g. for schools, housing or transport) with the relevant **Executive Member(s)** and working in conjunction with the **Executive Member with responsibility for Finance** and the **Section 151 Officer**.
- 3.33 The Council's Corporate Plan, Capital Investment Strategy, Council Asset Management Plans, Economic Development and Regeneration Strategy and ICT Strategy shall form the basis of the **Executive's** planning for the capital programme and bidding for any externally provided and available funds.

Bidding for external capital funding

- 3.34 If a capital project involves bidding for funds from any external body approval shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body.
- 3.35 For any schemes requesting up to £250,000 of external funding and without any match funding requirement, the relevant **Head of Service**

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shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body for any schemes

- 3.36 For any schemes requesting between £250,000 and £1,000,000 of external funding, the relevant **Director** and the **Section 151 Officer** shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body for any schemes
- 3.37 For schemes requesting funding between £1,000,000 and £5,000,000, the **Executive Member(s)** in consultation with the relevant **Director** and the **Section 151 Officer** shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body for any schemes.
- 3.38 For schemes requesting funding between £5,000,000 and £10,000,000, the **Executive** shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body for any schemes
- 3.39 For schemes requesting funding over £10,000,000, the **Council** shall be required to agree in principle to the scheme and its revenue and capital impact before any formal bid is made to any relevant body for any schemes
- 3.40 All bids for capital funding between £500,000 and £5,000,000 shall be retrospectively reported to the **Executive** for information as part of the corporate budget monitoring reports.
- 3.41 Reference should be made to paragraphs 5.1 to 5.8 of these regulations, which set out the specific reporting requirements for all funding bids.

New Capital Schemes

- 3.42 New capital schemes may be identified during the course of the financial year and gross capital spending may be increased, provided a corresponding increase in income (except use of the Council's general reserves) such as a new grant, Section 106 Agreement, capital receipt, external contributions or other income can be identified. No new capital expenditure may be approved that falls outside the limits of the Council's approved Prudential Borrowing indicators. Subject to the new capital expenditure falling within the approved limits, the following thresholds apply:-
- 3.43 New capital expenditure of up to £500,000 can be approved by the relevant **Director(s)** and the **Section 151 Officer**, provided the corresponding funding is also identified
- 3.44 New capital expenditure of between £500,000 and £1,000,000 can be

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approved by the relevant **Executive Member(s)** and **Director(s)** in consultation with the **Section 151 Officer**, provided that corresponding funding is also identified.

- 3.45 New capital expenditure of between £1,000,000 and £5,000,000 can be approved by the **Executive**, provided that corresponding funding is also identified.
- 3.46 New capital expenditure over £5,000,000 can be approved by the **Council**, provided that corresponding funding is also identified.
- 3.47 All new capital expenditure between £250,000 and £1,000,000 shall be reported retrospectively to the **Executive** as part of the corporate budget monitoring reports.

Alternative Budget Motions

- 3.48 Alternative budget motions and/or budget amendments must be validated by the **Section 151 Officer** before they are accepted as a valid budget motion. This is essential since if an alternative budget motion is approved, the **Section 151 Officer** will need to amend the council tax bills immediately following the Council meeting and **Executive** and officers will be required to implement the detailed budget proposals.
- 3.49 The alternative budget motion must set out the appropriate changes to **Executive's** recommendations as they affect the budget for the forthcoming year and any element of the Medium Term Financial Plan (e.g. balances, full year effects, council tax levels). The **Section 151 Officer** may also require further information to be included if he/she considers it will improve the Council's understanding of the financial implications in the forthcoming or future years.
- 3.50 Any **Member** proposing to put an alternative budget motion to Council is responsible for ensuring it is received by the **Monitoring Officer** in line with the deadline set out in Part 4 of the Constitution. It is also their responsibility to ensure they give the **Section 151 Officer** sufficient time to fully validate their alternative budget proposals.

4 BUDGET MANAGEMENT & MONITORING

Budget Monitoring – Revenue

- 4.1 Once decided by **Council**, those revenue budgets delegated to **Directors** may be spent and income due collected by **Directors** without further reference to the **Executive**, or **Council** or any other political decision-making body, subject to the Council's decision and policy making

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framework and subject to other aspects of these Financial Regulations and Contract Standing Orders.

- 4.2 **Directors** shall be responsible and accountable for control of revenue budgets allocated by the **Council** to them to keep within the budget limit set.
- 4.3 **Directors** may delegate day to day responsibility for the revenue budget to a named **responsible officer** under their line management, as shown in the budget documents.
- 4.4 **Directors** should ensure that their budget managers do not enter into commitments before satisfying themselves there is sufficient approved budget provision.
- 4.5 **Directors** are required to notify the **Section 151 Officer** of all underspends, over-recovery of income or windfall benefits arising within their revenue and capital budgets. Where these occur, it should be assumed that in the first instance such funds be returned to general non-earmarked reserves, unless regulations specify restrictions on their use which make this inappropriate or the underspend, additional income or windfall is to be used to offset uncontrollable overspends elsewhere within the service. Where these exceptions occur, the **Director** is responsible for seeking approval from the **Section 151 Officer**.
- 4.6 **Directors** must notify the **Section 151 Officer** of forecast revenue or capital budget variances greater than the limits set by the **Section 151 Officer** regardless of whether offsetting savings or additional income or capital resources have been identified.
- 4.7 Having notified the **Section 151 Officer** of a forecast revenue budget variance, the **Director** must submit proposals where appropriate to the **Section 151 Officer** for offsetting any forecast overspend, together with an assessment of the impact these corrective actions will have on service delivery and performance targets. Approval to these budget variations will be in line with the Scheme of Virement (see "Revenue Budget Changes and Transfers" paragraph 4.20 and 4.21 below).
- 4.8 When notifying the **Section 151 Officer** of such a situation, **Directors** must advise if the problem relates solely to the current financial year or needs to be addressed within the Medium Term Financial Plan as well.
- 4.9 Some services or projects within the Council's budget and capital programme may be wholly or part funded by time-limited external funding. As soon as the possibility of expenditure slipping past the funding deadline is forecast, the nominated budget holder must notify the **Section 151 Officer** immediately, and provide options for reducing expenditure and/or identifying alternative funding.

- 4.10 The **responsible officer** for each budget shall monitor any decisions with a financial impact and the consequence for spending against the budget every month and project annual spending to keep within the budget limit set. The **responsible officer** shall report any projected variance to the relevant **Director** as soon as such a judgement can be made.
- 4.11 **Directors** shall report spending against their budgets to the relevant **Executive Member(s)** on a monthly basis, with a projection of the annual spend, every month from June of each year onwards, together with an annual summary at the year end with an explanation of significant variances from the budget.
- 4.12 The **Executive Member with responsibility for Finance** and the **Section 151 Officer** shall review spending against the revenue budget and the projection of annual spend for all budgets each month from June of each year onwards and report to the **Executive** accordingly.
- 4.13 The **Executive** shall review the revenue budget monthly where the Municipal Calendar allows, and will be responsible for agreeing action, including the responsible **Executive Member** and **Director** to take such action, to rectify potential variances.
- 4.14 The **Executive Member with responsibility for Finance** and the **Section 151 Officer** may authorise changes to the revenue budget in an emergency without reference to the **Executive** or **Council**, subject to reporting of such action at the next available opportunity to the **Executive**. Emergency defined as potential serious injury or risk to human life, substantial property damage, financial loss or other circumstance deemed appropriate by the **Section 151 Officer**.
- 4.15 The **Executive** shall be authorised to permit up to 50% of any total directorate budget underspends to be transferred to a specific reserve, at the control of an **Executive Member**, for spending on the relevant service in the following year on one-off items. The **Section 151 Officer's** approval for any such transfer must be obtained prior to requesting **Executive** approval. The **Executive** shall take into consideration overall spending against the budget for the whole Council in making such a decision and the future revenue cost implications.
- 4.16 Any decision which is not within the Council's policy framework, with or without financial consequences, even if that change can be contained in existing revenue budgets, can only be decided by **Council**. The **Council** shall define a procedure to decide whether a decision is within the existing policy framework of the Council which shall be the responsibility of the **Monitoring Officer** to administer.
- 4.17 If the **Executive** proposes a change to the Council's policy framework any such recommendation to **Council** shall show the financial consequences of such a change on the current year's revenue budget

and future years (if different), even if there is no financial effect.

- 4.18 Any proposed decision which would increase the Council's overall net revenue budget, irrespective of the policy issues, can only be decided by **Council**.
- 4.19 The **Council** shall be authorised to increase net spending during the course of a financial year, on the recommendation of the **Executive** and the **Section 151 Officer**.

Revenue Budget Changes and Transfers

- 4.20 Virements of existing budgets are permissible provided the gross revenue expenditure budget of the council is not increased and subject to the following limitations. Where the virement involves more than one directorate, the agreement of all involved Heads of Service / Directors / Executive Members is required.
- **Heads of service** can approve virements between budgets up to a value of £250,000;
 - **Directors with the Section 151 Officer** can approve virements between budgets between £250,000 and £500,000
 - **Executive Members with the Section 151 Officer** can approve virements between budget between £500,000 and £1,000,000.
 - The **Executive** can approve virements between budgets between £1,000,000 and £5,000,000
 - The **Council** can approve virements between budgets of over £5,000,000
 - All virements between £250,000 and £1,000,000 shall be retrospectively reported to the **Executive** as part of the corporate budget monitoring reports.
- 4.21 The council's gross revenue expenditure budget may be increased by bringing in funding from additional income, savings, grant or earmarked reserves, provided the net revenue budget of the council is not increased and subject to the following limitations:
- **Heads of Services** can approve increases in gross revenue budget up to a value of £100,000, provided that no funding from corporate resources is required
 - **Directors** with the **Section 151 Officer** can approve increase in gross revenue budget between £100,000 and £500,000
 - **Executive Members** in consultation with the **Section 151 Officer**, can approve increases in gross revenue budget between £500,000 and £1,000,000
 - the **Executive** can approve increases in gross revenue expenditure of between 1,000,000 and £5,000,000; and

- the **Council** can approve increases in gross revenue budget above £5,000,000.
- All increases in gross budget between £250,000 and £1,000,000 shall be retrospectively reported to the **Executive** as part of the corporate budget monitoring reports.

4.21a The s151 Officer may authorise exemptions from the approval limits for technical virements and budget changes in paragraphs 4.20 and 4.21 where they have no material impact on the nature or substance of previously agreed income and expenditure, with all those over £250,000 being reported respectively to the Executive”.

Budget Monitoring – Capital

- 4.22 Once decided by **Council**, or other delegated decision makers in year, the capital budget may be spent by **Directors** without further reference to the **Executive or Council** or any other political decision-making body and subject to the policy framework of the Council, other aspects of this Framework and Contract Standing Orders. Under no circumstances shall any capital project proceed, or any contractual commitments be entered into, without the permission of **Council**, the **Executive** or other delegated decision maker, through the relevant capital budget setting processes described in paragraphs 3.38 to 3.43.
- 4.23 **Directors** shall be responsible for accounting for all financial transactions of officers under their control, for ensuring the accuracy, completeness and retention of records of such transactions and for systems of internal control to ensure that resources are effectively used in pursuing the Council's aims and objectives.
- 4.24 **Directors** shall be responsible and accountable for control of capital budgets and projects allocated by the **Council** to them and keep within the budget limit set.
- 4.25 **Directors** may delegate day-to-day responsibility for their capital budget and any capital projects to a named responsible officer under their line management. The responsible officer for each project shall follow the Council's Contract Standing Orders for any required contracting or procurement exercise relevant to the capital project and shall manage the resultant contract(s) appropriately to deliver the project.
- 4.26 The **responsible officer** for each budget shall monitor their actions and their financial consequences every month to keep within the budget limit set for the project under their control.
- 4.27 The **responsible officer** shall report any projected variance against the budget to the relevant **Director** as soon as such a judgement can be made in order for the **Section 151 Officer** to review the funding situation.

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- 4.28 **Directors** shall report spending against their budgets on a monthly basis, with a projection of the annual and project spend, every month from June of each year onwards.
- 4.29 **The Leader of the Council or nominated Executive Member** and the **Section 151 Officer** shall review spending against the capital budget and the projection of annual/project spend for all budgets each month from June of each year onwards and report to **Executive** accordingly.
- 4.30 The **Executive** shall review the capital budget monthly where the Municipal Calendar allows and shall be responsible for agreeing action, including the relevant **Executive Member** and **Director** to take such action, to rectify potential variances or project slippage which could cause loss of resources.
- 4.31 **The Leader of the Council or nominated Executive Member** and the **Section 151 Officer** may authorise changes to the capital programme in an emergency without reference to the **Executive** or **Council**, Subject to reporting of such action at the next available opportunity to the **Executive**. Emergency defined as potential serious injury or risk to human life, substantial property damage, financial loss or other circumstance deemed appropriate by the **Section 151 Officer**.
- 4.32 Forecast variances on approved capital projects must be communicated to the **Section 151 Officer** immediately.
- 4.33 Having notified the **Section 151 Officer**, the **Director or Head of Service** must submit options to the **Section 151 Officer** for offsetting the forecast variance (e.g. by reducing the project specification, or budget for other projects) and/or identifying additional funding.

Capital Budget Changes and Transfers

- 4.34 Virements of existing capital budgets between approved projects / schemes are permissible subject to the advice of the **Section 151 Officer** on any required changes to funding and subject to the following limitations. Where the virement involves more than one directorate, the agreement of all involved Directors / Executive Members is required.
- **Directors** with the **Section 151 Officer** can approve virements between budgets to a maximum of £500,000;
 - **Executive Members** in consultation with the **Section 151 Officer** can approve virements between £500,000 and £1,000,000
 - virements within the capital budget of between £1,000,000 and £5,000,000 shall be decided by **Executive**; and
 - virements over £5,000,000 shall only be decided by **Council**.

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- All virements between £250,000 and £1,000,000 shall be retrospectively reported to the **Executive** as part of the corporate budget monitoring reports.
- 4.35 Increases or changes to capital schemes are permissible subject to the funding impacts being identified and subject to the following limitations:
- **Directors** with the **Section 151 Officer** can approve changes to capital budgets up to a maximum of £500,000;
 - **Executive Members** in consultation with the **Section 151 Officer** can approve changes between £500,000 and £1,000,000
 - changes to the capital budget of between £1,000,000 and £5,000,000 shall be decided by **Executive**; and
 - changes over £5,000,000 shall only be decided by **Council**.
 - All changes between £250,000 and £1,000,000 shall be retrospectively reported to the Executive as part of the corporate budget monitoring reports
 - All changes that fall outside the limits of the Council's approved Prudential Borrowing indicators, must be approved by **Council**
- 4.36 **Executive** approval is required for the reprofiling across years of a capital scheme's budget, or for a carry-forward of capital budgets at the end of the financial year.

Authorisation of Non-Budgeted Expenditure

- 4.37 In cases of urgency or emergency, the **Chief Executive** in consultation with the **Section 151 Officer** may approve revenue or capital expenditure in excess of the latest approved budget.
- 4.38 The **Section 151 Officer** may approve revenue or capital expenditure not provided for within the latest approved budget if satisfied that:-
- the expenditure is wholly reimbursable to the Council; or
 - compensatory savings have been identified; and
 - there are no significant full year effects.
- 4.39 In all circumstances, the expenditure must be consistent with the Corporate Plan and key priority plans and should be reported to the next **Executive** meeting.

5 FURTHER RESPONSIBILITIES OF DIRECTORS AND HEADS OF SERVICE

External Funding

- 5.1 **Directors**, in consultation with the **Section 151 Officer**, are encouraged to explore all feasible options that maximise external funding available to the

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Council. External funding covers bids to Government and other organisations that are offering funding for projects that meet certain criteria. It also covers contributions being sought from participating organisations and individuals, from either public or private sources. This may include lobbying Government with new funding proposals. Paragraphs 3.12 to 3.19 and 3.34 to 3.41 cover the approval levels applicable for schemes to be approved in principle before any bid for funding is made.

- 5.2 In fulfilling the provisions detailed in paragraphs 3.12 to 3.19 and 3.34 to 3.41, decisions to make funding bids must contain the following information:-
- how the bid supports achievement of Corporate Plan ambitions;
 - whether the bid is for capital and/or revenue funding;
 - revenue and capital matched funding contributions required from the Council, and how these will be identified;
 - revenue and capital matched funding contributions required from other organisations and individuals, how these amounts will be secured, and the risks associated with them;
 - an 'exit strategy', which sets out how budgets will be adjusted after the grant expires;
 - where the bid is for revenue funding:-
 - whether this is to support existing levels of activity or enhanced / new activities;
 - proposals for reducing the activity OR incorporating it in the base budget once the external funding is exhausted;
 - where the bid is for capital funding:-
 - whether an asset will be created, and if so, how this fits in with the Council's Asset Management Strategy;
 - how the ongoing cost of maintaining the asset will be funded;
 - whether the asset can / will be disposed of at a later date
- 5.3 **Directors and Heads of Service** must not commit expenditure on projects requiring matched funding contributions until the external funding has been confirmed, unless approval has been given by the **Section 151 Officer** and subject to the other approvals required as part of the Financial Regulations.
- 5.4 Decisions to proceed ahead of confirming external funding will be taken after assessing all relevant risks. The **Section 151 Officer** has the right to refer the decision to the **Executive** or **Executive Member with responsibility for Finance**.
- 5.5 **Directors and Heads of Service** must advise the **Section 151 Officer** of all grant and subsidy notifications as soon as they are received. Where the amount notified is greater than the budget, the excess will be deemed a windfall and should in the first instance be returned to the general non-earmarked reserves unless regulations specify restrictions on their use which make this inappropriate or the underspend, additional income or windfall is to be used to offset uncontrollable overspends elsewhere within

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the service. Where the amount notified is less than the budget, the **Director or Head of Service** must notify the **Section 151 Officer** of options for containing any potential variance.

- 5.6 Where external funding is applied for, it is the responsibility of the **Director or Head of Service** to ensure that the monies are received from the paying body and, wherever possible, received ahead of the planned expenditure being incurred by the council.
- 5.7 **Directors and Heads of Service** must advise the **Section 151 Officer** of the grant terms and conditions as soon as they are received. The **Section 151 Officer** will be responsible for accepting, or otherwise, the terms and conditions to be applied to the receipt of the grant or funding.
- 5.8 **Directors and Heads of Service** (and the **Head of Internal Audit** if Internal Audit sign off is required) must ensure that all conditions associated with external funding are met and that information and evidence required to complete grant and subsidy claims are provided on time and in sufficient detail to satisfy the requirements of the **Section 151 Officer** and the external funding body.

Full Year Effects

- 5.9 In preparing any estimates of expenditure and income, **Directors and Heads of Service** must give proper consideration to full year effects and future years' effects.

Control of Establishment Lists

Directors and Heads of Service are responsible for making arrangements to ensure control of the service HR Establishment list. In particular to ensure that proper controls are in place to ensure that the service HR structure is fully and accurately maintained in the Council's HR System iTRENT and that a system of control is in place to ensure that no new posts are created without adequate resources being in place and without the prior approval of the **Head of Performance, Improvement and Human Resources**.

Impact on Other Services

- 5.10 Before a **Director or Head of Service** makes a decision that could affect the budget of another **Director or Head of Service** they must first consult with the other **Director(s) or Head(s) of Service** and, if it is established that there is a financial impact, the decision must be agreed by the impacted **Director / Head of Service**.

Annual Governance Statement

- 5.11 **Directors and Heads of Service** must support the work on corporate risk management led by the **Section 151 Officer**, contributing to the production of the Annual Governance Statement. **The Audit Committee, the Monitoring Officer** and **Section 151 Officer** will sign off the Annual Governance Statement and its requirements prior to the statement being presented to the **Chief Executive** and **Leader of Council** for final approval and signature.

Partnership Working

- 5.12 Before entering into a partnership with another organisation that involves pooling some of the Council's revenue and/or capital budgets, the **Director or Head of Service** must ensure that adequate financial controls are in place in liaison with the **Section 151 Officer**. A financial risk assessment must also be prepared and monitored over time.

General Requirements

- 5.13 **Directors and Heads of Service** must consult the **Section 151 Officer** at an early stage on any current or future matter or decision that has financial implications that could impact on the Medium Term Financial Plan.
- 5.14 **Directors and Heads of Service** must adhere to guidance issued by the **Section 151 Officer** in respect to financial forward planning, budget setting, budget monitoring and closing of the accounts.
- 5.15 **Directors** must ensure that decision sheets that contain financial implications either in the current year or future financial years are forwarded to the **Section 151 Officer** for comment and clearance, prior to publication in line with the financial thresholds set out in the revenue and capital budgets sections of these regulations.
- 5.16 When preparing any decision notice, **Directors** and **Heads of Service** must make clear the financial implications of the decision that is being proposed. This must include proposed changes to revenue and capital expenditure and funding in current and future years, including the full year impact of the decision. Reports should include the estimated expenditure prior to the decision and subsequent to the decision, with details of the relevant cost codes. Links with expenditure and savings plans illustrated in the Medium Term Financial Plan must also be shown. Where reports / decision notices have proposed financial consequences of £50,000 or over, advice must be sought from the **Section 151 Officer**.

Loans and Financial Guarantees

- 5.17 Loans and financial guarantees to third parties are subject to the

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following approval limits:

- **Directors** with the **Section 151 Officer** may approve loans and or financial guarantees up to the value of £100,000
- **Executive Members** in consultation with the **Section 151 Officer** may approve loans and or financial guarantees between £100,000 and £250,000
- The **Executive** may approve loans and or financial guarantees between £250,000 and £1,000,000
- The **Council** may approve loans and or financial guarantees over £1,000,000

6 CLOSING OF ACCOUNTS & STATEMENT OF ACCOUNTS

- 6.1 The **Section 151 Officer** is responsible for planning for closing the accounts and producing the annual Statement of Accounts, as well as all matters relating to their audit and public inspection. **Directors** are responsible for ensuring that they and their staff adhere to the timetable and requirements set out by the **Section 151 Officer**.
- 6.2 The **Council** is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2011, which are required to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and the Service Reporting Code of Practice (SeRCOP), both updated annually and supported by International Financial Reporting Standards (IFRS).
- 6.3 **Directors and Heads of Service** must provide on time all information and evidence the **Section 151 Officer** requires to close the accounts and complete all grant and subsidy claims.
- 6.4 The Annual Audit Letter includes the **external auditor's** report and opinion on the audit of the accounts, as well as comments and recommendations on the Council's financial standing, the legality of financial transactions and internal control. This will be reported each year to the **Audit Committee** or **Council**, together with an appropriate action plan.
- 6.5 The **Section 151 Officer** shall decide on any required accounting policies and publish those policies required, and any changes to them, in the annual Statement of Accounts.
- 6.6 The audited Statement of Accounts shall be approved by the **Executive, Council** or **Audit Committee** in accordance with the required legislative timetable.

7 TREASURY MANAGEMENT FRAMEWORK

- 7.1 The **Council** adopts the key recommendations contained in "The

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Prudential Code for Capital Finance in Local Authorities (CIPFA, 2011), "Treasury Management in the Public Services: Code of Practice and cross sectoral guidance notes (CIPFA, 2011) and any subsequent recommended good practice by CIPFA.

- 7.2 The **Executive** shall agree a Treasury Management Policy and annual strategy to cover overall management of investments, cash flow management, banking arrangements and contracts, borrowing and capital financing arrangements on the basis of advice from the **Section 151 Officer** and report to **Council** accordingly. The **Section 151 Officer** will create and maintain suitable Treasury Management Practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities. The content of the strategy and TMPs will predominantly follow the recommendations contained in Section 6 and 7 of the CIPFA Code, subject only to amendment where necessary to reflect the particular circumstances of the organisation. Such amendments will not result in the Council materially deviating from the Code's key recommendations.
- 7.3 **The Council** will ensure that regular reports are prepared for consideration by the **Executive Member with responsibility for Finance** and **Executive** on the implementation of its treasury management policies; on the effects of decisions taken and the transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.
- 7.4 As a minimum, the **Executive** will receive:
- An annual report on the strategy and plan to be pursued in the coming year
 - Both an annual, and also a mid-year report, on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the Council's Treasury Management Strategy and TMPs.

SUMMARY OF FINANCIAL REGULATIONS THRESHOLDS												
Budget Area	Revenue		3	Capital		Bids for Funding		Loans	Assets			
Ref	1	2		4	4	6	7	8	9	10	11	
Nature of Transaction	Budget transfers / virements (all)	Increasing gross revenue budget	New Capital Expenditure	Budget transfers / virements (all)	Increase gross capital budget	Submission of bids for capital funding	Submission of bids for revenue funding	Loans and Financial Guarantees	Purchase / transfer of assets / leases	Sale / disposal / transfer of assets / leases	Commercial Property Investment	
Financial Regulations Reference	PART ONE - FINANCIAL MANAGEMENT							PART TWO - FINANCIAL ADMINISTRATION				
	4.20	4.21	3.42 - 3.47	4.34	4.35	3.34 - 3.41 and 5.2	3.12 - 3.19 and 5.2	5.17	18.1 - 18.7	19.1 - 19.6	19.9	
Notes	Virement of existing budgets under the responsibility of one or more directors with no increase in gross revenue expenditure budget	Increasing gross revenue budget with financing from income, savings, grant or reserves and no increase in net revenue budget	New in-year capital budgets with funding within the Council's approved Prudential Indicators	Virement of existing budgets under the responsibility of one or more directors with no increase in gross revenue expenditure budget	Increases / changes to approved capital schemes as a result of budget variances, with changes to funding	Submission of bids for external capital funding - in principle agreement to the scheme and its revenue and capital impact	Submission of bids for external revenue funding - in principle agreement to the scheme and its financial impact	Approval of new loans and financial guarantees to third parties	Approvals of land, property or asset purchase / transfer / acquisition	Approvals of land, property or asset sale / transfer / disposal	Approvals of investment in property / assets from the Commercial Investment Fund	
Approval Levels												
Heads of Services	Heads of Service for all the involved services - up to £250,000	Up to £100,000 (with no call on corporate resources)				Up to £250,000 and without any match funding requirements	Up to £250,000 and without any match funding requirements					
s151 Officer									Value / whole life rent of up to £500,000	Value / whole life rent of up to £500,000		
Director(s) and s151	Directors of the all involved Directorates, plus s151 - £250,000 to £500,000	£100,000 to £500,000	Up to £500,000	Directors of the all involved Directorates, plus s151 - up to £500,000	Up to £500,000	£250,000 to £1,000,000	£250,000 to £1,000,000	Up to £100,000				
Executive Member(s) (plus Director and s151)	Executive Members for all portfolios involved, plus Directors and s151 - £500,000 to £1,000,000	£500,000 to £1,000,000	£500,000 to £1,000,000	Executive Members for all portfolios involved, plus Directors and s151 - up to £1,000,000	£500,000 to £1,000,000	£1,000,000 to £5,000,000	£1,000,000 to £5,000,000	£100,000 to £250,000	Value / whole life rent of £500,000 to £1,000,000	Value / whole life rent of £500,000 to £1,000,000	Up to £1,000,000	
Retrospective report to Executive for information (Quarterly)	£250,000 to £1,000,000	£250,000 to £1,000,000	£250,000 to £1,000,000	£250,000 to £1,000,000	£250,000 to £1,000,000	£500,000 to £5,000,000	£500,000 to £5,000,000		Value / whole life rent of £500,000 to £1,000,000	Value / whole life rent of £500,000 to £1,000,000	Up to £1,000,000	
Executive	£1,000,000 to £5,000,000	£1,000,000 to £5,000,000	£1,000,000 to £5,000,000	£1,000,000 to £5,000,000	£1,000,000 to £5,000,000	£5,000,000 to £10,000,000	£5,000,000 to £10,000,000	£250,000 to £1,000,000	Value / whole life rent of £1,000,000 to £5,000,000	Value / whole life rent of £1,000,000 to £5,000,000	£1,000,000 to £5,000,000	
Council	Over £5,000,000	Over £5,000,000	Over £5,000,000	Over £5,000,000	Over £5,000,000	Over £10,000,000	Over £10,000,000	Over £1,000,000	Value / whole life rent of over £5,000,000 and any CPOs regardless of value	Value / whole life rent of over £5,000,000	Over £5,000,000	

Part 2 – Financial Administration

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1. INTRODUCTION

- 1.1 These Financial Rules apply to all financial transactions of the Council with the exception of schools with delegated budgets, who are required to have their own set of financial regulations.
- 1.2 They are designed to safeguard the interests of the Council and individual officers by setting out clear procedures to be followed under the various sections.
- 1.3 This should be used in conjunction with other points of the constitution, legal requirements and other codes of practice which may be issued under 1.5 of this section.

1.4 The **Section 151 Officer** or **Head of Internal Audit**, after discussion with the relevant Chief Officer, may report any breach of this Code to the **Executive**.

1.5 These Financial Rules may be supplemented at any time by other codes of practice or instructions issued by the **Section 151 Officer**.

2. FINANCIAL SYSTEMS

2.1 The **Section 151 Officer** shall establish all relevant corporate financial systems to enable the Council to maintain proper standards of financial administration and probity.

2.2 **Directors** shall be responsible for the accuracy and completeness of financial information held in operational systems under their control and the completeness of information transferred to corporate financial systems from systems under their control.

2.3 The **Section 151 Officer** shall ensure there are relevant procedures to ensure the integrity and completeness of interfaces between the Council's financial systems.

2.4 **Directors** shall be responsible for retaining records of financial transactions for an appropriate time after the transactions take place. Advice on record retention shall be provided by the **Head of Internal Audit** in consultation with the council's **Information Governance Group** as time limits may apply to specific sets of records.

3. INTERNAL AUDIT

3.1 Under the Accounts and Audit Regulations 2011 the **Council** has a statutory obligation to have an adequate and effective system of internal audit.

3.2 Internal Audit is an assurance function that provides 'an independent and objective opinion to the council on the control environment, by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources'. *CIPFA 2006*

3.3 **Directors** are responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit plays a vital part in advising the organisation that these arrangements are in place and operating properly. The annual internal audit opinion, which informs the Annual Governance Statement, both emphasises and reflects the importance of this aspect of

internal audit work. Management's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

- 3.4 The **Head of Internal Audit** and **Section 151 Officer** shall advise on systems of internal control at the request of Directors who are advised to consult as a matter of course in their considerations.
- 3.5 The **Audit Committee** shall approve an Internal Audit Strategy and Plan, including a definition of its role, an annual audit plan and any relevant internal audit policy, on the basis of advice from the **Section 151 Officer**, specifically to review internal control in the Council.
- 3.6 As part of the internal reporting structure, the **Head of Internal Audit** will advise the **Statutory Officers Group** of key findings and recommendations. The **Statutory Officers Group** will comprise at least the **Chief Executive**, the **Monitoring Officer** and the **Section 151 Officer**.
- 3.7 The **Section 151 Officer** and **Head of Internal Audit** shall deliver the Internal Audit Plan as agreed by the **Audit Committee**.
- 3.8 The **Section 151 Officer** and **Head of Internal Audit** shall define a means for judging the importance of recommendations, including a definition of a high priority recommendation which shall be used for reporting findings to the **Audit Committee**.
- 3.9 The **Section 151 Officer** and **Head of Internal Audit** shall have unrestricted access to all records, property, officers or any other resource of the Council and its contractors of any nature and shall be given access immediately it is requested.
- 3.10 The **Head of Internal Audit** shall agree the results of individual audit reviews with relevant **Director(s)** or their officers, including an action plan to rectify issues raised and a process for following up the action agreed to ensure it is implemented.
- 3.11 Any disagreement between **Directors** and the **Head of Internal Audit** over a matter judged to be fundamental shall be referred to the **Section 151 Officer** for further discussion and action. Any disagreement between the **Head of Internal Audit** and the **Section 151 Officer** in his/her role as **Director of Corporate Services** shall be initially referred to the **Deputy Section 151 Officer** for consideration. Ultimately the **Head of Internal Audit** can refer any unresolved issue to the **Chief Executive**.
- 3.12 The **Section 151 Officer** shall report any high priority recommendations arising from Internal Audit reviews and action agreed by **Directors** to the **Audit Committee** as appropriate to the level and seriousness of the issue, but at least annually.

3.13 The **Section 151 Officer** and **Head of Internal Audit** shall develop an Annual Assurance Statement for the **Audit Committee** to place reliance on integrity and completeness of the Council's financial systems and statements.

4. ANTI-FRAUD

4.1 Under Section 151 of the Local Government Act 1972 the Council has a statutory obligation to ensure the protection of public funds and to have an effective system of prevention and detection of fraud and corruption.

4.2 The **Executive** shall agree an Anti-Fraud and Corruption Policy for officers, members and the public, including consideration of receipt and acceptance of gifts, hospitality and promotional offers on the advice of the **Monitoring Officer** and **Section 151 Officer**.

4.3 The **Audit Committee** shall agree an annual Anti-Fraud work programme for Internal Audit and consider any high priority recommendations arising from that work.

4.4 The **Executive** shall agree procedures for the authorisation of surveillance work required by the **Section 151 Officer** and/or **Head of Internal Audit** which shall comply with any relevant legislation on Human Rights or similar matters as advised by the **Monitoring Officer**.

5. RISK MANAGEMENT

5.1 Sound governance requires effective and efficient management of risk and maximising opportunities, covering all forms of risk, not just financial.

5.2 The process of identifying risks should demonstrate a direct link to the Corporate Objectives.

5.3 Risks are assessed using the matrix scoring system which rates each risk as having a high, medium or low likelihood of occurring and a high, medium or low impact on the ability to deliver against the Corporate Objectives.

5.4 All risks should be monitored and re-assessed based on the actions and activities that either mitigate the risk or have had an impact on the risk objective that has either increased or decreased the likelihood or impact.

5.5 The process of re-assessing the risk is conducted by the "lead officer" who is identified in the risk log, and accepted by the **Director or Head of Service**.

- 5.6 The approach to risk management within the Council is that **Directors and Heads of Service** are responsible for ensuring their service has a robust and efficient method of managing risk.
- 5.7 The **Audit Committee** shall agree a Risk Management Strategy and a Risk Management Methodology for the Council on the basis of advice from the **Section 151 Officer**.
- 5.8 The **Section 151 Officer** shall set out procedures for **Directors** to ensure that risks (threats and opportunities) are notified promptly and shall respond to those notifications by advising on the risk control measures to manage the risks as appropriate within the Risk Management Strategy.
- 5.9 The **Section 151 Officer** shall be responsible for all strategic risk management arrangements including identification, evaluation, control and review of risks (threats and opportunities), the maintenance of risk registers and the provision of appropriate guidance for Members, Directors and Officers in respect of risk management in decision making, service planning, project management, procurement and Internal Audit.
- 5.10 The **Section 151 Officer** shall define a means for judging the significance of risks (threats and opportunities), including the definition of threats and opportunities and the Council's appetite to risk, which shall be used for reporting risks to Members.
- 5.11 The **Section 151 Officer** shall report all strategic risks (threats and opportunities) to the **Corporate Management Team**, the **Audit Committee** and the **Executive** as appropriate.

6. **BANKING ARRANGEMENTS**

- 6.1 All banking arrangements shall be organised by the **Section 151 Officer** who may open, close, operate, define, amend or in any other way change such banking accounts as are considered necessary to operate the Council's business and who shall define appropriate procedures for the control of cheques, overdrafts, signatures, foreign currency transactions and any other banking matter. All accounts are to bear the Council's name and under no circumstances to bear the name of any individual officer or Member.
- 6.2 Under no circumstances are any other officers of the Council authorised to open, close or amend bank accounts, building society or any other financial institution account unless delegated to do so by the **Section 151 Officer**.
- 6.3 The **Section 151 Officer** shall ensure that all bank accounts of the Council are reconciled with appropriate accounting records at least monthly.

- 6.4 The **Section 151 Officer** shall be authorised to issue credit and purchasing cards on the Council's bank accounts and procedures for their operation where considered appropriate for the efficient operation of the Council's business.
- 6.5 The **Section 151 Officer** shall issue procedures for all relevant officers on accounting for, and banking of, all income collected.
- 6.6 All income collected for the Council by officers (or any other parties) shall be banked as soon as possible into one of the Council's bank accounts and under no circumstances should any Council monies be paid into personal or other accounts.

7. INCOME COLLECTION, FEES AND CHARGES (GENERAL PROVISIONS)

7.1 Statutory Fees and Charges

Where the level of fees and charges are regulated by primary and secondary legislation (e.g. planning applications), no additional approval is required.

7.2 Local Fees and Charges

Changes to charges and proposed new charges should take account of the Council's income principles and guidance for determining fees and charges. The following limits apply

Decision maker	Estimated additional / reduced income (per annum)		Increase / decrease in charge
Director	Up to £100,000	OR	Up to and including 5%
Executive Member	Up to £300,000	OR	Over 5% and up to 10%
Executive	£300,000 or over	OR	Over 10%

Exceptions

The relevant Director(s) shall agree, on an appropriate ad-hoc basis, fees, charges, tariffs or other means of setting prices where the nature of the business is such that a flexible pricing policy is required. The areas of such flexibility are to be agreed with the relevant Executive Member.

All changes to car parking charges shall be subject to approval by the Executive.

7.3 The relevant **Director(s)** shall ensure that all income due to the Council is requested and collected as soon as is possible and levied in accordance with the price levels agreed by the **Executive Member(s)** and **Executive**.

7.4 **Directors** shall decide how the income concerned should be best collected, receipted and recorded in accordance with procedures issued by the **Section 151 Officer** and on the advice of the **Head of Internal Audit**.

8. ISSUING OF INVOICES

8.1 The **Section 151 Officer** shall set out procedures for **Directors** to be able to issue invoices to debtors of the Council.

8.2 Where an invoice is to be issued, **Directors** shall request the issue of an invoice as soon as it is possible for the Council to charge.

8.3 The **Section 151 Officer** shall issue invoices requested as soon as possible after a request is received and shall decide on appropriate procedures to chase payments due and shall take all reasonable steps to ensure monies due are collected.

8.4 All debt must be collected in accordance with the Council's Debt Recovery Policy.

8.5 The **Section 151 Officer** shall issue procedures for the issue of debtors' invoices at the year-end and accounting for such invoices in the Statement of Accounts of the Council.

8.6 After all appropriate steps have been taken by the **Section 151 Officer**, sums owing may be written off by the **Section 151 Officer** up to the sum of £10,000 for any one debt.

8.7 The **Executive Member with responsibility for Finance** shall have the power to write off debts due over the value of £10,000, on the advice of the **Section 151 Officer**. Any debt requiring write off over £100,000 shall be required to be reported to **Audit Committee** at the earliest opportunity.

8.8 In the event that sundry debts cannot be collected and are written off using the approval systems then the sum in question shall be written back to the budget which was originally credited with the income to be collected.

8.9 The **Section 151 Officer** shall be authorised to agree the level of bad debt provision to be included in the annual Statement of Accounts.

8.10 Income due to the Council arising from any legal agreement, contract or sale of fixed assets shall only be finalised after approval of the legal agreement by the **Monitoring Officer**.

9. CASH HANDLING

- 9.1 **Directors** shall be responsible for ensuring that any service under their control which involves charging users of the service and immediate payment in cash (or other means such as cheque, credit card, etc) has appropriate procedures to receive, record, account for, transfer, handle and bank such cash and that such procedures are followed.
- 9.2 The **Head of Internal Audit** shall advise **Directors** as appropriate on the procedures adopted, or to be adopted, for the handling of cash and acceptable means of payment to the Council under these circumstances.
- 9.3 The **Section 151 Officer** shall arrange means by which cash can be banked into the Council's bank accounts and correctly recorded and shall issue procedures in this regard.
- 9.4 In all circumstances total cash received shall be banked in full as it is received and as soon as is appropriate to the volume being held.
- 9.5 The **Section 151 Officer** shall arrange a means by which any debtor of the Council can pay any amount owing by accessible means, including in person at the Council's offices during office hours.
- 9.6 The **Section 151 Officer** shall arrange suitable safeguards for all payment streams including security for, and transport of, cash received at offices of the Council.
- 9.7 In the case of cash holdings, **Directors** shall establish a maximum amount to be held by officers under their control. The **Head of Internal Audit** shall provide advice to **Directors** on appropriate safeguards, the use of safes and receptacles, together with procedures for the handling of cash and the operation of safes.

10. PETTY CASH & IMPREST ACCOUNTS

- 10.1 The **Section 151 Officer** shall set out procedures for the operation of petty cash and imprest accounts which shall be followed by officers of the Council.
- 10.2 **Directors** may request the creation of petty cash or imprest accounts for any of the officers under their line management which the **Section 151 Officer** shall create.
- 10.3 The Commissioning, Contracting and Funding Team, CYPS Resources Service has arranged Purchase cards accounts for Schools with the Council's

bankers, on which cards can be issued to named individuals, where a need can be justified. This process will require specific approval of the Head Teacher or the Chair of Governors and the Commissioning, Contracting and Funding Manager before the card can be issued.

10.4 The issue of such cards within the Council should only be done with the prior approval of the **Head of Internal Audit**.

11. MINOR ASSET SALES

11.1 **Directors** shall be authorised to dispose of any item which is not land or buildings (as defined) and where the estimated disposal value is less than £10,000 shall follow the procedures for such disposals as set out in Part C of the Contract Standing Orders.

11.2 Where the estimated disposal value is over £10,000 advice must be sought from the **Head of Internal Audit** or the **Section 151 Officer**, who shall recommend an appropriate disposal method for submission to the relevant **Executive Member**.

12. INSURANCE

12.1 The **Section 151 Officer** shall agree an Insurance & Risk Management Policy for the Council which shall include the approach to be adopted by the Council to insuring against potential risks.

12.2 The **Section 151 Officer** shall set out procedures for **Directors** to ensure that risks are notified promptly and shall respond to those notifications by insuring against such risks as appropriate within the Insurance & Risk Management Policy.

12.3 The **Section 151 Officer** shall be responsible for all central insurance arrangements including arranging insurance cover, maintaining records, paying premiums, holding policy documents and handling claims.

12.4 The **Section 151 Officer** shall administer the Council's Insurance Fund on the basis of the Insurance & Risk Management Policy of the Council, subject to an annual review by the **Executive Member with responsibility for Finance**.

12.5 **Directors** shall notify the **Section 151 Officer** of any potential, likely or actual claim on the insurance immediately they are aware of such claims; no admission of liability shall be made in any circumstances. Any individual claims for more than £100,000 shall be notified to the **Executive Member with responsibility for Finance**.

12.6 If the Council is requested to insure any third party, individual or organisation not directly employed or related to the Council, or directly conducting Council business, then the **Section 151 Officer** shall be authorised to make any such indemnification as is judged reasonable in the circumstances or to refuse to make any such cover.

13. RESERVES, FUNDS & PROVISIONS

13.1 The **Section 151 Officer** shall be authorised to create, amend, close, or in any other way administer reserves, funds and provisions as considered appropriate for the benefit of the Council.

13.2 Prior to the publication of the annual unaudited Statement of Accounts, the **Executive Member with responsibility for Finance** shall review the Council's reserves, funds and provisions annually on the basis of advice and information which shall be provided by the **Section 151 Officer**.

14. VALUE ADDED TAX

14.1 **Directors** shall ensure that all financial transactions are recorded with the correct treatment of VAT and shall provide whatever information is needed for the **Section 151 Officer** to make the appropriate returns to H.M. Revenue and Customs.

14.2 The **Section 151 Officer** shall provide advice to **Directors** on the correct VAT treatment of financial transactions and shall ensure that appropriate returns are made to H.M. Revenue and Customs.

14.3 The **Section 151 Officer** shall retain all records necessary to satisfy H.M. Revenue and Customs requirements for record support and retention.

14.4 Any issues arising from H.M. Revenue and Customs shall be reported to the **Executive Member with responsibility for Finance**.

14.5 Employment tax, primarily Income Tax and National Insurance (NI), is handled on a day to day basis by the Payroll Team. The Council is required, under the PAYE regulations, to deduct tax at source from any payments made in the nature of employment. This means that any payments made to individuals for employment purposes will have tax and NI deducted before the payment is made over - unless there is a specific exemption for the payment being made. It is important to note that employment status for taxation purposes may differ from employment status for contract and employment law purposes. **Directors**, in consultation with the **Head of Performance, Improvement and Human Resources** and the **Section 151 Officer**, will

ensure that payroll are informed of all contractual arrangements, prior to commencement of employment.

15. CLIENT'S PROPERTY

- 15.1 **Directors, or employee contractors** who are responsible for the private property of any person under their guardianship or supervision, other than officers, shall take all reasonable steps to prevent or mitigate loss or damage to that property, retain a complete, accurate and up to date register of any such property immediately on taking responsibility for the person; and shall arrange for the safe custody of all items in that inventory.

16. ASSETS, PROPERTY & LAND (GENERAL PROVISIONS)

- 16.1 **Directors** and **Heads of Service** are responsible for the proper security and privacy of all information assets under their control, for ensuring that these information assets can only be accessed by authorised personnel and that adequate controls exist to ensure the separation of duties.
- 16.2 **Directors** and **Heads of Service** are responsible for undertaking a risk assessment of all assets considered crucial to the delivery of the service. The risk assessment should cover the loss of the asset caused by malfunction and the possibility of restricted access caused by an emergency crisis and the mitigating actions and contingency plans that will need to be developed to support business continuity.

17. ASSETS, PROPERTY & LAND (LAND & PROPERTY)

- 17.1 All land and property of the Council in the corporate ownership of the Council shall be controlled by the **Executive**.
- 17.2 The **Executive** shall allocate such land and property necessary for a Director to discharge their service delivery responsibilities. Any land and property not allocated to an individual **Director** for delivery of their service shall be controlled by the **Head of Property and Asset Management**.
- 17.3 **Directors** shall ensure that assets under their control are used to the benefit of the Council and the services to be delivered and shall maintain and use assets in accordance with the Council's Asset Management Plan and Capital Strategy and any relevant directorate/service Asset Management Plan.
- 17.4 **Directors** shall ensure that assets under their control are secured appropriate to the risks involved and the value of the assets.

- 17.5 **Directors** shall have responsibility for the safe custody, protection, security, maintenance and recording of all assets, buildings, land, vehicles, IT and general equipment, stocks and stores used in providing services under their control and shall follow guidance issued by the **Section 151 Officer** in relation to insurance of those assets.
- 17.6 All freehold land and property shall be in the named ownership of North Somerset Council and under no circumstances shall ownership be conferred on individual members or officers of the Council or governors of schools or other bodies associated with the Council, such as a school.
- 17.7 The **Monitoring Officer** shall arrange for the safe custody and recording of documents held by the Council relating to its ownership of land or properties.

18. LAND PURCHASES

- 18.1 The **Council** shall approve a land purchasing procedure which will set out the process to be adopted to gain freehold or leasehold ownership of land, property or any other major asset of the Council on the advice of the **Section 151 Officer**.
- 18.2 All land and property purchases or capitalised leases shall have the necessary capital programme approvals before the purchase or lease is completed.
- 18.3 The **Council** shall approve any land, property or asset purchase/transfer with a value of more than £5,000,000 and/or a lease which will cost more than £5,000,000 in rental over its life and/or any Compulsory Purchase Orders irrespective of value.
- 18.4 The **Executive** shall have the power to purchase any land, property or asset or agree any lease with a life value of between £1,000,000 and up to £5,000,000 and shall be advised by the **Section 151 Officer**.
- 18.5 The **Executive Member with responsibility for Property** shall approve any land, property or asset purchase/transfer with a value between £500,000 and £1,000,000 and/or a lease which will cost between £500,000 and £1,000,000 in rental over its life.
- 18.6 The **Section 151 Officer** shall have the power to purchase any land, property or asset or enter into any lease with a life value of up to £500,000.
- 18.7 All purchases/transfers with a value or whole life lease rent of between £500,000 and £1,000,000 shall be retrospectively reported to the Executive as part of the corporate budget monitoring report.

19. LAND SALES & TRANSFERS

- 19.1 The **Council** shall approve a land sales procedure which will set out the process to be adopted to sell land, property or any other asset of the Council and a procedure for agreeing any lease or concession from which the Council will gain an income on the advice of the **Section 151 Officer**.
- 19.2 The **Council** shall approve any land, property or asset sale with a value of more than £5,000,000 and/or a lease which will generate £5,000,000 or more in income over its life.
- 19.3 The **Executive** shall have the power to sell any land, property or asset or agree any lease or concession with a life value of between £1,000,000 and £5,000,000.
- 19.4 The **Executive Member with responsibility for Property** shall have the power to dispose of any land, property or asset or let a lease or concession with a life value of between £500,000 and £1,000,000.
- 19.5 The **Section 151 Officer** shall have the power to dispose of any land, property or asset or let a lease or concession with a life value of up to £500,000.
- 19.6 All sales/transfers or life value leases/concessions of between £500,000 and £1,000,000 shall be retrospectively reported to the Executive as part of the corporate budget monitoring report.
- 19.7 The **Section 151 Officer** of the Council shall be required to provide any necessary advice to **Directors, Executive Members** and the **Executive** on the value of land and property where there is a proposal to sell.
- 19.8 The **Director of Corporate Services** shall have the authority to sell, or dispose of any interest in any council properties under 'Right to Buy' or similar disposal legislation with no financial limit, subject to a quarterly report of such sales to the relevant **Executive Member**.

19a COMMERCIAL PROPERTY INVESTMENT

- 19.9 The Council's Property Investment Strategy provides for the establishment of a Commercial Investment Fund under the management of a **Property Investment Board**,
- 19.10 **The Council** has approved in principle, a Commercial Investment Fund of up to £50m. Approval of each individual investment decision to be funded from the Commercial Investment Fund requires a separate approval as follows:-

- Up to £1,000,000 – **Executive Member** with advice from the **Director** and the **s151 Officer** and reported retrospectively to **the Executive** at the earliest possible opportunity
- Up to £5,000,000 – **the Executive**
- Over £5,000,000 – **the Council**

20. LEASING

- 20.1 The **Section 151 Officer** shall organise corporate leasing arrangements for the Council and issue guidance to **Directors** on how they may access such arrangements to obtain goods under the arrangements made.
- 20.2 No contract hire or leasing arrangement shall be entered into without the express approval of the **Section 151 Officer** who shall make any arrangement as is necessary within the Council wide arrangements, or who may tailor arrangements to meet Directors' needs.

21. INVENTORIES

- 21.1 **Directors** shall be responsible for the care and custody of stocks and stores used by officers under their line management.
- 21.2 **Directors** shall establish appropriate control arrangements for inventories in liaison with the **Head of Internal Audit**.
- 21.3 Any stock shortfalls arising as a result of a stock-take shall be written off by **Directors** up to a limit of £1,000 or 10% of the value of the stock held, whichever is the greater.
- 21.4 Any stock shortfalls arising as a result of a stock-take of more than £1,000 or 10% of the value of the stock held shall be subject of a review by the **Head of Internal Audit** who shall report to the relevant **Director** and **Executive Member** with a recommended course of action. The relevant **Executive Member** shall be authorised to write off stock shortfalls arising in these situations up to a limit of £20,000.
- 21.5 Any stock shortfalls arising of more than £20,000 shall be reported to the **Executive** for write off, subject to a report to the **Audit Committee** on any financial or other consequences of such a loss.

22. MINOR ASSETS, IT AND OTHER EQUIPMENT

- 22.1 **Directors** shall be responsible for the care and custody of minor assets, equipment and IT used by officers under their line management.
- 22.2 **Directors** shall ensure that inventories of equipment are held, up to date and appropriate to the equipment in question, on the advice of the **Head of Internal Audit** and, where relevant, in accordance with the Council's ICT policies.
- 22.3 **Directors** shall ensure that appropriate action is taken to secure items belonging to the Council and that they are appropriately and clearly marked as being the property of the Council.

23. INVESTMENTS, BORROWING, CAPITAL FINANCING & TRUST ACCOUNTS

- 23.1 All investments, except bearer securities, controlled by the Council shall be registered in the Council's name or in the name of nominees approved at an **Executive** meeting. In order to maximise the return on temporary surplus cash balances and minimise the cost of short-term borrowing, the Council employs a policy of "Treasury Management". The Council has adopted the CIPFA Code of Practice on Treasury Management in Local Authorities.
- 23.2 All securities shall be held securely by the Council's bankers, the **Section 151 Officer** or custodians approved at an **Executive** meeting.
- 23.3 The **Section 151 Officer** shall ensure that all borrowing and, whenever applicable trust funds, are registered in the name of the Council.
- 23.4 The **Section 151 Officer** will set Prudential Indicators, as outlined in the Prudential Code for Capital Finance in Local Authorities, for the forthcoming and following two financial years. The **Section 151 Officer** will also provide regular monitoring reports to and report any breaches or amendments of the code to the **Executive**.
- 23.5 The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plan of the Council is affordable, prudent, sustainable and in accordance with good professional practice – or, in exceptional cases, to demonstrate that there is a danger of not ensuring this, so that the **Council** can take timely remedial action.
- 23.6 The **Section 151 Officer** will be the Council's registrar of all stocks and bonds. In addition, this officer will maintain a register of all loans and investments made in the name of the Council.
- 23.7 The **Section 151 Officer** shall ensure that all legislative amendments and changes in treasury or capital limits are approved at an **Executive** meeting and where necessary **full Council**.

23.8 The **Section 151 Officer** will be responsible for adopting any changes and ensuring compliance with any amended practices or limits.

24. ORDERING OF SUPPLIES, WORKS & SERVICES

24.1 The Procurement process guides that support the Procurement Strategy of the Council shall include procedures for the ordering of work, goods, services or other facilities for which the Council shall be financially liable and therefore invoiced by a third party, and acceptable methods of ordering work and approving the order to be made.

24.2 The Procurement process guides shall include definitions of what constitutes sufficient evidence that the Council has placed an official order for goods or services which will reflect procurement methods at that time.

24.3 The corporate purchase-to-pay processes (such as No PO, No Pay policy) will be adhered to by suppliers for goods, works and services, unless identified as a specific exemption to the process. This will ensure that consistency, visibility and control is provided across the Council.

24.4 **Directors** shall ensure that all invoices received shall be checked by officers under their control against the order placed, examined, checked, verified and (for non-PO invoices) authorised for payment by authorised officers of the Council. Invoices not authorised for payment will be escalated using automated workflows within the Council's financial management system.

24.5 The **Section 151 Officer** shall organise for all invoices received to be paid as appropriate to the creditor concerned and on terms which are judged to be the most beneficial for the Council as a whole and which are in line with legislation on the payment of invoices.

24.6 The **Section 151 Officer** shall ensure that the procedures adopted are integrated with the Council's banking and cash management policies and procedures, including the payment of any sums not in sterling.

24.7 The **Section 151 Officer** shall be authorised to issue other supplementary procedures for the processing of invoices, such as for sub-contractors, as is deemed reasonable to safeguard public money and properly process payments due.

24.8 The **Section 151 Officer** shall issue procedures for the processing of invoices at the year end and the recognition of creditors of the Council at that time.

24.9 The **Section 151 Officer** shall organise a system to enable **Directors** to make payments to suppliers as a matter of urgency and shall notify **Directors** as appropriate of the procedure

24.10 Procurement of supplies, works and services must be in accordance with Contract Standing Orders and Procurement Strategy. It is a disciplinary offence to fail to comply with Contract Standing Orders and the Procurement Strategy when letting contracts. Council employees have a duty to report breaches of Contract Standing Orders to an appropriate senior manager and the **Head of Internal Audit**. The procedures for initiating procurement activity, for authorising and accepting tenders and the financial limits for procurement are set out in the Contract Standing Orders and are not repeated here.

24.11 Payments in advance: **Directors** and **Heads of Service**, prior to authorising payments in advance, must undertake a risk assessment of the supplier or service provider defaulting. All payments in advance in excess of £100,000 must be notified to the **Section 151 Officer**.

25. CONTRACTS AND CONTRACTING

25.1 The **Council** shall agree Contract Standing Orders which shall set out detailed procedures for the procurement of works, goods and services by the Council, the letting of contracts by the Council and the roles and responsibilities of officers and Members.

25.2 **The Executive** shall propose amendments to Contract Standing Orders on the basis of advice from the Section 151 Officer and Monitoring Officer.

25.3 **The Executive** shall agree a Competition Policy and Procurement Strategy for the Council on the basis of advice from the **Director of Corporate Services**.

25.4 **Directors** shall be responsible for ensuring that all officers under their management are aware of the Contract Standing Orders, the Competition Policy and Procurement Strategy and follow them to the standards expected.

25.5 The **Council** shall decide on any commissioning plan with an estimated contract value of £10m and over.

25.6 The **Executive** shall decide:

- Contract award approval for any contract with a contract value of £5m and over (£10m and over for capital projects);
- The commissioning plan where the estimated contract value is between £1m and £9,999,999.

25.7 The responsible **Executive Member** shall decide:

- The commissioning plan where the estimated contract value is between £500,000 and £999,999;

- In consultation with the relevant Director and the Head of Strategic Procurement, the procurement plan where the estimated contract value is over £500,000

25.8 The responsible **Director** shall decide:

- Contract award approval where the contract value is up to £99,999
- The commissioning plan where the estimated contract value is between £100,000 and £499,999;
- In consultation with the Head of Strategic Procurement, the procurement plan where the estimated contract value is between £100,000 and £499,999;
- In consultation with the s. 151 officer and the Head of Strategic Procurement, contract award approval where the contract value is between £100,000 and £4,999,999 (£9,999,999 for capital projects);

25.9 **Directors** shall assign appropriate officers to manage contracts under their control and in line with all relevant policies of the Council.

25.10 The **Chief Executive** will make appropriate arrangements for the review of significant revenue contractors, the underlying contract and the expiry date annually on the basis of information which shall be supplied by **Directors**.

26. STAFF STRUCTURES & HUMAN RESOURCES

26.1 The **Chief Executive** shall develop a Human Resources Strategy for the agreement of the **Executive Member with responsibility for Human Resources** and the **Executive**.

26.2 The **Executive** shall decide on the pay and conditions structure and human resources policies applicable to all officers of the Council on the advice of the **Chief Executive**.

26.3 The **Chief Executive** shall develop relevant other human resources policies, for example on pensions, health and safety, appointments, disciplinary and any other aspect of the management of human resources.

26.4 **Directors** shall be responsible for the organisation and management structure of their Directorate and shall ensure that human resources policies of the Council are applied in full for all officers under their control.

26.5 **Directors** shall be authorised to appoint to established posts under their line management, up to and including grade JM4.

26.6 **Directors** shall be authorised to appoint to established posts under their line management over grade JM4 and below the Employment Committee appointments (see 26.7), with the prior approval of the **Chief Executive**.

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- 26.7 The **Employment Committee** shall interview candidates to make appointments to the following posts
- a) the Head of Paid Service subject to approval by the Council and
 - b) Directors and s151 finance officer and monitoring officer
- 26.8 **Directors** shall be authorised to change the structure and number of posts under their control, up to and including grade JM4, subject to the cost being contained within budgets allocated to them and following appropriate consultation with the **Head of Human Resources**..
- 26.9 Changes in the structure and / or changes in the number of posts above grade JM4 and below those posts for which Employment Committee is responsible for making appointments (see 26.7) shall be authorised by the director with the prior approval of the Chief Executive and Head of Human Resources.
- 26.9A Changes in the structure and / or changes in the number of posts for which Employment Committee is responsible for making appointments (see 26.7) shall be authorised by the Executive
- 26.10 Any honoraria or acting up payments for those posts for which Employment Committee is responsible for making appointments (see 26.7) shall require prior approval of the **Employment Committee** while honoraria for other posts shall be authorised by the Director with prior approval of the Chief Executive. All honoraria or acting up payments shall be made in accordance with any policy issued by the **Head of Human Resources**.
- 26.11 The **Chief Executive** shall establish a formal consultation forum for the Council to consult recognised Trade Unions on Council wide people management and other issues.
- 26.12 The **Chief Executive** shall allocate one officer of the Council to lead in all matters of industrial relations with Trade Unions recognised by the Council; this will normally be the **Head of Performance, Improvement and Human Resources**.
- 26.13 The **Chief Executive** shall allocate one officer of the Council to lead on all matters of health and safety; this will normally be the **Head of Performance, Improvement and Human Resources**.
- 26.14 The **Chief Executive** shall establish appropriate human resources information monitoring and reporting systems for the **Executive**, in consultation with the **Executive Member with responsibility for Human Resources**.
- 26.15 **Directors** shall establish appropriate training and development plans for officers in consultation with **Head of Performance, Improvement and**

Human Resources and the **Executive Member with responsibility for Human Resources**.

27. PAYROLL & EXPENSES

- 27.1 Payment of any salary, wages, pensions, compensation or any other payment to an individual shall only be made by the **Section 151 Officer** in accordance with the established pay and conditions structure and other policies of the Council and in accordance with information from relevant government agencies on statutory deductions from pay.
- 27.2 **Directors** shall be responsible for notifying the **Section 151 Officer** of all officers under their control and the appropriate grade and rate of pay applying at any time, and any changes of those circumstances as soon as they are known and any ad-hoc payments to be made such as for overtime.
- 27.3 **Directors** may delegate officers pay and condition notifications to appropriate authorised officers under their control, such officers shall be notified to the **Section 151 Officer** in advance.
- 27.4 No payment of salaries, wages or any other payment to officers for work performed shall be made from petty cash, local bank account or other available local funds under any circumstances.
- 27.5 In the event of overpayment of salaries, wages or any other payment for work performed, **Directors** are responsible, in consultation with the **Head of Performance, Improvement and Human Resources**, to take all necessary steps to recover the overpayment.
- 27.6 The **Section 151 Officer** shall make arrangements for the accurate and timely treatment of tax, pensions and other deductions and payment of such monies to appropriate organisations.
- 27.7 The **Section 151 Officer** shall be authorised to make any, and all appropriate, deductions from salaries and wages for any statutory deductions (such as PAYE, superannuation and National Insurance) and any other deductions (such as Trade Union subscriptions) as notified by **Directors** or officers as appropriate.
- 27.8 The **Section 151 Officer** shall ensure that there are adequate arrangements for administering pension matters on a day-to-day basis.
- 27.9 The **Section 151 Officer** shall maintain and retain all appropriate payroll and payment records applying to the officers and Members. All payroll records relating to Income Tax and National Insurance must be retained for six years to satisfy the requirements of the Taxes Management Act. Those records identifying pay received and superannuation contributions must be retained

for ten years as they may be required for the information requirements of the Pensions Authority.

- 27.10 The **Executive** shall establish a Council wide expenses and allowances policy for officers of the Council on the basis of advice from the **Executive Member with responsibility for Human Resources** and the **Chief Executive**.
- 27.11 The **Section 151 Officer** shall establish a system to allow officers to claim expenses and allowances and shall establish systems to make payments only on the basis of authorised claims.
- 27.12 **Directors** may nominate appropriate authorised officers under their control to authorise expenses claims of officers and shall notify the **Section 151 Officer** of such authorised officers in advance.
- 27.13 **Directors** shall report performance against their budget for staff costs to the relevant **Executive Member(s)** on a monthly basis, with a projection of the annual spend, every month from June of each year onwards.
- 27.14 The **Executive Member(s)** with responsibility for finance and human resources and the **Chief Executive** and **Section 151 Officer** shall review the overall officers' budget monthly from June of each year onwards.
- 27.15 The **Council** shall establish a Members allowances and expenses policy taking into account relevant legislation in the setting of the policy.
- 27.16 The **Section 151 Officer** shall establish a system to allow Members to claim expenses and allowances and shall establish systems to make payments as appropriate.

28. EXTERNAL AUDIT AND INSPECTION

- 28.1 The **Section 151 Officer** shall be the liaison officer for the Council's External Auditors.
- 28.2 The **Council** shall consider the annual Management Letter from the Council's External Auditors and shall agree an action plan to address any issues raised on the basis of advice from relevant **Directors** and refer the matter to the **Audit Committee** for review.
- 28.3 The relevant **Executive Member(s)** and **Director(s)** and will be responsible for agreeing an action plan in relation to any individual detailed reports from the External Auditors, including specific value for money or other reviews.

28.4 The **Chief Executive** and any relevant **Director(s)** and **Executive Member(s)** shall agree any proposed work plans of individual Inspectorates as required.

28.5 The relevant **Executive Member(s)** and **Director(s)** shall agree an action plan in relation to any Inspection reports and consider whether to refer the matter to any Select Committee for review.

29. INFORMATION, COMMUNICATIONS & TECHNOLOGY

29.1 **The Executive Member with responsibility for ICT** in conjunction with officers shall develop an Information, Communications and Technology Strategy for the agreement of the **Executive**.

29.2 The ICT Strategy shall cover systems development plans and arrangements, ICT management arrangements, corporate systems, system ownership, corporate contracts and technical standards.

29.3 The **Executive Member with responsibility for ICT** shall approve the development of new or replacement ICT systems and their funding in conjunction with other relevant **Executive Member(s)** and **Directors**, except for changes to systems with financial records where the decision shall be taken jointly with the **Executive Member with responsibility for Finance** and the **Section 151 Officer**.

29.4 **Directors** are responsible for ICT systems under their control, financial or otherwise, and shall ensure the completeness and accuracy of data within them, in accordance with the ICT Strategy of the Council and the Data Protection policies of the Council.

29.5 The **Chief Executive** shall make one officer responsible as Data Protection Officer under the Data Protection Act 1988 and any subsequent and relevant legislation on data, information, technology and communications.

29.6 The **Executive Member with responsibility for ICT** shall approve any relevant ICT and data protection policies of the Council and report accordingly to the Executive for decision.

RELEVANT STATUTORY FINANCIAL AND LEGAL REQUIREMENTS

1. Section 151 Local Government Act 1972

1.1 The Director of Corporate Services shall for the purposes of Section 151 of the Local Government

Act 1972 be responsible for the proper administration of the Council's financial affairs.

2. Section 114 Local Government Finance Act 1988

2.1 Section 114 of the Local Government Finance Act 1988 imposes certain duties on the Director of Corporate Services.

2.2 The Director of Corporate Services shall make a report under this Section of the Act, if the Council, or any decision-making body within the Council, or a Joint Committee on which the Council is represented:

2.2.1 has made, or is about to make, a decision which involves or which would involve the Council incurring expenditure which is unlawful

2.2.2 has taken, or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Council; or

2.2.3 is about to enter an item of account, the entry of which is unlawful.

2.3 The Director of Corporate Services shall make a report under this Section if it appears that the expenditure incurred (or to be incurred) is likely to exceed the Council's resources (including sums borrowed) available to it to meet that expenditure.

2.4 In making any such report under this Section, the Director of Corporate Services, shall consult, as far as practicable, with the Head of Paid Service and the Monitoring Officer.

2.5 Where the Director of Corporate Services makes a report under this Section it shall be sent to every Member of the Council at that time and the Council's external auditor. A meeting of the Council shall consider the report within 21 days of issue and is prohibited from taking the course of action which is the Subject of the report.

3. Section 5 Local Government and Housing Act 1989

3.1 Section 5 of the Local Government and Housing Act 1989 requires every local authority to designate an officer as the Monitoring Officer. The Monitoring Officer

appointed by the Council is the Assistant Director Legal and Governance.

3.2 It is the duty of the Monitoring Officer to report to the Council if it appears that any proposal, decision or omission of the Council has given rise to, or is likely to, or would give rise to

3.2.1 a contravention by the Council of any enactment or rule of law or any Code of Practice made, or approved under any enactment; or

3.2.2 any such maladministration or injustice as is mentioned in Part 3 of the Local Government Act 1974.

3.3 In preparing such a report, the Monitoring Officer shall consult, as far as practicable, with the Head of Paid Service and the Section 151 Officer and will send a copy of the report to every Member of the Council and the external auditor.

4. Local Government Act 2003 Parts I and II

Part I of the Local Government Act 2003 created a framework for the prudential capital finance system underpinned by the CIPFA 'Prudential Code for Capital Finance in Local Authorities'.

Part II of the Local Government Act 2003 placed duties on the Council that reinforce sound financial management. In particular when the Council is deciding the annual budget and council tax level it will have to take into account a report from the Section 151 Officer on the "robustness" of the budget and the 'adequacy' of the Council's reserves and the Council's prudential indicators for the period of its Medium Term Financial Plan.

5. Accounts and Audit Regulations 2003

These regulations stipulate that the Council has 'corporate responsibility' for the financial management of its affairs. Regulation 4 states that the Council is responsible for ensuring that financial management and accounting control systems are adequate and effective, including risk management arrangements. As part of this responsibility the Council will need to conduct a review, at least annually, of the effectiveness of its system of internal control and be required to publish a statement of adequacy with its annual Statement of Accounts.

THE ROLE OF INTERNAL AUDIT (POLICY & RESOURCES COMMITTEE, MARCH 1998)

1. Statutory Requirement

- 1.1 The Council is required under Section 6 of the Accounts and Audit Regulations 2003, made under Section 27 of the Audit Commission Act 1998, for the maintenance of an adequate and effective system of internal audit of its system of internal control.

2. Definition

- 2.1 The Internal Audit Service is an independent appraisal function established by the Council to review internal control systems of the Council. It shall objectively examine, evaluate and report on the adequacy of internal controls as a contribution to the proper, economic, efficient and effective use of resources.

3. Scope of Responsibilities

- 3.1 The scope of Internal Audit, in providing an independent opinion of control, is to review;
- 3.2 Systems established by the Council, financial or otherwise, to provide reasonable assurance on
- 3.2.1 effective and efficient operations
- 3.2.2 reliable financial information and reporting; and
- 3.2.3 compliance with applicable established policies, plans and procedures, laws and regulations
- 3.3 Processes designed specifically to safeguard the Council's interest and assets from losses arising from
- 3.3.1 fraud or other offences
- 3.3.2 waste, extravagance, inefficiency or poor value for money
- 3.4 The suitability of new developments or plans by the Council which may impact of responsibilities 3.2 or 3.3
- 3.5 It is expected that delivering assurance for the Council within these responsibilities is likely to include

review of;

- 3.5.1 procedures, plans and systems of control
- 3.5.2 information systems
- 3.5.3 specific establishments without the authority to develop independent policies or procedures through delegation
- 3.5.4 the development of any new systems which would impact 3.5.1, 3.5.2 or 3.5.3
- 3.5.5 specific anti-fraud measures
- 3.5.6 compliance with data protection legislation
- 3.5.7 contracting processes and specific contractors with whom the Council has (or may have) a specific relationship
- 3.5.8 specific areas from a value for money perspective
- 3.5.9 the measures necessary to resolve any reported fraud, corrupt act, irregularity or other reported action of concern

3.6 In addition, the role of Internal Audit shall include an advisory and consultancy role to clarify existing Council procedures or systems and any proposed new policy, procedure or system as appropriate.

**NORTH SOMERSET COUNCIL
ANTI-FRAUD AND CORRUPTION POLICY STATEMENT**

North Somerset Council recognises the responsibility it has for dealing with millions of pounds of public money. This money must be used for delivering public services to the community of North Somerset.

The proper use of public money is achieved through clear policies and strategies, high standards of administration, supporting controls and management information, all backed by a strong audit presence.

The Council is committed to maintaining the highest possible standards and fully supports the general principles of conduct in public life, which are:

- | | |
|------------------------|---------------------|
| Selflessness | Honesty & Integrity |
| Objectivity | Accountability |
| Openness | Personal Judgement |
| Leadership | Respect for Others |
| Duty to Uphold the Law | Stewardship |

The Council will not accept fraud of any kind being attempted against it and will act to prevent and detect any person who attempts fraud. It maintains constant vigilance in order to safeguard resources and protect the reputation of employees.

Any identified fraud against the Council, either external or by employees, will be taken very seriously and dealt with promptly. Action will be taken against the perpetrator in every case, and with the Police where criminal action is suspected. The Council reserves the right to seek restitution of money and goods obtained as a result of theft. The Director of Corporate Services should consider the stage at which it is appropriate to initiate such action.

The Council expects that individuals and organisations (e.g. suppliers, contractors, and service providers) that it deals with will act with integrity and without thought of fraud and corruption. Where relevant, the Council will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption; evidence of such acts are most likely to lead to termination of the particular contract and may lead to prosecution.

The Council welcomes information on suspected fraud and provides avenues for Members, staff and the public to report any suspicious acts. It welcomes comments and suggestions to further improve its safeguards against fraud.

Who to contact about this Statement

For any information or advice please contact any of the persons named below who are based at the Town Hall, Walliscote Road.

Amy Webb, Director of Corporate Services;.....01275884970
Jeff Wring, Head of Audit West; 01225 477323

**NORTH SOMERSET COUNCIL
ANTI-FRAUD AND CORRUPTION POLICY STATEMENT - KEY PRINCIPLES**

1. Introduction

North Somerset Council is committed to ensuring that it acts with integrity and has high standards. Everyone involved with the Council has a responsibility in respect of preventing and detecting fraud. Members, Directors, Managers, Officers and Internal Audit all have a role to play (Section 2). The Council also recognises the role the public play in alerting the Council to areas where there is a suspicion of fraud. The Council has many measures to ensure proper administration and prevent and detect fraud and corruption, as outlined in Section 3. Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect. How to report a suspected fraud is outlined in Section 4. The areas that are most likely, on the basis of experience in Local Government, to be subject to attempted fraud are outlined in Section 5. Definitions of key terms are given in Section 6.

2. The Principal Roles

2.1

Members

To the public a local authority can be judged by the conduct of its Members. The Council is committed to the General Principles of Local Government and provides training to Members on all aspects of proper conduct.

The Council has also adopted the following measures to demonstrate its commitment:

- full adoption of the Code of Conduct by all Councillors;
- a Standards Sub-Committee;
- a requirement for Members to declare prejudicial interests and not contribute to any Council business related to that interest;
- a requirement for Members to disclose personal interests and not contribute to any Council business related to that interest;
- prevention of Members from using Council facilities for any purpose other than for the Council's normal business;
- a clear policy on the acceptance of gifts and hospitality which restrict acceptance to those arising from undertakings the Council's normal business; and;
- a recognition that the civic role of the Chairman is an exception and is given more room to accept and give hospitality to promote North Somerset.

Members also have a duty under the Members' Code of Conduct to report another Member whose conduct is reasonably believed to represent a failure to comply with the Code to the Standards Board for England.

2.2 Directors

Every Director has a responsibility for ensuring that internal controls will ensure proper administration and safeguard the resources of the Council. In respect of fraud it is therefore the responsibility of Directors to ensure internal controls prevent and detect any frauds promptly. This includes:

- proper procedures and financial systems;
- effective management and financial information;
- the application of the Code of Conduct for employees;
- completion of an annual assurance statement to support the Council's Annual Statement of Internal Control (SIC)

2.3 Officers

The Council has established a number of key measures to ensure the integrity of its staff including:

- clear recruitment policies and procedures;
- a Code of Conduct for employees;
- a Staff Handbook;
- a policy on declaring pecuniary interests and not being involved in matters connected with such interests;
- a policy on the acceptance of gifts and hospitality which substantially restrict acceptance to those arising from undertaking the Council's normal business; and
- prevention of accepting any fee or reward other than their normal remuneration.

2.4 Internal Audit

Internal Audit has a clear remit to undertake work to prevent and detect potentially fraudulent acts. This is in line with best practice. This work concentrates on areas of highest risk but also on areas which, although small, are subject to fraud.

Internal Audit also has a unique role in taking responsibility for:

- investigating fraud;
- establishing the extent of any fraud;
- correcting accounting records if necessary;
- recommending improvements in internal control; and
- advising on action to take to resolve the matters arising.

3. The Principal Anti-Fraud Measures

3.1 The Council has taken a number of measures that should prevent or detect any attempted or actual fraud. No system of control can prevent all cases, and the Council must minimise the risks to which it is exposed. At the highest level the Council will:

- regularly review and improve key internal control systems;
- regularly review measures to minimise the risk of fraud;
- involve Members in such reviews;
- adopt formal procedures to investigate fraud when it is suspected and, where detected, strengthen controls to prevent reoccurrence;
- provide mechanisms for employees to voice their genuine concerns;
- have no hesitation in referring cases of suspected financial irregularity to the attention of the Police and the external auditor; and;
- work closely with the Police and the other appropriate agencies to combat fraud.

3.2 The Council has already introduced corporate standards that should ensure proper administration. These include:

- Accountability & Responsibility Framework;
- Local Code of Corporate Governance;
- Contract Standing Orders;
- Codes of Conduct for Members and Employees;
- Measures to implement new legislation correctly;
- A clearly defined role for the Monitoring Officer;
- A clearly defined role for the Standards Sub-Committee
- Clear roles for the Council's statutory officers;
- Training on conduct and administration issues;
- Disciplinary Procedures; and Complaints Procedures.

3.3 These measures, and others, provide a framework, supported by detailed procedure manuals for all key functions of the Council. Other key principle internal controls that the Council adopts, wherever possible, include: -

- adequate separation of duties;
- proper authorisation procedures;
- a proper audit trail;
- independent monitoring and checking;
- training of employees in their duties;
- appropriate supervision;

- effective management structures and organisation;
- physical controls over highly portable assets;
- effective IT and other security measures;
- a proper accounting and budgetary control system; and
- effective Internal Audit review of systems.

Responsibility for effective implementation of these principles of internal control rests with Directors and their Service Managers and involves every employee of the Council.

4. Reporting a Suspected Fraud

4.1

Response to Alleged Frauds

The Council's Accountability & Responsibility Framework require suspected fraud and irregularities to be referred to the Council's Director of Corporate Services.

All reported irregularities will be thoroughly investigated, with due regard to the provisions of the Human Rights Act 1998, Data Protection Act 1998, the Regulation of Investigatory Powers Act 2000 and Council policy on Equalities and Diversity.

Steps that would normally be taken are:

If an employee suspects a fraud has occurred (or is likely to) they should report this to their line manager who must inform their Director.

The Director will inform the Council's Director of Corporate Services unless the suspicion relates to the line manager or Director, see Reporting Suspicions (overleaf);

If suspicions stem from an Internal Audit assignment, the Head of Internal Audit, will inform the Director of Corporate Services;

Members of the public are encouraged to report any concerns, either to their Councillor, the Director of Corporate Services, Head of Internal Audit, the Council's External Auditor, or via the Council's Complaints Procedure;

The Director of Corporate Services will decide on the level of any investigation. If necessary the Director of Corporate Services will involve the Chief Executive Officer and the Assistant Director Legal and Governance. Any matter relating to illegality will be jointly decided with the Assistant Director Legal and Governance. The Internal Audit Service will carry out any investigation, reporting to the Director of Corporate Services.

If investigations indicate a criminal offence may have occurred, the Director of Corporate Services will decide, in consultation with the Chief Executive Officer and Assistant Director Legal and Governance, to handle the matter according to the Council's Disciplinary Procedures and involve the Police.

Recommendations to improve controls and prevent any reoccurrence will be made by Internal Audit. The relevant Director, in consultation with the Director of Corporate Services, will decide on the implementation of the recommendations.

4.2

Reporting Suspicions

General

Employees are vital to the successful implementation of measures against fraud. The Council, therefore, considers that employees have a duty to report any legitimate concerns they may have and must do so as outlined above.

If it is subsequently established that an employee knowingly withholds information of a concern or allegation it may be dealt with as a disciplinary matter in itself.

The Public Interest Disclosure Act 1998 provides employees with statutory protection when disclosing such information.

Where possible, concerns are better raised in writing, setting out the background, giving names, dates and places and reasons for bringing the matter to the attention of the Council.

However, if an individual feels unable to put their concern in writing, an arrangement can be made to meet with an appropriate officer to discuss the concerns.

4.3

Confidentiality and Safeguards

The Council recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The Council will not tolerate harassment or victimisation and will do what it lawfully can to protect an individual when a concern is raised in good faith.

This does not mean that if the person raising the concern is already the subject of a disciplinary, redundancy or other procedure, that those procedures will be halted as a result of the concern being reported.

Confidentiality

All concerns will be treated in the strictest confidence the Council will do its best to protect the identity of individuals who raise concerns and do not want their name to be revealed. However, it must be appreciated that during an investigation, a statement may be required as part of the evidence gathering process, particularly if the Police or External Auditors become involved. In order to take effective action, the Council will need proper evidence that maybe required to stand up to examination in Courts or Tribunals.

This Policy Statement encourages individuals to put a name to allegations whenever possible, as concerns expressed anonymously are much less powerful, but will be considered at the discretion of the Council, in terms of:

- Seriousness of the issues raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources

Whilst the Council will always do its best to protect individuals, it is more difficult to protect an individual from harassment, intimidation or other detrimental conduct where an allegation or disclosure is made anonymously.

Safeguards

There is a need to ensure that the process is not misused. Therefore, any abuse, such as raising malicious allegations may also be dealt with as a disciplinary matter. All such reports must be genuine and honest as, to be otherwise, would go against the principle of integrity. This should not deter employees from raising legitimate and genuine concerns, (even if subsequently unfounded but made with good intent) as, in doing so they will be supported in every possible way.

Normal reporting arrangements are given above. However, the Council recognises that employees may feel more comfortable reporting or discussing such issues with someone independent and therefore employees may report any matter to any of the following:

<ul style="list-style-type: none"> • Head of Internal Audit 	<ul style="list-style-type: none"> • Director of Corporate Services
<ul style="list-style-type: none"> • Assistant Director Legal and Governance 	<ul style="list-style-type: none"> • Chief Executive
<ul style="list-style-type: none"> • Their Director 	<ul style="list-style-type: none"> • Council's External Auditor

All genuine concerns reported will be treated in confidence and fully investigated. If a suspicion is reported and results in a prosecution or disciplinary hearing, employees involvement, as a witness, in this process may be necessary, unless other substantial reliable evidence is available. Employees taking such a route will be notified quickly of any action taken. The Council accepts that the person reporting the suspicion needs to be assured that the matter has been properly addressed. Therefore, where possible, and subject to legal constraints (including Freedom of Information Act and Data Protection Act) feedback regarding the outcome of the investigation will be provided.

Employees must also report other abuses which may be of concern including unethical behaviour, falsification of records, sexual discrimination or harassment, racial discrimination or harassment, abuse of drugs or alcohol, bullying and non-compliance with Health and Safety.

5. Key Risk Areas

The following are key risk areas the Council will review as part of its anti-fraud review programme:

Computer Fraud	Assets
Car Parking	Gifts and Hospitality
Grants;	Loans and Investments;
Contracting and Contract payments;	Creditor Payments
Benefit Claims; Council Tax Benefit;	Payroll
Managing the financial affairs of Service Users, such as elderly people;	
Travelling and Subsistence or specific expense claims;	
Cash Handling & Cash Collection Procedures	

6. Definitions

Fraud

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or other upon whose behalf he or she acts, even if these "others" are in ignorance of the fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud incorporates - theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

Corruption

The term 'corrupt practices' is defined for the purpose of this code as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the authority, its members or officers. It is the duty of the Council and its Officers to take reasonable steps to limit the possibility of corrupt practices, and;

It is the responsibility of Internal Audit to review the adequacy of the measures taken by the Council, to test compliance and to draw attention to any weaknesses or omissions.

7. Review

The Anti-Fraud and Corruption Policy Statement will be subject to review to ensure that it remains current.

CONTRACT STANDING ORDERS

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PART A – CONTRACTS FOR GOODS, SERVICES and WORKS

1. Introduction

1.1 Contract Standing Orders (**CSOs**) are the rules that must be used when purchasing works, services and/or goods (supplies).

1.2 Council officers and members must comply with these CSOs in all instances when buying works, services and goods (supplies) on behalf of the Council and failure to comply may result in disciplinary action being taken against the officer concerned. Officers have a duty to report any breaches of these CSOs to the director responsible for the procurement.

1.3 These CSOs form part of the Council's Constitution and provide the framework that governs the Council's procurement of contracts for works, services and goods. Following these CSOs helps the Council to demonstrate:

- 1.3.1 good internal governance;
- 1.3.2 propriety and the proper spending of public money;
- 1.3.3 value for money and effective use of resources is being achieved;
- 1.3.4 the delivery of high quality works, services, goods;
- 1.3.5 compliance with relevant laws.
- 1.3.6 controls to deter fraud, bribery and corruption

1.4 Every contract for works, services and goods made by the Council must conform to all relevant English and European Union legislation. UK and EU public procurement legislation and policy require that contracts are awarded fairly, in an open and transparent manner and without discrimination on grounds of nationality and that all potential bidders are treated equally. A bidder or supplier harmed, or who may suffer harm, as a result of the Council failing to comply with the public procurement regulations will have a right to take action against the Council in the High Court. Remedies available include:

- 1.4.1 The award of damages;
- 1.4.2 A financial penalty imposed on the Council;
- 1.4.3 An order to set aside a decision of the Council to award the contract;
- 1.4.4 Suspension of the tender process;

1.4.5 The inability of the Council to enforce the contract obligations still to be performed against the contractor.

1.5 Detailed information and guidance on the procurement process and contract management can be found on the Council's intranet site and should be used in conjunction with these CSOs.

1.6 All figures in these CSOs are **exclusive** of VAT unless stated otherwise.

1.7 The Council recognises the value and role of small and medium sized enterprises (**SMEs**), locally based suppliers and the voluntary, community and social enterprise (**VCSE**) sector, and will strive to ensure that procurement procedures are accessible, fair and proportionate to the size and complexity of the works, services and goods being procured.

2. Scope

2.1 These CSOs apply:

2.1.1 whenever the Council intends to spend money (or provide other payments in kind) under contracts for works, services or goods;

2.1.2 to expenditure from either capital or revenue sources;

2.1.3 to works and services concession contracts;

2.1.4 to grants awarded to third party organisations;

2.1.5 to goods for re-sale;

2.1.6 to both officers and members;

2.1.7 where the Council acts as the lead partner in a multi-authority procurement;

2.1.8 Where any third party, for example another local authority, is authorised to procure works, services and/or goods on behalf of the Council.

2.2 These CSOs **do not** apply:

2.2.1 to contracts of employment;

2.2.2 to acquisitions and disposals of land or buildings unless related to a contract for works, services or goods;

2.2.3 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;

2.2.4 to service level agreements made between departments within the Council;

2.2.5 in the case of civil contingencies;

- 2.2.6 in the case of individual investments which are not deemed as the purchase of goods or services for the purposes of these CSOs;
- 2.2.7 where the Council is acting as an agent on behalf of other commissioning authorities, for example the NHS, and is only procuring contracts on their behalf;
- 2.2.8 where the Council instructs counsel or any external legal advisors to represent or act on its behalf;
- 2.2.9 to out of county social care placements;
- 2.2.10 to resources deployed for unforeseen emergency care packages or accommodation costs aimed at supporting appropriate action to protect individuals from abuse, neglect or homelessness;
- 2.2.11 to social care packages that are, or are considered to be at the time of placement, funded by the CCG as part of continuing health care;
- 2.2.12 contracts to engage artists, shows, attractions, events or other entertainment media to provide entertainment or facilities.

2.3 However, in all instances listed in 2.2, all relevant legislation, rules, and guidance must still be complied with together with other relevant parts of the Council's Constitution.

2.4 The following entities have their own rules and are not bound by these CSOs except when they participate in joint purchasing with the Council:

- 2.4.1 all schools within the district of North Somerset;
- 2.4.2 companies in which the Council has an interest **except for** Local Housing Development Vehicles and Local Authority Controlled Companies.

2.5 These CSOs **do apply** to the award of concession contracts and utility contracts. If you are seeking to tender a concession contract or if the Council, as a "utility", wishes to procure works, services and/or goods for the purpose of carrying out its "utility activities" of any value you must contact the Strategic Procurement Service for advice.

2.6 The guidance on the procurement process gives more information on the tendering of works, services and goods by the Council and the procedures to be followed.

3. Responsibilities

3.1 Overall responsibility for these CSOs rests with the Section 151 Officer. Further information and advice on these CSOs can be obtained from the Strategic Procurement Service.

3.2 Anyone undertaking purchasing activity on behalf of the Council (but especially in the context of purchasing

works, services or goods above prescribed values, (known as **EU thresholds**) must comply with all relevant laws and regulations.

3.3 The current EU thresholds apply from 1st January 2018:

- 3.3.1 Goods (supplies) and services £181,302;
- 3.3.2 Works £4,551,413
- 3.3.3 Concessions £4,551,413
- 3.3.4 "light touch" regime contracts (schedule 3 contracts under the Public Contracts Regulations 2015) £615,278

The thresholds will remain fixed until 31st December 2019

3.4 Directors are responsible for ensuring that:

- 3.4.1 officers follow these CSOs
- 3.4.2 any agent, consultant or contractual partner acting on behalf of the Council to purchase works, services or goods, or any of them involved in the management of contracts for the Council, comply with these CSOs.
- 3.4.3 the central Contracts Register, held by the Strategic Procurement Service, is updated on each occasion a contract is let by the Council which has a total contract value of £5,000 and above, or is for a duration of three years or longer;
- 3.4.4 original contract documents, including the tender documents of the successful bidder, are safely kept by the Property Services Team in the central deeds store.

4. Definitions of terms used in these CSOs

4.1 award criteria: the evaluation criteria and methodology used to weight, select and award a contract to a successful bidder.

4.2 award letter: written confirmation of the award of a contract by the Council to a successful bidder, using the standard template.

4.3 Bid: an offer made by each bidder to provide works, services or goods to the Council for a particular amount of money on specified terms, normally in the form of a tender or quotation.

4.4 Bidder: a person, business, company or other organisation who responds to the Council's invitation to bid as part of the tender / procurement process.

4.5 Buying: purchasing works, services or goods from an external supplier or contractor.

- 4.6 call-off contract: the contract made under a framework agreement to a framework supplier following the holding of a mini-competition or the placing of an order. Although the framework agreement sets out the overarching terms and conditions, each individual "call-off" contract or order constitutes its own separate contract under the framework agreement.
- 4.7 **code of conduct:** the Council's codes regulating the conduct of officers and members.
- 4.8 **Commissioning:** the process used to plan, procure, evaluate, deliver and monitor the provision of works, services and goods to allow the Council to meet its requirements in the most economical, effective and efficient way.
- 4.9 **Commissioning Plan:** a document which sets out, before the procurement process commences, the works, services or goods to be purchased together with the expected outcomes, using the standard template. The standard template is available from the Strategic Procurement Service.
- 4.10 concession contract: a contract under which the Council outsources works or services to a contractor / supplier ('the concessionaire') who has the right to commercially exploit the works or the services and who accepts a transfer of the operating risk in exploiting the works or the services.
- 4.11 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. This may apply to both officers and members.
- 4.12 Constitution: a document approved by the Council which:
- 4.12.1 allocates powers and responsibility within the Council and between the Council and others;
- 4.12.2 delegates authority to act to the executive, committees, executive members and officers; and
- 4.12.3 regulates the behaviour of individuals and groups through rules of procedure, codes and protocols.
- 4.13 **contingency measures:** actions to reduce the impact of, or prevent, identified risks which might affect the successful delivery of a contract.
- 4.14 **Contract:** an agreement entered into voluntarily by two or more parties that creates a legal obligation on

the contractor to supply works, services or goods to the Council in return for a payment.

- 4.15 **Contractor:** A party that has agreed to supply works, services and / or goods to the Council under a contract.
- 4.16 **Contract Award Report:** a report prepared by the contract manager and the Strategic Procurement Service which makes a recommendation to the relevant decision making body (refer to the table at paragraph 9.4) to award the contract to the successful bidder. The decision maker must agree the award of the contract before any bidder is notified of the tender outcome.
- 4.17 **Contracts Finder:** is a government website. All contracts that the Council advertises over £50,000 (or below if officer chooses to advertise) have to be advertised on Contracts Finder.
- 4.18 **contract management:** the proactive process to be used by the Council to manage contract delivery to ensure that the contractor is fully complying with its contractual obligations, allows the Council to manage contractor performance and contract compliance and minimises risk to the Council of contractor default.
- 4.19 **contract manager:** a named officer who is responsible for ensuring that the Council achieves its objectives, as set out in the contract. This might not be the officer's job title – they might act in the role of contract manager for only part of the time.
- 4.20 **Contracts Register:** a list of all the contracts let by the Council that are over £5,000 in whole-life value or for a period of three years or longer. The register is kept and maintained by the Strategic Procurement Service.
- 4.21 **contract variation:** an agreement to vary the terms of a contract. All parties to the contract must agree to the variation and any variation must be within the original scope of, and made in compliance with, the contract. Officers must consider whether the contract is being varied, or whether the change is so substantial that the original contract is extinguished and a new one is being entered into.
- 4.22 **corporate governance:** the action or manner of governing, managing and overseeing the way that the Council operates.
- 4.23 **corporate requirements:** where the requirement for goods and services is used by the whole authority

rather than individual directorates, for example stationery and agency staff.

4.24 **declaration of interest:** the requirement on members and officers to declare their financial or other interests or assets that could create a conflict of interest in the performance of their duties.

4.25 **disclosable interest:** a *financial* interest or asset that could create a conflict in the performance of the duties of a member or officer.

4.26 **Dynamic Purchasing System (DPS):** an electronic system similar to an electronic framework agreement. A DPS provides a list of contractors from which the Council can conduct an e-competition for tenders. Contractors can apply to join the DPS at any time. If considering a DPS of any value advice must be sought from the Strategic Procurement Service.

4.27 **EU procurement directive:** the legislative package of public procurement directives, approved by the European Parliament and the EU's Council of Ministers, to simplify and modernise procurement procedures.

4.28 **EU threshold:** the contract value at which the EU public procurement directives apply. The current thresholds (excluding VAT) are:

4.28.1 Goods (supplies) and services £181,302;

4.28.2 Works and concession contracts £4,551,413; and

4.28.3 "light touch" regime contracts (schedule 3 contracts under the Public Contracts Regulations 2015) £615,278;

4.28.4 Utilities procurement:

- Goods (supplies) and services £363,424
- Works £4,551,413
- Light touch regime £820,370

The thresholds will remain fixed until 31st December 2019.

4.29 **Exceptions:** limited circumstances in which compliance with these CSOs is waived in accordance with paragraph 6 below.

4.30 **framework agreement:** an agreement made between one or more public bodies and more than one contractor. A framework agreement is a multi-contractor agreement. A framework agreement sets out the terms for making specific purchases ('**calls-offs**') under the framework. The terms will include the nature of the works, services or goods to be

supplied, the unit price, the standards for service delivery and the terms on which future purchases will be made. Purchases can be made:

- by order without re-opening competition. For example, offering an order to the contractor with the lowest price; or
- following a mini competition.

The framework agreement will set out which purchase route is to be used and the procedure to be followed for making specific purchases.

A framework agreement does not commit the buying organisation(s) (otherwise known as commissioner(s)) to make any purchases and framework suppliers can choose whether or not to accept the order or take part in a mini-competition, unless the framework agreement otherwise provides.

4.31

framework contract: similar to a

framework agreement but made between one or more public bodies and one contractor only. A framework contract is a single contractor agreement. The framework contract sets out the terms for making purchases of works, services or goods. A framework contract does not commit the buying organisation(s) to place any order under it. If a buying organisation wishes to buy works, services, or goods under the framework contract it will place an order do so in accordance with the terms of the framework contract. The framework contract contractor will be contractually bound to deliver the works / services / goods ordered.

4.32

goods (supplies): the term used where

the principle reason for the procurement is to purchase, lease, rent or hire-purchase, with or without an option to buy, actual products.

4.33

lead partner: one of the parties to a joint

commissioning arrangement who, on behalf of the other parties within the joint commissioning group, agrees to take the lead in the procurement process and (where applicable) responsibility for managing a contract on behalf of the other parties within the group.

4.34

light touch regime: the light touch

regime applies to those services identified within Schedule 3 of the PCR 2015, and includes health, social and related services, as well as other services.

4.35

Local Authority Controlled Company

(LACC): an organisation controlled by the Council that can be awarded contracts directly by the Council without the Council having to follow the public procurement regime, provided the following 3 conditions are met;

4.35.1 the Council exercises over the LACC a control which is similar to that which it exercises over its own departments;

- 4.35.2 more than 80% of the activities of the LACC are carried out in the performance of tasks entrusted to it by the Council or by other organisations similarly controlled by the Council; and
- 4.35.3 there is no direct private capital participation in the LACC with the exception of non-controlling and non-blocking forms of private capital participation required by national legislative provisions, which do not exert a decisive influence on the LACC.

If you are considering the creation of a LACC, you must seek the advice of the S151 officer and the Assistant Director Legal and Governance.

- 4.36 **most economically advantageous tender (MEAT):** the process of assessing a tender based on quality and price over the life of the contract. Factors such as the period for completion, maintenance costs, technical merit, and value for money should be taken into consideration.
- 4.37 **OJEU:** the Official Journal of the European Union. When public sector contracts for works, services or goods equal or exceed the EU thresholds, they must be advertised in this publication and, following award, contract award notices must also be published.
- 4.38 **Outsourcing:** the process of [contracting out](#) an existing service which is being provided internally by the Council to another party.
- 4.39 **PCR 2015:** the Public Contracts Regulations 2015, the primary legislation governing procurement and contracting for the public sector in the UK.
- 4.40 **Portal:** a web based system which the Council currently uses to advertise and run requests for quotes (**RFQs**) and tenders – the portal can be found at www.supplyingthesouthwest.org.uk.
- 4.41 **Procurement:** the process of obtaining works, services and goods (supplies)
- 4.42 **Procurement Plan:** a plan which sets out the approach to a procurement process. A Procurement Plan must be completed for all contracts with an estimated whole life contract value (inclusive of any extension period) of £100,000 and above and must be approved by the relevant decision-making body – refer to the table at paragraph 9.4 - before the procurement commences.
- 4.43 **reverse auction:** a procedure using the Portal where invited bidders bid against each other, reducing their tender price in decrements (reducing increments) of a determined value until bidding stops.

- 4.44 **RFQ (Request for Quote):** a request to a supplier inviting it to submit a quotation for the supply of goods or services.
- 4.45 **Seal:** The Council's seal is kept by, and is under the control of, the Assistant Director Legal and Governance.
- 4.46 **Services:** the principle reason for the procurement is considered to be neither goods / supplies or works.
- 4.47 **service outcome:** a measure of the contract objectives in terms of service delivery.
- 4.48 **Social Value:** The Public Services (Social Value) Act 2012 imposes a duty on the Council to consider at the pre-procurement stage of any service contract how the services proposed to be procured may improve the economic, social and environmental well-being of North Somerset and how the Council may secure that improvement as part of the procurement process.
- 4.49 **Standard selection questionnaire:** the government questionnaire which must be used for pre-qualifying bidders in a procurement process. When conducting a procurement that equals or exceeds the EU thresholds, this questionnaire must be used.
- 4.50 **Sub-contractor:** an individual, business or other organisation who is hired by the main contractor to deliver part of the contract, and who is paid by the main contractor.
- 4.51 **Supplier:** any person, business, company, public entity or other organisation which offers on the market the delivery of works, services and / or goods to the market.
- 4.52 **Suspension:** the suspension or waiver of compliance with CSOs under paragraph 6.1 below.
- 4.53 **Tender:** the written document submitted by a bidder as part of its tender process in which the bidder offers to provide goods, services and/or works for the bid price to the Council.
- 4.54 **VCSE:** Voluntary Community and Social Enterprise, the voluntary or non-profit sector of the economy.
- 4.55 **value for money:** the optimum combination of whole life costs and quality (or fitness for purpose) of the goods, works or services to meet the Council's requirement.
- 4.56 **whole life contract value:** the cost of the contract over its full duration, exclusive of VAT, including the value of any extension periods.

4.57 **Works:** the principle reason for the procurement is to carry out one of the following;

4.57.1 the execution, or the design and execution, of works related to one of the activities listed in Schedule 2 of the Public Contracts Regulations 2015. In principle, construction, civil engineering and property maintenance. For a complete list, contact the Strategic Procurement Service;

4.57.2 the execution of, or the design and execution of, a work;

4.57.3 the realisation, by whatever means, of a work corresponding to the requirements specified by the Council exercising a decisive influence on the type or design of the work.

5. Delegation

5.1 A director may delegate the duties assigned to him/her within these CSOs. For example, a director may delegate to another named officer or officers the authority to approve commissioning or approval of reports for the use of exceptions.

5.2 All such delegations shall be formally recorded and logged with the S151 officer.

5.3 Delegations may be revoked at any time by the delegating director at which point the delegated duty will revert back to that director.

5.4 No delegation shall abrogate or remove the responsibility associated with the duty given to the director. The duty will remain with the director.

6. Suspension of and Exceptions to Contract Standing Orders

6.1 Suspension - Only full council has the power to suspend or waive any requirements within these CSOs.

6.2 Exceptions - Contracts below the EU Thresholds If one of the exceptions listed in CSO 6.3 apply then the relevant decision maker may approve exceptions to these CSOs (to the extent that they are lawfully able to do so) in genuinely urgent situations and/or where there is a sound legal, financial or value for money reason. The officer must:

6.2.1 Complete for the relevant decision maker's approval a prescribed form (**Exception Form**) detailing the exception(s) intended to be used and the reasons for the request. The relevant decision maker is listed in the 'Contract Award approval' column in the table at paragraph 9.4. The reasons available are listed in paragraph 6.3 below;

6.2.2 Notify the Strategic Procurement Service of the exception (if granted) and following contract award request the Strategic Procurement Service to record the contract on the Contracts Register.

6.3 Exceptions for below EU threshold procurements: valid reasons

The following are considered acceptable reasons for seeking an exception:

- 6.3.1 quantifiable and significant cost and efficiency savings can be achieved through seeking an alternative route;
- 6.3.2 reasons of extreme urgency mean that normal time limits cannot be met, including as a result of unforeseen emergency or disruption to Council services. This may include for example, storm damage to public buildings. Not having sufficient time to tender may not in itself constitute urgency.
- 6.3.3 the Council would otherwise be exposed to immediate and significant financial, legal or reputational risk that has been identified in the relevant risk register;
- 6.3.4 only one supplier is objectively able to provide the works, services or goods in question including, but not limited to, where the provision is specialist, where the supplier has exclusive intellectual property rights, artistic or other rights, has a monopoly or where the goods bought are for re-sale. In such circumstance only that one supplier may be asked to quote / tender, however the quote / tender must be evaluated for capability and suitability.
- 6.3.5 Where the opportunity will be advertised using RFQ and there is more than one supplier but fewer than five or three suppliers (depending on the estimated contract value) capable of supplying the works, services or goods to be procured, only those suppliers shall be asked to quote. The number of suppliers in the market place may be limited because the opportunity to be procured is of a specialist nature or a supplier has exclusive intellectual property, artistic or other rights in the subject matter or has a monopoly, or the market is weak.
- 6.3.6 Where the opportunity has been advertised using RFQ or tender and you invited at least the minimum number of bidders (refer to the table at paragraph 9.3 below) but less bids than the minimum required have been received, you are not required to obtain an exception to these CSOs.
- 6.3.7 Additional or new works, services or goods 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. Forgetting to include the additional or new services in the original tender/RFQ will not in itself apply to this exception. Any officer wishing to rely on this exception must first have considered whether including additional or new works, services or goods would be a contract variation and permitted under UK and EU public procurement legislation.
- 6.3.8 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.

6.3.9 The Council has the benefit of a Local Authority Controlled Company (LACC) under Regulation 12 of the Public Contracts Regulations 2015.

6.4 An exception must **not** be granted where this would mean the Council would be in breach of any laws.

6.5 No exemption can be relied on unless and until the relevant decision maker has authorised the exception.

6.6 Where an exception is granted, all other rules and guidance related to the procurement process still apply e.g. preparation of a Commissioning Plan, Procurement Plan and Contract Award Report.

6.7 All contracts, including the award of a contract to which an exception has been applied, must demonstrate compliance with:

6.7.1 All applicable legislation and guidance (including equality of treatment, transparency; non-discrimination; proportionality and mutual recognition);

6.7.2 The principles of procurement best practice and value for money;

6.7.3 The requirement to identify and secure appropriate funding;

6.7.4 Appropriate and robust risk management and contract management arrangements.

6.8 Exceptions - Contracts equal to or above the EU Thresholds

The application of the EU procurement rules cannot be exempted. If you are having difficulty you should consult with the Strategic Procurement Service for more information.

7. Approvals – Contracts with A Value £100,000 and Over

7.1 All Council procurements with an estimated whole life contract value of £100,000 and over will have three stages of approval:

A. Commissioning Plan

B. Procurement Plan

C. Contract Award Report

7.2 —Commissioning Plan – a Commissioning Plan must be prepared by the contract manager and approved by the relevant decision maker before a procurement process can commence. The Commissioning Plan must set out:

- 7.2.1 Contract Title
- 7.2.2 Outline scope of the procurement - what is the Council buying?
- 7.2.3 Available budget and estimated whole life contract value, including any extension period
- 7.2.4 Contract length, including any contract extension period
- 7.2.5 The end date of any existing contract (if applicable).

7.3 **Procurement Plan** –The Procurement Plan will set out how the procurement will be managed in order to deliver the best outcomes for the Council. The level of detail in the Procurement Plan should be proportionate to the whole life value of the contract and the level of risk, but should where relevant include:

- 7.3.1 High level summary of contract purpose and outcomes, including the approach to reflecting these in the specification;
- 7.3.2 Governance process, including the engagement of key stakeholders and approval of key documents during the procurement process;
- 7.3.3 Market analysis, including any work that needs to be done by the Council to market itself to potential bidders as an important customer;
- 7.3.4 Review of potential performance issues, and how they will be mitigated/managed through the procurement process;
- 7.3.5 Key risks, including sustainability risks, and how they will be managed during the procurement process;
- 7.3.6 Approach to evaluation, including evaluation criteria and weightings. Evaluation criteria shall include an assessment of the bids against the deliverables to be secured under the contract;
- 7.3.7 Legal issues, including terms and conditions for the contract, contract length and extensions etc.;
- 7.3.8 Commercial issues such as pricing strategy, management of change, and performance management/incentives;
- 7.3.9 Approach to Social Value, including performance obligations, main areas of potential benefit, VCSE and sustainability opportunities;
- 7.3.10 Overall projected timescales and milestones;
- 7.3.11 Approach to assessing and agreeing preferred route to market.

It is important that the Strategic Procurement Service is engaged at a sufficiently early stage to jointly produce the Procurement Plan with the contract manager.

7.4 **Contract Award Report** – a contract award report must be approved before the contract is awarded,

which sets out a record of the procurement process, including but not limited to:

- 7.4.1 The subject matter and the whole life value of the contract proposed to be made;
- 7.4.2 The procurement process followed;
- 7.4.3 (where applicable) The results of market analysis undertaken;
- 7.4.4 Details of the evaluation criteria, the weightings and the results of the evaluation process;
- 7.4.5 The name of the successful bidder and the reasons why its tender was selected;
- 7.4.6 The reasons for the rejection of the other bids received;
- 7.4.7 (where applicable) conflicts of interests detected and subsequent measures taken;
- 7.4.8 any risks associated with the award of the contract and measures taken to minimise that risk

The Contract Award Report will normally be prepared by the contract manager jointly with the Strategic Procurement Service, and is used to advise the relevant decision-making body.

8. Approvals – Contracts with A Whole Life Contract Value Under £100,000

- 8.1 Under £5000 – Quotations are not required and a direct award to a single supplier is permissible. Preference should be given to local and VCSE organisations where they exist and offer value for money and can deliver the works, services and/or goods to be supplied.
- 8.2 £5000 up to £9,999 – a minimum of 3 written quotations are required. In selecting suppliers to quote, preference should be given to local organisations where they exist and offer value for money and can deliver the works, services and/or works to be supplied. The contract must also be entered on the Council's Contracts Register.
- 8.3 £10,000 up to £49,999 – a minimum of 3 written quotations are required. The portal must be used, and the contract must be entered on the Council's Contracts Register. In selecting suppliers to quote, preference should be given to local suppliers where they exist and offer value for money and can deliver the works, services and/or goods to be supplied.
- 8.4 £50,000 up to £99,999 – a minimum of 5 written quotations should be invited. The portal must be used, and the Contract should be entered on the Council's Contracts Register.

9. Approval Level and Thresholds

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- 9.1 The value of the contract is the whole life contract value. It is not the annual contract value.
- 9.2 Contracts must not be disaggregated to avoid either EU thresholds or the thresholds specified within these CSOs.
- 9.3 All contract awards in excess of £250,000 must be retrospectively reported to the Executive.
- 9.4 The table below sets out the approvals and thresholds that must be used in conjunction with Sections 7 and 8 of these CSOs. If the whole life value of the contract proposed to be awarded is more than 10% in excess of the original value stated in the Commissioning Plan, an additional report must be made to the approver of the original Commissioning Plan before contract award:

Estimated Contract Value	Permitted Sourcing Options	Use Portal	Record on Contract Register	Commissioning Plan approval	Procurement Plan approval	Contract Award approval
Under £5,000	Quotations not required, Direct Award permissible	No	No	N/A	N/A	Director
£5,000 to £9,999	Invite 3* quotes	No	Yes	N/A	N/A	Director
£10,000 to £49,999	Invite 3* quotes	Yes	Yes	N/A	N/A	Director
£50,000 to £99,999	Invite 5* quotes	Yes	Yes	N/A	N/A	Director
£100,000 to £499,999	Open Tender, OJEU if equal or over threshold	Yes	Yes	Director	Director advised by Head of Strategic Procurement	Director advised by the s.151 officer and Head of Strategic Procurement
£500,000 to £999,999	Open Tender, OJEU if equal or over threshold	Yes	Yes	Executive Member	Executive Member advised by Director and Head of Strategic Procurement	Director advised by the s.151 officer and Head of Strategic Procurement
£1,000,000 to £4,999,999	Open Tender, OJEU if equal or over threshold	Yes	Yes	Executive	Executive Member advised by Director and Head of Strategic Procurement	Director advised by the s.151 officer and Head of Strategic Procurement
£5,000,000 to £9,999,999	OJEU tender	Yes	Yes	Executive	Executive Member advised by Director and Head of Strategic Procurement	Executive (Director advised by the s.151 officer and Head of Strategic Procurement for

£10,000,000 and above	OJEU tender	Yes	Yes	Full Council	Executive Member advised by Director and Head of Strategic Procurement	capital projects) Executive
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*Note: In accordance with CSO 6.3.5, if there are fewer supplies in the market place capable of supplying the works, services or goods to be procured than the number of bidders which should be invited to tender and the relevant exemption has been approved, you are only required to invite those suppliers capable of supplying the works, services or goods.

10. Signing of Contracts

10.1 Contracts below the relevant EU threshold and for a duration up to three years may be signed by two authorised officers, namely the relevant Director and the Assistant Director or such other officer(s) as the Director has formally authorised (using his/her delegated powers) to sign contracts.

10.2 Contracts equal or exceeding the relevant EU threshold or for a duration of more than three years may be sealed by the Council, as determined by the Assistant Director Legal and Governance.

11. Framework agreements (multi supplier)

11.1 The intention behind a framework agreement is to streamline the competitive process by enabling the commissioners, at any time during the term of the framework, to buy works, services, or goods by placing an order (without re-opening competition) or by holding a mini tender process (competed services), without having to tender each individual purchase. Multiple orders or call-off contracts can be made through the framework. Framework agreements can be useful where the Council needs to make repeated and potentially high value purchases, such as for temporary staff support or care placements.

11.2 It may be possible to access an existing framework agreement, let by the Council or another public body. As you would be calling off from the framework this negates the need to conduct a full procurement for the new requirement.

11.3 The following principles should be followed when deciding whether to buy works, services or goods under an existing framework agreement established by another body:

11.3.1 There should be evidence that the framework can be accessed by the Council;

11.3.2 For competed services, the framework must provide for the holding of a mini-competition.

11.3.3 For the making of a purchase without re-opening competition the framework must clearly identify the criteria for selecting, in order of priority, the contractor to be first, and subsequently, offered the order;

11.3.4 The framework should offer value for money;

11.3.5 The technical aspects and quality standards of the framework shall meet the Council's requirements.

11.4 For procurements equal or above the relevant EU threshold, the award of a framework agreement is regulated by the PCR 2015.

11.5 If the framework arrangement falls within the PCR 2015 then the term of the framework must not exceed four years. There is a provision to establish a framework for a longer period but this is only applicable in exceptional circumstances and where it can be justified by the subject of the framework. The Strategic Procurement Service must be contacted for advice.

- 11.6 Call-off contracts can extend beyond the life-span of the framework agreement. However, call-off contracts made close to, or at the end of, the term of the framework that have a disproportionate duration may amount to a breach of the PCR 2015. Before such a call-off contract is made, advice must be obtained from the Strategic Procurement Service.
- 11.7 The use of a framework agreement must be approved as part of the Commissioning Plan and the Procurement Plan.
- 11.8 A framework agreement is closed for the duration of its operation which means that no new providers and/or suppliers can be added to the framework. If you wish to create a contract which allows for new suppliers to be added you must set up a Dynamic Purchasing System (DPS). If you wish to set up a DPS you should contact the Strategic Procurement Service. If you are creating a framework under the Light Touch regime, a degree of flexibility is available. Contact the Strategic Procurement Service for further information.
- 11.9 A contract award report is not required for orders/placements called off under a framework agreement. However, before the order/placement is made a purchase order to the value of the purchase must first be authorised.

12. Framework Contracts (Single Supplier)

- 12.1 A framework contract differs from a framework agreement in that it is made between more than one purchaser and a single supplier, meaning that orders may be placed with that single supplier without competition. If an order is made under a framework contract the supplier will be contractually bound to accept that order.
- 12.2 A single supplier arrangement is likely to be used where the Council wishes to make a high number of purchases over a specified period, the aggregate value of those purchases being of high value, for example the purchase of stationery.
- 12.3 Framework contracts can be created so that one, or many, purchasers can be made under it.
- 12.4 The following principles should be followed when deciding whether to use an existing framework contract established by another body:

12.4.1 There should be evidence that the framework can be accessed by the Council;

12.4.2 The framework should offer value for money;

12.4.3 The technical aspects and quality standards of the framework should meet the Council's requirements.

- 12.5 For procurements above the threshold, the award of a framework contract is regulated by the PCR 2015.

- 12.6 If the framework arrangement falls within the PCR 2015 then the term of the framework must not exceed four years. There is a provision to establish a framework for a longer period but this is only applicable in exceptional circumstances and where it can be justified by the

subject of the framework. The Strategic Procurement Service must be contacted for advice.

12.7 The use of a framework contract must be approved as part of the Commissioning Plan and the Procurement Plan.

12.8 A contract award report is not required for orders/placements made under a framework contract. However, before the order/placement is made a purchase order to the value of the purchase must first be authorised.

13. Light Touch Regime

13.1 The light touch regime applies to those services identified within Schedule 3 of the PCR 2015, and include health, social and related services, as well as other services.

13.2 The light touch regime applies where the services are considered to be of lower interest to cross border competition. The services listed in Schedule 3 are subject to the PCR 2015, but a "light touch" regime applies and a higher EU threshold applies.

13.3 Whether or not a service is within Schedule 3 must be decided on a case by case basis as it will be dependent upon the full scope of what is being procured. For example, you may be procuring a multi lot contract for facilities management services which include an element of security services. Although security services are within Schedule 3 the remainder of the facilities management services are not. In this instance, although your contract would have a light touch element, the majority of the contract would not be light touch and so the entire procurement would be subject to the full PCR 2015.

13.4 Services listed in Schedule 3 of the PCR 2015 are subject to the "light touch regime" and not subject to the full procurement regime of the PCR 2015. Schedule 3 services include health, social and related services and the provision of services to the community. You must seek advice from the Strategic Procurement Service if you consider your service will be subject to the light touch regime before you commence the procurement.

13.5 For assistance with which services are considered "Light Touch" and the differing procurement rules to be followed, contact the Strategic Procurement Service.

14. Outsourcing and Community Right to Challenge

14.1 Where it makes economic sense and it is a functional solution, the Council may outsource services or transfer them to the local community to provide directly.

14.2 The 'community right to challenge' is part of the 2011 Localism Act and gives voluntary and community groups, charities, parish and town councils and council employees the right to express an interest in taking over the running of a Council service. The Council must consider and respond to this challenge. Where the challenge is accepted, the Council must then run a procurement exercise in which the organisation making the challenge can bid to run the service (but not necessarily win).

Expressions of interest to deliver services under the 'community right to challenge' shall be dealt with through the Council's adopted 'Process Guide to dealing with expressions of interest under the Community Right to Challenge.'

14a. Public works or services concessions under the concession contracts regulations 2016.

The Concession Contracts Regulations 2016 apply to above threshold public works concessions and public service concessions. There are no concession contracts for supplies.

Key factors of concession contracts are:

- Consideration must consist solely in the right to exploit the services or works that are subject to the contract or that right to exploit together with a payment; and
- The transfer to the concessionaire of the operating risk (encompassing demand or supply risk or both) plus real exposure to the vagaries of the market involving the possibility that the concessionaire will recoup the investment made and the costs incurred in operating those works or services.

If you consider that your opportunity may be a public works or a public services concession contract you must contact the Strategic Procurement Service for advice before beginning any stage of the procurement.

15. Social Value

15.1 The overall approach to delivering Social Value through the Council's suppliers is to agree proportionate and relevant Social Value outcomes with bidders during the procurement. There are two different but complementary routes in which this can be achieved. Firstly, Social Value can be built into the contract as a performance obligation within the requirements/specification. Secondly, bidders can be asked to be innovative about how they might deliver additional Social Value under the contract, and their responses are assessed as part of the overall evaluation process. These two routes are not necessarily independent i.e. both may be used within the same procurement process.

15.2 Procurement documents, in particular the evaluation model, should allow bidders to describe how they will deliver Social Value in addition to the core requirements of the contract. Procurement documents should also be clear on how responses will be assessed and evaluated.

15.3 The approach to achieving Social Value through the Council's procurements should be agreed as part of the development of the Commissioning Plan and the Procurement Plan.

16. Types of procedures

16.1 Where the opportunity to be advertised has an estimated whole life contract value of £100,000 and above the type of procedure to be followed must be determined as part of the development of the Procurement Plan, in consultation with the Strategic Procurement Service, prior to advertising. The types of procedure are as follows:

16.1.1 **Open Procedure** – where suppliers submit a tender in response to an advertisement. This is done via an Invitation to Tender (ITT) document, through a single stage process.

16.1.2 **Restricted Procedure** – includes a Pre-Qualification stage via the standard selection questionnaire, which is sent to all suppliers who express an interest in response to an advertisement. A selection of these suppliers is then invited to submit a tender via an ITT.

16.1.3 **Competitive Dialogue** – a procedure to be used where the procurement is of a very complex nature (technically, legally or financially), and the Council is unable to properly define one or more of these elements within the specification. In order for the Council to formulate its requirements, it will hold dialogue sessions with bidders during the tender process.

16.1.4 **Competitive with Negotiation** – this is a three-stage procedure that allows for negotiation after initial tenders have been submitted.

16.2 Where the estimated whole life contract value is under £100,000 you are not required to conduct a tender process, and may conduct a quotation process instead, but you may use a tender process if you consider it to be appropriate. Where you do conduct a tender process, the Open Procedure must be used. If your opportunity is under £100,000 but of a complex nature, contact the Strategic Procurement Service for advice.

16.3 For those opportunities equal or above the relevant EU thresholds, the standard selection questionnaire must be used within your selected procedure.

17. Advertising

17.1 The Council uses a web based system to advertise and run requests for quotes (RFQs) and tenders (the Portal). The Portal allows opportunities to either be openly advertised, where any appropriately registered supplier may express interest, or for quotes/tenders to be sent to specifically nominated suppliers only. All opportunities with a total estimated whole life contract value of £100,000 and above **must** be openly advertised. Below this figure opportunities **may** be advertised at the discretion of the contract manager. Whatever the value, where the Council advertises contracts using the Portal the opportunity must also be advertised on the government's Contracts Finder website if the opportunity will exceed £25,000 in value. The Strategic Procurement Service will be responsible for this.

17.2 Should you elect, at your own discretion, to conduct a formal tender process for opportunities with an estimated whole life contract value of under £100,000 you must advertise the opportunity as part of the tender process.

17.3 The process of advertising procurement opportunities via the Portal does not negate the requirement to advertise relevant opportunities in other media, such as The Official Journal of the

European Union (**OJEU**), Contract's Finder, the Council's website, local newspapers, or any other method, should this be required.

17.4 The Council can also publish Prior Information Notices (**PINs**). The PIN will give details of supply and services contracts for which the Council expects to seek tenders in the next 12 months. If the Council is going to publish a PIN for supplies and services, this should be done as soon as possible after the start of the financial year. The advantage of using PINs is that it reduces the tender timescales.

17.5 A PIN can also be used as part of a soft marketing testing exercise to understand the quantity, appetite and capability of suppliers to deliver potential contracts.

17.6 All suppliers invited to tender must be issued with the same information at the same time and subject to the same conditions.

18. Receipt of Tenders

18.1 Unless otherwise authorised as an exception, all bids and quotations with an estimated contract value of £10,000 and above will be operated through the Portal.

18.2 Bids which are received after the date and time stipulated in the Invitation to Tender document should not be considered.

18.3 All bids received electronically must either be opened by the Strategic Procurement Service or by officers authorised by the Strategic Procurement Service.

18.4 If, on checking a quotation or bid, any errors or discrepancies affecting the content of a bid are identified, these should be the subject of clarification with the bidder in accordance with the applicable laws.

18.5 If you are uncertain about the approach to apply to an error, or the period to grant a bidder to correct it, then seek the advice of the Strategic Procurement Service.

19. Evaluating tenders

19.1 Care should be taken to evaluate the bid using the most economically advantageous tender (**MEAT**) rather than simply the unit price. The lowest priced tender may not offer the best value for money over the life of the contract, taking into account price and quality.

19.2 Should a submitted bid appear to be priced too low to deliver the required quality of service this should be clarified. The bidder should be challenged as to how they can deliver the expected quality and requirements at that price. Should this show that the proposed service is indeed unsustainable, the tender may be rejected. Before any bid is rejected you must take advice from the Strategic Procurement Service.

19.3 Each bid should be evaluated by scoring objectively in accordance with the award criteria by a panel of appropriate officers. The process and evaluation model should be set out in the Procurement Plan. The contract should be awarded to the bidder submitting the tender that achieves the highest score in the evaluation process.

19.4 The criteria used to evaluate each bid must:

19.4.1 Be based on the predetermined award criteria specified in the invitation to tender document, including the weighting to be used;

19.4.2 Include the total value of the contract;

19.4.3 Be strictly observed throughout the tender process;

19.4.4 Be capable of objective assessment;

19.4.5 Avoid discrimination.

19.5 Where the opportunity is £500,000 and above, or where there is a perceived risk through the term or nature of the contract regardless of contract value, an assessment of the bidders' financial standing should be undertaken to the satisfaction of the relevant Director.

19.6 The results of the tender evaluation process must be recorded in writing.

19.7 The Council is not obliged to accept any tender.

20. Awarding the Contract

20.1 All bidders should be notified simultaneously (via the Portal) and as soon as possible of the intention to award the contract to the successful bidder.

20.2 The unsuccessful bidders must have at least 10 days in which to challenge the decision before the contract is actually awarded. This 'standstill period' is commonly referred to as the Alcatel period and is a legal requirement of an EU compliant procurement process. The standstill period is not a legal requirement for contracts which fall below the EU threshold but it is good practice to allow some time before making the contract award.

20.3 If the decision is challenged by an unsuccessful bidder then the contract cannot be awarded and the Assistant Director Legal and Governance must be contacted to advise on the steps to be taken.

20.4 The contract manager in conjunction with the Strategic Procurement Service (where appropriate) shall (via the Portal) debrief in writing all those bidders who submitted a bid about the relative advantages of the leading bidder and should only disclose:

20.4.1 How the award criteria was applied and the scores and relative advantages of the winning bidder(s);

20.4.2 The name of the winning bidder(s).

20.5 All documents should be kept in accordance with the Corporate Retention and Disposal Schedule.

21. Reverse auctions

21.1 On the advice of, and with prior authorisation from the Strategic Procurement Service, electronic reverse auctions may be used for the submission of prices. The specific procedures to be used must be approved by the Head of Strategic Procurement, and should normally be facilitated via the Portal.

22. EU thresholds

22.1 The procurement of goods, services and works that equal or exceed the EU procurement thresholds are covered by the EU Consolidated Procurement Directive as enforced by the Public Contract Regulations 2015. The Directive lays down strict processes for advertising, timetabling and contractor selection.

22.2 These rules take precedence over all Council and UK national regulations and carry potentially heavy penalties for non-compliance.

22.3 There are separate thresholds regarding services covered within the "Light Touch" regime, the Concession Contracts Regulation 2016 and the Utilities Contracts Regulations 2016. If you are uncertain if your opportunity falls under one of these Regulations you must seek advice from the Strategic Procurement Service. These thresholds are (Jan 2018);

22.3.1 "Light Touch" - £615,278

22.3.2 Concessions - £4,551,413

22.3.3 Utilities (Goods & Services) - £363,424

22.3.4 Utilities (Works) – £4,51,413

The EU thresholds will remain fixed until the 31 December 2019.

22.4 All opportunities that equal or exceed the EU Threshold must be advertised in the Official Journal of the European Union (OJEU) and Contracts Finder. The advertisement will be placed by the Strategic Procurement Service.

23. Contracts

23.1 All contracts shall, as a minimum:

23.1.1 be in writing;

23.1.2 specify what is to be supplied (that is, the works, materials, services, matters or things to be furnished, had or done);

23.1.3 specify the payment provisions (that is, the price to be paid and when);

23.1.4 specify the time-scale within which the contract is to be performed; and

23.1.5 specify the termination provisions under which the Council shall and may terminate the contract.

23.2 In addition, every contract involving a purchase of £50,000 and above must also clearly state as a minimum:

- 23.2.1 the performance standards to be met;
- 23.2.2 the insurance requirements;
- 23.2.3 health and safety requirements;
- 23.2.4 equality and diversity requirements;
- 23.2.5 (where relevant) that the contractor may not assign the contract or sub-contract any part of the contract without prior written consent from the Council;
- 23.2.6 information governance, Freedom of Information and Data Protection requirements;
- 23.2.7 contract management requirements;
- 23.2.8 a right, given to the council, of access to documents and records which relate to the subject matter of the contract for monitoring and audit purposes;
- 23.2.9 an obligation on the Council to pay undisputed invoices within 30 days;
- 23.2.10 an obligation on the principal contractor to pay any sub-contractor invoices within 30 days;
- 23.2.11 a clause for the prevention of corruption and bribery; and
- 23.2.12 contract enforcement mechanisms.

23.3 Formal advice from the Assistant Director Legal and Governance must be sought on contract terms and conditions for the following contracts:

- 23.3.1 where the estimated whole-life value of the opportunity is £100,000 and above;
- 23.3.2 those involving leasing arrangements;
- 23.3.3 where it is proposed to use the external supplier's own terms;
- 23.3.4 those that are considered to be high risk in terms of service failure or the Council's reputation; or
- 23.3.5 those that are complex in any other way.

23.4 All contracts must be formally concluded in writing before the supply, service or construction begins. An award letter is insufficient.

24. Prevention of bribery or corruption

24.1 Officers must comply with the Council's Code of Conduct and must not invite or accept gift or reward for the award of, or in respect of, the performance of any contract. It will be for the officer to prove that anything received was not received corruptly. High standards of behaviour are obligatory. Corrupt behaviour will result in disciplinary action being taken against the officer concerned. Offering, promising or giving of a bribe (active bribery) and the requesting, agreeing to receive or accepting of a bribe (passive bribery) is a criminal offence under the Bribery Act 2010 and council employees should take all necessary steps to protect themselves and the Council against committing acts of bribery.

25. Declaration of interest

25.1 If it comes to the knowledge of a member or officer of the Council that he or she has, or may have, a conflict of interest in the contract to be awarded or made he or she shall immediately give written notice to the Chief Executive who will inform the relevant Director.

25.2 Such written notice is required regardless of whether the interest is that of a member or officer themselves or a close relative, partner, direct or indirect. An indirect disclosable interest is distinct from a direct disclosable interest in that it is not a contract to which the member or employee is directly a party.

25.3 The Chief Executive shall maintain a record of all declarations of interests notified by members and officers.

25.4 The Chief Executive shall ensure that the attention of all members is drawn to the Code of Conduct for Local Authority Members.

26. Extending the term of the contract

26.1 If the original contract includes an option to extend the initial term and the authority to enter into the contract was given for the whole life contract value the relevant Director may authorise the extension period via a Director's Decision.

26.2 If the original contract does not include an option to extend the initial term or the authority to enter into the contract was not given for the extension period;

26.2.1 the maximum extension period allowed is 50% of the initial (original) term or a maximum of 12 months, whichever is lesser; AND

26.2.2 Authority to extend the initial term must be obtained before the contract is extended. The value of the extension period will determine who can authorise the extension based on the values in the table at paragraph 9.4 above.

Where the whole life value of the contract equals or exceeds the relevant EU threshold the PCR 2015 must be fully complied with. Where this applies you must seek advice from the Strategic Procurement Service.

27. Contract variation other than extending the term of the contract

27.1 Instructions to vary a contract shall be made in writing and before the variation is made approved by the relevant Director and referred to Legal Services for advice where the contract is subject to the PCR 2015.

27.2 Where a contract with a whole-life contract value of £50,000 and above is proposed to be increased by a value of 25% and above, an immediate report shall be made to the Section 151 Officer who shall decide what further action is necessary.

27.3 Where a variation occurs during the life of the contract that cannot be met from within existing budgetary provision, an immediate report shall be made to the Section 151 officer who shall decide what further action is necessary.

27.4 Where any claim for payment exceeds the original contract sum by £50,000 or more, the matter must be referred to the Head of Strategic Procurement before any settlement is made.

28. Contract management

28.1 Directors shall ensure that there is a named contract manager for each new contract. For each contract with an expected value of £100,000 and above the contract manager will work jointly with the Strategic Procurement Service during the procurement process.

28.2 As part of the procurement process the contract manager and Strategic Procurement Service will agree the contract management measures that are appropriate for the contract. This will include, but not be limited to, performance measurement/management, review meetings, risk management, governance and escalation. The approach to contract management shall be proportionate, with management activity linked to contract risk and value.

29. The contract performance framework

29.1 The Council has a performance framework to ensure strong corporate governance of its major contracts.

29.2 Contract managers shall measure contract performance against the standards and the performance indicators set out in the contract. Contract managers shall also identify (through a risk assessment) an appropriate set of indicators of the quality of the actual process of contract management.

29.3 Contract managers shall complete a quarterly assessment to assure the Council that each contract is delivering good outcomes and is being well managed. The quarterly assessment shall be discussed and agreed with the contract manager's direct line manager.

29.4 Directors shall ensure that contracts which are of strategic importance (in terms of the services offered and/or the contract value and/or the risk of service failure and/or the reputational risk to the Council) shall be referred to the Council's corporate management team (CMT). Significant contracts which are under-performing shall also be referred to CMT.

PART B – LAND AND BUILDINGS

30. Purchasing and leasing

- 30.1 Purchasing and leasing of land and buildings shall be made in compliance with the Council's Financial Regulations and Disposal of Land & Property Procedures.
- 30.2 No property related contract sale, purchase, tenancy, lease or third-party rights shall be entered into without the involvement of Assistant Director Legal and Governance, (through the section 151 Officer).

PART C – DISPOSAL OF ASSETS OTHER THAN LAND OR PROPERTY

31. Disposal of assets other than land or property

31.1 Disposal of other assets (other than land and building) shall be made in compliance with the Council's Financial Regulations.

31.2 In addition, there shall be clear documentation agreed and signed by the budget holder, his/her line manager and the Director detailing:

31.2.1 Why the item is no longer required.

31.2.2 A statement as to the physical condition of the item.

31.2.3 An estimated market value for disposal.

31.3 The section 151 Officer must be informed of the proposed disposal of any item listed on the Council's Asset Register. The relevant Service Accountant must be informed of the proposed disposal of items originally obtained through leasing arrangements.

31.4 Serviceable surplus goods shall be first offered for disposal within the Council. If no internal interest is received the item can be disposed of externally. If it is perceived that the goods are usable in their present state for their original purpose then the Council may be able to sell the item. Careful consideration should be given to the selling of goods as the Council must comply with the Consumer Protection Act 1987 and the Consumer Rights Act 2015 Compliance with the Act rests with Directors.

31.5 The Council is able to supply office furniture to the general market place, providing the furniture is in a usable condition and not likely to cause injury.

31.6 Any item identified as being beyond economic repair shall be scrapped. If it is perceived that there is a scrap value the item shall be sold as scrap. Electrical, gas, or mechanical items identified as no longer 'fit for purpose' shall only be sold as scrap or for refurbishment to an established company in the business of handling scrap or reconditioning items. Any sale document must clearly show that the item is being sold for scrap or refurbishment value only. Such items must not be offered for direct sale to the general market.

31.7 Motor vehicles can be offered for direct sale providing that the vehicle has a valid MOT certificate, is otherwise roadworthy and has no other obvious defects.

31.8 The item may either be sold through public auction or by private treaty. If to be sold by private treaty:

31.8.1 Where the estimated disposal value is under £500 at least one written offer shall be obtained and retained, and the highest offer shall be accepted.

31.8.2 Where the estimated disposal value is between £500 and £10,000 then at least three written offers must be sought and retained, and the highest offer shall be accepted.

31.8.3 Where the estimated disposal value is over £10,000, advice must be sought from the Head of Internal Audit or the Section 151 Officer, who shall recommend an appropriate disposal method for submission to the relevant Executive Member.

31.9 Items can be offered for sale through e-Bay using the council's corporate account held by the Strategic Procurement Service.

31.10 No surplus goods may be given or sold to any Council Officer, Member or their immediate family, except when won via public auction or e-Bay

31.11 Further advice on disposal considerations must be initially sought from the Strategic Procurement Service.

OFFICER EMPLOYMENT PROCEDURE RULES

1. Recruitment and appointment

1.1 Declarations

1.1.1 The Council will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew, or niece of an existing Councillor or officer of the Council; or of the partner of such persons.

1.2 No candidate so related to a Councillor or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by him/her.

1.3 Seeking support for appointment

1.3.1 The Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor for any appointment within the Council. The content of this paragraph will appear on any recruitment information.

1.3.2 No Councillor will seek support for any person for any appointment within the Council.

2. Recruitment of Head of Paid Service and chief officers

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

2.1 draw up a statement specifying:

2.1.1 the duties of the officer concerned; and

2.1.2 any qualifications or qualities to be sought in the person to be appointed;

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

2.3 make arrangements for a copy of the statement mentioned in paragraph 1.1.1 to be sent to any person on request.

3. Appointment of Head of Paid Service

3.1 The full Council will approve the appointment of the Head of Paid Service following the recommendations of such an appointment by a Committee or sub-Committee of the Council. That Committee or sub-Committee must include at least one Member of the Executive.

3.2 The full Council may only make or approve the appointment of the Head of Paid Service in accordance with the applicable legislation.

4. Appointment of chief officers and assistant directors

4.1 A Committee or sub-Committee of the Council will appoint chief officers and assistant directors. That Committee or sub-Committee must include at least one Member of the Executive.

4.2 An offer of employment as a chief officer or assistant director shall only be made in accordance with the applicable legislation.

5. Other appointments

5.1 Appointment of officers below Deputy Chief officer as defined in the Local Government and Housing Act 1989 (other than assistants to political groups) is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Councillors.

5.2 Appointment to assistants to a political group shall be made in accordance with the wishes of that political group.

6. Disciplinary action

6.1 Neither the Head of Paid Service, Monitoring Officer or Section 151 Officer may be dismissed by the Council unless the procedure set out in the following paragraphs has been complied with

6.2 The authority must appoint relevant independent persons to consider any proposal to dismissal of any of the officers named in 6.1 and must appoint at least two such persons

6.3 The panel which is to consider a report regarding the potential dismissal of any of the officers mentioned in paragraph 6.1, must be appointed 20 days before any meeting to consider any disciplinary action that may result in dismissal of any of the officers mentioned in paragraph 6.1.

6.4 Before the taking of a vote at a meeting of the Council at which the matter of whether or not to approve such a dismissal, the Council must take into account, in particular-

- (a) any advice, views or recommendations of the panel;
- (b) the conclusions of any investigation into the proposed dismissal; and
- (c) any representations from the relevant officer.

6.5 No notice of dismissal can be issued to any of the officers mentioned in paragraph 6.1 until the authority have resolved to dismiss the relevant officer

6.6 The Independent Persons that should be considered for appointment to the Employment Committee are those appointed under section 28(7) of the Localism Act 2011

6.7 The authority must appoint to the Panel such independent persons as referred to in paragraph 6.6 who have accepted an invitation to be appointed to the panel in accordance with the following priority order -

- (a) a relevant independent person who has been appointed by the authority and who is a local government elector;
- (b) any other relevant independent person who has been appointed by the authority;
- (c) a relevant independent person who has been appointed by another authority or authority

6.8 Councillors will not be involved in the disciplinary action against any officer below assistant director except where such involvement is necessary for any investigation into alleged misconduct, or through the Council's disciplinary, capability and related procedures, as adopted from time to time which may allow a right of appeal to Members in respect of disciplinary action.

7. Dismissal

Councillors will not be directly involved in the dismissal of any officer below assistant director except where such involvement or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to Members in respect of dismissals.

REVISED LOCAL CODE OF CORPORATE GOVERNANCE

1 Delivering Good Governance

- 1.1 *Delivering Good Governance in Local Government; Framework*, published by CIPFA in association with SOLACE, sets the standard for local authority governance in the UK. The concept underpinning the framework is to support local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The purpose of the Framework is to assist authorities individually in reviewing and accounting for their own unique approach, with the overall aim to ensure that:
- Resources are directed in accordance with agreed policy and according to priorities
 - There is sound and inclusive decision making
 - There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities
- 1.2 Governance is a term used to describe the arrangements (including political, economic, social, environmental, administrative, legal, and other arrangements) put in place to ensure that the intended outcomes for stakeholders are defined and achieved.
- 1.3 Good governance enables the Council to effectively achieve its intended outcomes, whilst acting in the public interest at all times.
- 1.4 The *Delivering Good Governance in Local Government; Framework*, sets out seven core principles of governance as detailed in the diagram below. North Somerset Council is committed to these principles of good governance and confirms this through the adoption, monitoring and development of this document - the Council's Local Code of Corporate Governance.
- 1.5 Our Local Code is underpinned by the *Delivering Good Governance in Local Government; Framework* and is comprised of policies, procedures, behaviours and values by which the Council is controlled and governed. These key governance areas and how the Council provides assurance that it is complying with these are set out in more detail within its Governance Assurance Framework.
- 1.6 The Council recognises that establishing and maintaining a culture of good governance is as important as putting in place a framework of policies and procedures. The Council expects members and officers to uphold the highest standards of conduct and behaviour and to act with openness, integrity and accountability in carrying out their duties.

2. Principles of Good Governance

2.1 This diagram illustrates how good governance is integral to supporting the delivery of the organisations priorities.



2.2 The principles of good governance therefore describe the outcomes this code is attempting to deliver. The guidance prescribes these as follows –

- **Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law**
- **Ensuring openness and comprehensive stakeholder engagement**
- **Defining outcomes in terms of sustainable, economic, social and environmental benefits**
- **Determining the interventions necessary to optimize the achievement of the intended outcomes**
- **Developing the entity's capacity, including the capability of its leadership and the individuals within it**
- **Managing risks and performance through robust internal control and strong public financial management**
- **Implementing good practices in transparency, reporting and audit, to deliver accountability**

2.3 Further information regarding each of the above principles and the behaviours and actions that demonstrate good governance in practice are detailed at Appendix A

3 Status

- 3.1 Regulation 6(1)(a) of the Accounts and Audit regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its systems of internal control and include a statement reporting on the review with any published statement of Accounts. This is known as an Annual Governance Statement.
- 3.2 The Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be prepared in accordance with proper practices in relation to accounts. Therefore a local authority in England shall provide this statement in accordance with Delivering Good Governance in Local Government Framework (2016) and this section of the Code.

4 Monitoring and review

- 4.1 The Council will monitor its governance arrangements for their effectiveness in practice and will review them on a continuing basis to ensure that they are up to date. This process of review to produce the Annual Governance Statement sets out in more detail how the Council will seek assurance on its adherence to the adopted principles of governance detailed in this code.
- 4.2 On an annual basis, the Chief Executive and Leader of the Council will therefore publish an Annual Governance Statement which will:
- assess how the Council has complied with this Code of Corporate Governance
 - provide an opinion on the effectiveness of the Council's arrangements
 - Provide details of how continual improvement in the systems of governance will be achieved.

5 Certification

- 5.1 We hereby certify our commitment to this Code of Corporate Governance and will ensure that the Council continues to review, evaluate and develop the Council's Governance arrangements to ensure continuous improvement of the Council's systems.

Leader of the Council

Chief Executive

Date:

Date:

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November 2019

Principles	Sub-Principles	Behaviour and actions that demonstrate good governance in practice:
<p>A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law</p>	<p>Behaving with integrity</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation <input type="checkbox"/> Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should <ul style="list-style-type: none"> build on the Seven Principles of Public Life (the Nolan Principles) <input type="checkbox"/> Leading by example and using the above standard operating principles or values as a <ul style="list-style-type: none"> framework for decision making and other actions <input type="checkbox"/> Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that <ul style="list-style-type: none"> they are operating effectively
	<p>Demonstrating strong commitment to ethical values</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Seeking to establish, monitor and maintain the organisation's ethical standards and performance <input type="checkbox"/> Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of <ul style="list-style-type: none"> the organisation's culture and operation <input type="checkbox"/> Developing and maintaining robust policies and procedures which place emphasis on agreed

	<p>ethical values</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ensuring that external providers of services on behalf of the organisation are required to act with
Respecting the rule of law	<p>integrity and in compliance with ethical standards expected by the organisation</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as <ul style="list-style-type: none"> adhering to relevant laws and regulations <input type="checkbox"/> Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements <input type="checkbox"/> Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders <input type="checkbox"/> Dealing with breaches of legal and regulatory provisions effectively <input type="checkbox"/> Ensuring corruption and misuse of power are dealt with effectively

Core Principles	Sub-Principles	Behaviour and actions that demonstrate good governance in practice:
B. Ensuring openness and comprehensive stakeholder engagement	Openness	<ul style="list-style-type: none"> <input type="checkbox"/> Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness <input type="checkbox"/> Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided <input type="checkbox"/> Providing clear reasoning and evidence for decisions in both public records and

	<p>explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear</p> <p><input type="checkbox"/> Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action</p>
<p>Engaging comprehensively with institutional stakeholders</p>	<p><input type="checkbox"/> Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably</p> <p><input type="checkbox"/> Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively</p> <ul style="list-style-type: none"> - Ensuring that partnerships are based on: trust - a shared commitment to change - a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit
<p>Engaging with individual citizens and service users</p>	<p><input type="checkbox"/> Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes</p> <p><input type="checkbox"/> Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement</p>

effectively

- Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs
- Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account
- Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity
- Taking account of the impact of decisions on future generations of tax payers and service users

Core Principles	<i>Sub-Principles</i>	Behaviour and actions that demonstrate good governance in practice:
C. Defining outcomes in terms of sustainable economic, social, and environmental benefits	Defining outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for <ul style="list-style-type: none"> the organisation's overall strategy, planning and other decisions <input type="checkbox"/> Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer <input type="checkbox"/> Delivering defined outcomes on a sustainable basis within the resources that will be available <input type="checkbox"/> Identifying and managing risks to the achievement of outcomes <input type="checkbox"/> Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available
	Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> <input type="checkbox"/> Considering and balancing the combined economic, social and environmental impact of <ul style="list-style-type: none"> policies and plans when taking decisions about service provision <input type="checkbox"/> Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes <ul style="list-style-type: none"> and short-term factors such as the political cycle or financial constraints <input type="checkbox"/> Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where

possible, in order to ensure appropriate trade-offs

- Ensuring fair access to services

Core Principles	<i>Sub-Principles</i>	Behaviour and actions that demonstrate good governance in practice:
D. Determining the interventions necessary to optimise the achievement of the intended outcomes	Determining interventions	<ul style="list-style-type: none"> <input type="checkbox"/> Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided <input type="checkbox"/> Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts
	Planning interventions	<ul style="list-style-type: none"> <input type="checkbox"/> Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets <input type="checkbox"/> Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered <input type="checkbox"/> Considering and monitoring risks facing each partner when working collaboratively, including shared risks <input type="checkbox"/> Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances <input type="checkbox"/> Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured <input type="checkbox"/> Ensuring capacity exists to generate the information required to review service quality regularly

	<ul style="list-style-type: none"> <input type="checkbox"/> Preparing budgets in accordance with objectives, strategies and the medium term financial plan <input type="checkbox"/> Informing medium and long-term resource planning by drawing up realistic estimates of revenue
<p>Optimising achievement of intended outcomes</p>	<p>and capital expenditure aimed at developing a sustainable funding strategy</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints <input type="checkbox"/> Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations <p>over the medium and longer term</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage <input type="checkbox"/> Ensuring the achievement of 'social value' through service planning and commissioning

Core Principles	<i>Sub-Principles</i>	Behaviour and actions that demonstrate good governance in practice:
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	<p>Developing the entity's capacity</p> <p>Developing the capability of the entity's leadership and other individuals</p>	<p><input type="checkbox"/> Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness</p> <p><input type="checkbox"/> Improving resource use through application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved</p> <p> Recognising the benefits of partnership working where added value can be achieved</p> <p><input type="checkbox"/> Developing & maintaining an effective workforce plan to enhance the strategic allocation of resources</p> <p><input type="checkbox"/> Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained</p> <p><input type="checkbox"/> Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body</p> <p><input type="checkbox"/> Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority</p> <p><input type="checkbox"/> Developing the capabilities of members and senior management to achieve effective</p>

leadership

and to enable the organisation to respond successfully to changing legal and policy demands as

well as economic, political and environmental changes and risks by: ensuring members and staff

have access to appropriate induction tailored to their role and that ongoing training and

development matching individual and organisational requirements is available and encouraged

- ensuring members and officers have the appropriate skills, knowledge, resources and

support to fulfil their roles and responsibilities and ensuring that they are able to update

their knowledge on a continuing basis

- ensuring personal, organisational and system-wide development through shared learning,

including lessons learnt from governance weaknesses both internal and external

- Ensuring that there are structures in place to encourage public participation

- Taking steps to consider the leadership's own effectiveness and ensuring leaders are open

to constructive feedback from peer review and inspections

- Holding staff to account through regular performance reviews which take account of training

- Ensuring arrangements are in place to maintain the health and wellbeing of the workforce

and support individuals in maintaining their own physical and mental wellbeing

Core Principles

Sub-principles

Behaviour and actions that demonstrate good governance in practice:

F. Managing risks and performance through robust internal control and strong public financial management

Managing risk

- Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making
- Implementing robust and integrated risk management arrangements and ensuring that they are working effectively
- Ensuring that responsibilities for managing individual risks are clearly allocated

Managing performance

- Monitoring service delivery effectively including planning, specification, execution and independent post implementation review
- Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook
- Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (Or, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making
- Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement
- Ensuring there is consistency between specification stages (such as budgets) and post

- Robust internal control**
- implementation reporting (e.g. financial statements)
 - Aligning the risk management strategy and policies on internal control with achieving objectives
 - Evaluating and monitoring risk management and internal control on a regular basis
 - Ensuring effective counter fraud and anti-corruption arrangements are in place
 - Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor
 - Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment
 - that its recommendations are listened to and acted upon

Managing data	<ul style="list-style-type: none"><input type="checkbox"/> Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data<input type="checkbox"/> Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies<input type="checkbox"/> Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring
Strong public financial management	<ul style="list-style-type: none"><input type="checkbox"/> Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance<input type="checkbox"/> Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and control

<i>Core Principles</i>	<i>Sub-Principles</i>	<i>Behaviour and actions that demonstrate good governance in practice:</i>
<p>G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>	<p>Implementing good practice in transparency</p>	<p><input type="checkbox"/> Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate</p> <p><input type="checkbox"/> Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand</p>
	<p>Implementing good practices in reporting</p>	<p><input type="checkbox"/> Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way</p> <p><input type="checkbox"/> Ensuring members and senior management own the results reported</p> <p><input type="checkbox"/> Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement)</p> <p><input type="checkbox"/> Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate</p> <p><input type="checkbox"/> Ensuring the performance information that accompanies the financial statements is prepared on</p>

		<p>a consistent and timely basis and the statements allow for comparison with other, similar organisations</p>
	<p>Assurance and effective accountability</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Ensuring that recommendations for corrective action made by external audit are acted upon <input type="checkbox"/> Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon <input type="checkbox"/> Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations <input type="checkbox"/> Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement <input type="checkbox"/> Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met

PART 5

CODES AND PROTOCOLS

NORTH SOMERSET CODE OF CONDUCT FOR MEMBERS

Code dealing with the conduct expected of members and co-opted members of the Council when acting in that capacity

You are a member or co-opted member of the North Somerset council and hence you shall have regard to the following principles –

selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Accordingly, when acting in your capacity as a member or co-opted member -

1. You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
2. You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.
3. When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.
4. You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.
5. You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.
6. You must declare any disclosable pecuniary interests, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out below.
7. You must, when using or authorising the use by others of the resources of your authority, ensure that such resources are not used improperly for political purposes (including party political purposes) and you must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

8. You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.

Registering and declaring disclosable pecuniary interests

9. You must, within 28 days of taking office as a member or co-opted member, or after the Council has adopted a new Code of Conduct notify the Monitoring officer of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a husband or wife, or as if you were civil partners.
10. A member must disclose a disclosable pecuniary interest to any meeting of the authority at which they are present, where the disclosable interest in any matter is being considered and where the matter is not a 'sensitive interest'.¹
11. Following any disclosure of an interest not on the authority's register or the subject of pending notification, you must notify the Monitoring officer of the interest within 28 days beginning with the date of disclosure.
12. Unless dispensation has been granted, you may not participate in any discussion or, vote on, or discharge any function related to any matter in which you have a pecuniary interest.
13. In addition to the register of disclosable pecuniary interests a register of gifts and hospitality offered to members is maintained by the Senior Leadership Support Team which members may use to record offers received of gifts and hospitality (including whether or not the offer was accepted) for the purposes of transparency.

Disclosable Pecuniary interests

<i>Subject</i>	<i>Prescribed description</i>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the

¹ A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992⁽²⁾.

Contracts

Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—
(a) under which goods or services are to be provided or works are to be executed; and
(b) which has not been fully discharged.

Land

Any beneficial interest in land which is within the area of the relevant authority.

Licences

Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.

Corporate tenancies

Any tenancy where (to M's knowledge)—
(a) the landlord is the relevant authority; and
(b) the tenant is a body in which the relevant person has a beneficial interest.

Securities

Any beneficial interest in securities of a body where—
(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and

⁽²⁾ 1992 c. 52.

(b) either—

(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

STANDARDS OF CONDUCT FOR MEMBERS - THE GENERAL PRINCIPLES

1. Selflessness

- 1.1 Members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.

2. Honesty and integrity

- 2.1 Members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

3. Objectivity

- 3.1 Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

4. Accountability

- 4.1 Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities, and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

5. Openness

- 5.1 Members should be as open as possible about their actions and those of their authority, and should be prepared to give reasons for those actions.

6. Personal judgement

- 6.1 Members may take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

7. Respect for others

- 7.1 Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.

8. Duty to uphold the law

8.1 Members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

9. Stewardship

9.1 Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

10. Leadership

10.1 Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence.

OFFICERS' CODE OF CONDUCT

1. Introduction

The public is entitled to expect the highest standards of conduct from all employees who work for the Authority. This Code outlines existing laws, regulations and conditions of service and provides further guidance to assist local authorities and their employees in their day-to-day work. The Code is produced in the light of the challenges that employees face in the new and more commercially orientated environment. This includes the introduction and extension of best value, market testing, changes in the management of the education and housing services, care in the community, management buyouts, etc.

2. Who the Code is aimed at

The code applies to all employees of the Authority.

Inevitably some of the issues covered by the Code will affect senior, managerial and professional employees more than it will others. The Code is intended to cover all employees under a contract of employment within local government, including office holders such as registrars. Activities carried out by employees acting as members of companies or voluntary organisations should be subject to the minimum standards within this Code.

3. Standards

- 3.1 Local government employees are expected to give the highest possible standard of service to the public, and where it is part of their duties, to provide appropriate advice to Councillors and fellow employees with impartiality. Employees will be expected, through agreed procedures and without fear of recrimination, to bring to the attention of the appropriate level of management any deficiency in the provision of service. Employees must report to the appropriate manager any impropriety or breach of procedure.

4. Disclosure of Information

- 4.1 It is generally accepted that open government is best. The law requires that certain types of information must be available to members, auditors, government departments, service users and the public. The Authority itself may decide to be open about other types of

information. Employees must be aware of which information their Authority is and is not open about, and act accordingly.

- 4.2 Employees should not use any information obtained in the course of their employment for personal gain or benefit, nor should they pass it on to others who might use it in such a way. Any particular information received by an employee from a Councillor which is personal to that Councillor and does not belong to the Authority should not be divulged by the employee without the prior approval of that Councillor, except where such disclosure is required or sanctioned by the law.

NB This refers to anything in a Councillor's personal capacity which does not belong to the Authority. Everything connected with the job of Councillor belongs to the Authority i.e. all work connected with constituents, the constituency, Committees and the Local Authority. This would therefore only involve anything personal to the Councillor as an individual outside their duties and responsibilities as an elected Member.

5. Political Neutrality

- 5.1 Employees service the authority as a whole. It follows they must serve all Councillors and not just those of the controlling group, and must ensure that the individual rights of all Councillors are respected.
- 5.2 Subject to the Authority's conventions, employees may also be required to advise political groups. They must do so in ways which do not compromise their political neutrality.
- 5.3 Employees, whether or not politically restricted, must follow every lawful expressed policy of the Authority and must not allow their own personal or political opinions to interfere with their work.
- 5.4 Political assistants appointed on fixed term contracts in accordance with the Local Government and Housing Act 1989 are exempt from the standards set in paragraphs 5.1 to 5.3.

6. Relationships

- 6.1 Councillors

Employees are responsible to the Authority through its senior managers. For some, their role is to give advice to Councillors and senior managers and all

7.2 Similarly, employees should not be involved in decisions relating to discipline, promotion or pay adjustments for any other employee who is a relative, partner, etc.

NB The word "etc" will be applied by the Authority as a level of relationship similar to a relative, partner, husband or wife.

8. Outside Commitments

8.1 Some employees have conditions of service which require them to obtain written consent to take any outside employment. All employees should be clear about their contractual obligations and should not take outside employment which conflicts with the Authority's interests.

8.2 Employees should follow their Authority's rules on the ownership of intellectual property or copyright during their employment.

NB Intellectual property covers ideas, patents, and inventions. Anything done in the employer's time is the property of the employer.

9. Personal Interests

9.1 Employees must declare to an appropriate manager any non-financial interests that they consider could bring about conflict with the Authority's interests.

9.2 Employees must declare to an appropriate manager any financial interests which could conflict with the Authority's interests.

9.3 Employees should declare to an appropriate manager membership of an organisation not open to the public without formal membership and commitment of allegiance and which has secrecy about roles or membership or conduct.

NB This applies where employees have to deal with an organisation to which they directly belong and it will depend upon the nature of their Membership of that organisation. The need to declare will therefore be in instances where employees' duties require them to deal with matters concerning outside organisations and they are directly involved with the organisation. Employees declaring membership of any organisation which is not open is discretionary.

10. Equality Issues

- 10.1 All local government employees should ensure that policies relating to equality issues as agreed by the authority are complied with in addition to the requirements of the law. All Members of the local community, customers and other employees have a right to be treatment with fairness and equality.

11. Separation of Roles During Tendering

- 11.1 Employees involved in the tendering process and dealing with contractors should be clear on the separation of client and contractor roles within the Authority. Senior employees who have both a client and contractor responsibility must be aware of the need for accountability and openness.
- 11.2 Employees in contractor or client units must exercise fairness and impartiality when dealing with all customers, suppliers, other contracts for sub-contractors.
- 11.3 Employees who are privy to confidential information on tenders or costs for either internal or external contractors should not disclose that information to any unauthorised party or organisation.
- 11.4 Employees contemplating a management buyout should, as soon as they have formed a definite intent, inform the appropriate manager and withdraw from the contract awarding processes.
- 11.5 Employees should ensure that no special favour is shown to current or recent former employees or their partners, close relatives or associates in awarding contracts to businesses run by them or employing them in a senior or relevant managerial capacity.

12. Corruption

- 12.1 Employees 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. If an allegation is made it is for the employee to demonstrate that any such rewards have not been corruptly obtained.

13. Use of Financial Resources

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- 13.1 Employees must ensure that they use public funds entrusted to them in a responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid legal challenge to the Authority.

14. Hospitality

- 14.1 Employees should only accept offers of hospitality if there is a genuine need to impart information or represent the Local Authority in the community. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community or where the Authority should be seen to be represented. They should be properly authorised and recorded.

- 14.2 When hospitality has to be declined those making the offer should be courteously but firmly informed of the procedures and standards operating within the Authority.

- 14.3 Employees should not accept significant personal gifts from contractors and outside suppliers, although the Authority may wish to allow employees to keep insignificant items of token value such as pens, diaries, etc.

- 14.4 When receiving authorised hospitality employees should be particularly sensitive as to its timing in relation to decisions which the Authority may be taking affecting those providing the hospitality.

- 14.5 Acceptance by employees of hospitality through attendance at relevant conferences and courses is acceptable where it is clear the hospitality is corporate rather than personal, where the Authority gives consent in advance and where the Authority is satisfied that any purchasing decisions are not compromised. Where visits to inspect equipment, etc. are required, employees should ensure that Authorities meet the cost of such visits to avoid jeopardising the integrity of subsequent purchasing decisions.

15. Sponsorship - Giving and Receiving

- 15.1 Where an outside organisation wishes to sponsor or is seeking to sponsor a local government activity, whether by invitation, tender, negotiation or voluntarily, the basic conventions concerning acceptance of

gifts or hospitality apply. Particular care must be taken when dealing with contracts or potential contractors.

15.2

Where the Authority wishes to sponsor an event or service neither an employee nor any partner, spouse or relative must benefit from such sponsorship in a direct way without there being full disclosure to an appropriate manager of such an interest. Similarly, where the Authority through sponsorship, grant aid, financial or other means, gives support in the community, employees should ensure that impartial advice is given and that there is no conflict of interest involved.

SUPPLEMENT

The Council accepts that it is legitimate for officers to hold political views and to engage in political activity within the confines of the law. It also requires that officers undertake their duties and give advice in a politically neutral way. Where an officer engages in political activity, including being a Councillor, then the officer should declare, to the appropriate line manager, whenever such political activity may impinge on, or overlap with, the officer's responsibilities as an employee of the Council. This should apply whether or not the officer, as a Councillor, has declared a non-pecuniary interest under the National Code of Conduct with that Council (which will normally be the case). The Department Chief Officer will decide whether or not such declaration should be openly reported to the relevant Committee, having regard to the principles of open government endorsed in this Code. This will normally occur where the overlap is clear. This rule also applies to the Officer's spouse or other person with whom the Officer has a close personal relationship which would ordinarily be disclosed under paragraph 4 of the Code.

MEMBER-OFFICER PROTOCOL

Contents

1. Introduction
2. Officers' and Members' Roles
3. Officer Advice to Political Groups
4. Relations between Members and Officers
5. Complaints or Concerns about Officers or Services
6. Information technology and Use of Corporate Email
7. Members' Rights to Information
8. Appointment and Discipline of Staff
9. Access to Council Premises
10. Support to members in their Scrutiny and Ward Roles
11. Breaches of the Protocol

1. Introduction

In summary Members of the Council are responsible for representing the community, making policy, and higher-level decisions. Officers are responsible for implementing policy and managing the organisation. This protocol covers how both should behave in their working relationship.

2. Officers' and members' roles

2.1 Officers are expected to support all members regardless of Political control, Group or affiliation.

2.2 Members have a complex role and are required to act simultaneously in three capacities: -

2.2.1 As **Politicians** - in this capacity Members will normally belong to a Political Group represented on the Authority and will express political values and support the policies of the group to which they belong.

2.2.2 As **Representatives** - in this capacity Members interpret and express the wishes of the electorate and seek to account for service priorities, allocation of resources and ultimate performance.

2.2.3 As **Council/Committee Members** - in this capacity Members have personal, individual, and collective responsibility for the Authority's organisation and its activities. Members will therefore concern themselves with the performance, development, continuity and overall well-being of the organisation.

2.3 Officers have, in broad terms, the following main roles:

- 2.3.1 To be the **managers** of the services for which the Council has given them responsibility. They are accountable for the efficiency and effectiveness of those services and for proper professional practice in discharging their responsibilities.
- 2.3.2 To be the **professional advisors** to the Council, its political structures and Members in respect of their service and, as such, their professionalism should be respected.
- 2.3.3 To **initiate policy** proposals as well as being implementers of agreed policy.
- 2.3.4 To **ensure** that the Council always acts in a lawful manner and in accordance with its Constitution and the need to secure value for money for the taxpayer.

2.4 Officers may refer any issue raised with them by Members to their Director or line manager. Members must never ask Officers to breach Council policy or procedures, but are entitled to reject proposals or recommendations made to them by Officers.

2.5 Officers can only advise Members on issues and business relating to the Council, its services and functions or its partnership working.

2.6 In general, Members can expect Officers to:

- Maintain due confidentiality;
- Perform their duties effectively and efficiently;
- Behave in a professional manner;
- Be helpful, impartial and respectful to Members.

2.7 In general, Officers can expect Members to:

- Treat them with respect;
- Avoid personal attacks on individual Officers and
- Maintain due confidentiality

3. Officer advice to political groups

3.1 Political Groups may request an officer to attend or be represented at a Group meeting. Such requests should be made via the relevant director. Officers who attend and make information available to a Political Group need to be clear from the start as to the confidentiality of any information being provided to the Group. Subject to any

legal requirement to disclose information, the general rules to observe about confidentiality in these circumstances are:

- 3.1.1 where Officers **initiate** a report for information or discussion for a Group meeting then such a report may also be made available to another Political Group on request.
- 3.1.2 where a Political Group **commissions** a report, advice or information from Officers, the report, advice or information and any views of the Group on it shall not be provided by Officers to another Political Group without the consent of the commissioning Group
- 3.1.3 where any Political Group requests sensitive information about Council services or issues, Officers may need to consult the Chief Executive Officer and relevant Director on managing such information. Any outcome shall be determined in accordance with section 7 of this Protocol.

3.2 Discussions between Officers and Members on policy issues are quite proper. Officers will often wish to seek political guidance in framing policy proposals but, when Officers write formal reports for Member decision, they have a duty to give the advice dictated by their professional expertise. Members should not, therefore, direct the content of formal reports by Officers to the Executive, Scrutiny or other Committees, Sub-Committees and Panels or full Council. Political Groups have no right to rewrite Officer reports. Officers must be able to report as they see fit, although Members are equally entitled to reject proposals and recommendations which are put to them.

3.3 Political Group meetings are not empowered to make decisions on behalf of the Council. Conclusions reached at such meetings do not therefore rank as Council decisions and Officers cannot therefore be required to interpret or act on them as such.

3.4 Similarly, where Officers provide advice to a Political Group meeting this cannot act as a substitute for providing all necessary information to the relevant decision-maker when the matter in question is considered.

3.5 Officers may choose to attend ward party political meetings as a local resident. No official status can be given to or associated with any comments or statements made by the Officer in this capacity. The regulations on political restrictions of Officers under the Local Government & Housing Act 1989 will apply in some cases.

- 3.6 These principles shall apply, with any necessary modifications, to Officer advice given to Political Group Leaders and individual Members where the Member makes it clear that he/she is acting in a political capacity.

4. Relations between members and officers

- 4.1 Mutual respect between Members and Officers is essential to good local government. Close personal familiarity between individual Members and Officers can damage this relationship and prove embarrassing to others.
- 4.2 It is not enough to avoid actual impropriety. Members should at all times avoid any occasion for suspicion and any appearance of improper conduct. Members must declare to the Chief Executive any relationship with an Officer which might be seen as influencing their work as a Member or vice versa. This includes any family, business or close personal relationships. It is not possible to define exactly the range of relationships that would be considered as close or personal. Examples, however, would include a family or sexual relationship and regular social mixing such as holidays or evening meals together.
- 4.3 Executive Members should not hold a Portfolio which covers a department for which an Officer graded JM1 or above does significant work if they are related to or the partner of that Officer. A role in policy-making, strategic or operational management or resource allocation would be considered as significant work.
- 4.4 Officers serve the Authority through its political structures. They work to the instructions of their Director or Head of Service – not individual Members of the Council, whatever office the Member might hold. It follows therefore that Officers must not be asked to exceed the bounds of authority they have been given by their manager nor should they have unreasonable demands placed on them in terms of support to an individual Member (or Members).
- 4.5 Directors and Assistant Directors are expected to work closely with the Leader, Executive Members and chairmen within the political structure and to meet regularly with them. Decisions may be delegated to an Officer. Apart from decisions delegated by the Leader or the Executive to Executive Members, decisions may not be delegated to a Councillor acting on his or her own.

4.6 Officers may initiate reports on any matter relevant to the Council's functions. Reports must give all relevant information and options available to the decision maker. A Member should not seek to influence an Officer to reduce the options or withhold information which he/she should properly report to the Council, Executive, or a Committee.

4.7 Minutes of any Council meeting shall be recorded by the Proper Officer as a professional independent record of the meeting. Members may be consulted but shall not put improper pressure on Officers to amend the minutes. Minutes may only be amended at the next meeting and only on a matter of accuracy.

4.8 Members and Officers must follow the Council's Equality Policy in all their dealings with each other.

5. Complaints or concerns about officers or services

5.1 Members have the right to criticise reports or the actions or professional views taken by Officers on any issue but they should:

- not make personal attacks on, harassment or abuse of Officers;
- take up an individual concern about an Officer in private where possible;
- not launch personal criticism of an individual Officer in a public meeting (but may disagree with an officer's judgement or interpretation)

5.2 Members must avoid undermining respect for Officers at meetings, or in any public forum. This would be damaging both to effective work relationships and to the public image of the Authority. Discussions and correspondence between Members and Officers should at all times be well mannered and professional.

5.3 Issues or complaints about Officers or the Authority's services should be made to the relevant Director or Head of Service and never directed to employees in clerical, administrative or junior management grades. It is equally important for Members and Officers to work together positively and with mutual respect and due regard to the Council's equal opportunities policy.

6. Information technology and use of corporate e-mail

- 6.1 Members and Officers must comply with the Council's standards as applicable for the use of Information technology facilities provided by the Council. The facilities provided may be withdrawn in the event of misuse of personal computers. A copy of the Council's Acceptable Use Policy is available on request.

7. Members' right to information

- 7.1 Council Members have all of the rights available to members of the public to inspect reports, minutes and background papers appearing on the public part of any of the Authority's agendas.
- 7.2 Within the provisions of the Access to Information Rules, detailed background papers not available to the public will be made available to a Member who sits on the relevant Committee which considered the report on request.
- 7.3 Members have additional rights in law which extend further than public rights under the Freedom of Information Act. Members are legally entitled to information that they need in order to carry out their work as a Councillor. But they are not entitled to Confidential or Exempt Information such as information which relates to a particular person or a commercially sensitive matter which is not directly relevant to their role as Councillor.
- 7.4 A Member should not request confidential information in order to use it for a purpose not legitimate for his/her role as a Member, because he/she is in a position of trust. A Member's motive for requesting confidential information is, therefore relevant, and he/she should be prepared to disclose the reason for his/her request.
- 7.5 If, for example, a Member is pursuing an issue on behalf of a constituent, this would be a legitimate reason and should be made known to the Officers from whom he/she is seeking the information. A Member must not abuse this trust by disclosing Confidential or Exempt Information obtained in their capacity as a Member (i.e. not expressly obtained under the Freedom of Information Act) to the public. This is particularly relevant to information which is commercially sensitive, related to a tendering process or personal information relating to staff or members of the public.

7.6 In addition to Committee reports and background papers a Member is entitled to see any papers the Authority has which properly relate to the work of a committee that he/she is on. However, if the papers contain Exempt or Confidential information, a Member will need to demonstrate "a need to know" and give reasons why he/she needs to see the papers in order to perform properly his/her duties as a Councillor and this need must not be outweighed by any public interest requiring non-disclosure. A Member must not ask for information on a matter on which he/she would have to declare a personal or prejudicial interest relevant to the specific document or information sought.

7.7 If a Member is refused access to documents that he/she feels he/she has the right to see, the dispute will be determined by the Chief Executive with advice from the Assistant Director Legal and Governance. The member may appeal against the decision to the Standards Sub-Committee.

8. Appointment and discipline of staff

8.1 If a Member is called upon to take part in appointing an Officer, the only question he/she should consider is which candidate would best serve the whole Authority. A Member should not (unless appointing assistants to Political Groups) let his/her political or personal preferences influence his/her judgement.

All appointment panels must use objective criteria, therefore Members must not seek to influence any appointment made by Officers or any appointment made by a Member panel to which they do not belong.

8.2 When participating in disciplinary appeals, a Member must declare to the Chief Executive any kinship or friendship with the Officer or common membership of an association (or society, local trade union branch or political party), trusteeship or other kind of relationship. Once this interest has been declared the Chief Executive will determine its relevance and whether the Member should not participate in the appeals process. The member may appeal against the decision to the Standards Sub-Committee.

9. Access to council premises

9.1 Members have a right of access to Council land and premises to fulfil their duties. Members may visit any premises normally open to the public or premises

made available to members use without notice or special formalities. Members should make arrangements in advance with the appropriate manager if they require additional staff time or support.

9.2 When making visits to premises not normally open to the public, and to which members do not normally have access, a Member should:

- notify and make advance arrangements with the appropriate manager or officer in charge;
- comply with health and safety, security and other workplace rules;
- be careful not to interfere with the services or activities being provided at the time of the visit, particularly establishments serving children or vulnerable people

10. Support for members in their ward and scrutiny roles

10.1 Officers will keep Members informed and provide information and advice reasonably required by Members in their ward representative role. Members should not however make demands which require unreasonable use of resources.

10.2 Officers will provide support for Members acting in a Scrutiny role. Such support shall be subject to the availability of resources but priority will be given to support for scrutiny work which is in an agreed Scrutiny Panel workplan.

11. Breaches of the protocol

11.1 This Protocol has been approved by the Council following consultation with all Political Groups. Each Member is expected to be governed by it. A breach of the Protocol by a Member shall be referred to the Chief Executive. If he/she considers the breach to be serious, the relevant Political Group will be asked to take appropriate action. In the event of a disagreement, any matter under this protocol relating to a Member may be referred to the Standards Sub-Committee for final determination.

11.2 The Protocol may also be taken into consideration in determining whether a Member has breached the Code of Conduct for Members.

11.3

A serious breach of this Protocol by an Officer may result in action under the Council's disciplinary procedures.

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PART 6

MEMBERS' ALLOWANCES SCHEME

1. Introduction

- 1.1 This Scheme for Members' Allowances (referred to in this document as "the Scheme") is made under the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 1.2 The Scheme forms part of the Council's Constitution. As such, the Scheme is approved by the full Council and may only be amended by the full Council.
- 1.3 The Scheme contains general clauses describing the overall arrangements for members' allowances together with detailed appendices which show the actual entitlements as agreed by the Council each year.
- 1.4 In accordance with the provisions of the above Regulations, the Scheme, including its detailed Schedules, is made by the Council having first considered recommendations from an independent remuneration panel.

2. Interpretation

- 2.1 The term "councillor" in this Scheme means an elected councillor of North Somerset Council and (exceptionally and where shown in the text) the Chair of the Standards Sub-Committee who, by law, must be an independent person and not a councillor.
- 2.2 Use of the term "the Regulations" within this Scheme is a reference to the Local Authorities (Members' Allowances) (England) Regulations 2003.

Where there is an issue over the interpretation of the Scheme, the view of the Director of Corporate Services shall be final.

3. The Basic Allowance

- 3.1 The Regulations provide that a Basic Allowance is payable to each member of the Council. The amount of the Basic Allowance must be the same for each member of the Council.

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3.2 The Council has determined that a Basic Allowance shall recognise the following activities and expectations of councillors

- 3.2.1 time and effort in conducting the local representation role, including meetings with constituents;
- 3.2.2 use of home as an office;
- 3.2.3 travel within the electoral ward;
- 3.2.4 recompense in part for the direct impact of the councillor role on the family;
- 3.2.5 serving on such outside bodies to which the member may be appointed;
- 3.2.6 serving as a member of the full council and reasonable attendance at council meetings;
- 3.2.7 membership of a reasonable number of formal and less formal committees, working parties etc. and a reasonable level of attendance at such meetings;
- 3.2.8 performing a chairing role at such meetings where the time and effort involved does not equate to a chairing role for which a special responsibility allowance is justified;
- 3.2.9 making a contribution towards the effective governance, administration and performance of the Council as a whole;
- 3.2.10 attendance at reasonable training and personal development events; and
- 3.2.11 the direct purchase, for all councillor roles, of certain basic stationery and IT and other office equipment of choice

3.3 One twelfth of the annual value of the Basic Allowance is paid monthly in arrears.

3.4 The level of Basic Allowance for the current Council Year is shown in Schedule 1 of this Scheme.

4. Special Responsibility Allowances

4.1 The Regulations provide that there may be Special Responsibility Allowances paid to some councillors for significant additional duties over and above those listed above and covered by the Basic Allowance. Such allowances may (exceptionally) be paid to independent members.

4.2 One twelfth of the annual value of Special Responsibility Allowances is paid monthly in arrears to relevant councillors and independent members.

4.3 No councillor or independent member shall receive more than 2 x Special Responsibility Allowances.

4.4 The Council may make arrangements through an appropriate body/person to monitor activities of

those councillors and others in receipt of Special Responsibility Allowances, to ensure that

4.4.1 value for money is being achieved and

4.4.2 there is capacity to deliver the responsibilities of the positions held.

4.5

The positions for which the Scheme provides a Special Responsibility Allowance, and the current values are shown in Schedule 2 of this Scheme.

5. Renunciation of Entitlement

5.1

A councillor or independent member may, by giving notice in writing to the Director of Corporate Services elect to forego any part of his or her entitlement to an allowance under this Scheme.

6. Member of Another Authority

6.1

Where a councillor is also a member of another local authority, that councillor may not receive allowances from more than one authority in respect of the performance of the same duties.

7. Part Year Entitlements

7.1

This part of the Scheme regulates the entitlement of a councillor to Basic and Special Responsibility Allowances where, in the course of a Council Year

7.1.1 this Scheme is amended; or

7.1.2 that councillor becomes or ceases to be a councillor; or

7.1.3 that councillor accepts or relinquishes a special responsibility in respect of which a Special Responsibility Allowance is payable.

7.2

If this Scheme is amended by the Council in a way which affects the payment of Basic or Special Responsibility Allowances, the change represented by the amendment shall take effect on the date on which the amendment was approved by the Council, or such other date as the Council resolution shall specify.

7.3

Such changes shall apply for the period beginning with the day the amendment takes effect and

ending with the day before that on which the Council Year ends, unless there is a further amendment to the Scheme.

7.4 In respect of the Basic Allowance, where the term of office of a councillor begins or ends otherwise than at the beginning or end of a Council Year, the entitlement shall be to payment of such part of the Basic Allowance as bears to the whole the same proportion as the number of days during which the term of office as a councillor subsists bears to the number of days in that year.

7.5 Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a Special Responsibility Allowance, that councillor's entitlement shall be to a payment of such part of that Allowance as bears to the whole the same proportion as the number of days during which he or she has such special responsibilities bears to the number of days in that year.

8. Suspension of a Member

- 8.1 Where a councillor is suspended or partially suspended from their duties in accordance with Part III of the Local Government Act 2000 or regulations made under that Part, or Part 10 of the Local Government Public Involvement in Health Act, 2007, any allowance payable to that councillor under this Scheme in respect of the responsibilities or duties from which they are suspended or partially suspended may be withheld by the Council.

9. Third Party Payments

- 9.1 A councillor or independent member who wishes for all or part of an allowance to which they are entitled to be donated instead to a third party, shall make his or her own arrangements for this. Officers of the Council shall not be involved in administering such arrangements.

10. Travel and Subsistence Allowances

- 10.1 Travel and subsistence rules and allowances for councillors and independent/co-opted members shall be the same as those relevant rules and allowances negotiated for officers of the Council.
- 10.2 The current Travel and Subsistence Rules and Allowances for Officers are shown as Schedule 3 of this Scheme.
- 10.3 Reference in Schedule 3 to “the Director” in the context of approving additional or exceptional expenditure shall, for councillors’ claims, refer to the Assistant Director Legal and Governance or his/her nominated representative.
- 10.4 For the purpose of making mileage claims, councillors are
- 10.4.1 assumed to have two places of work – their home and the Council Headquarters at the Town Hall, Weston super Mare;
- 10.4.2 permitted to claim for “allowable journeys” only – a list/definition of “allowable journeys” and relevant approved duties is shown as Schedule 4 to this Scheme.

11. Dependent Carers' Allowance

- 11.1 Councillors and independent members may claim for the reimbursement of actual expenditure incurred on child and dependent adult care.
- 11.2 The allowance will not be paid to a member of the claimant's own household, except where that person would otherwise be in existing paid employment during the hours of caring.
- 11.3 The allowance will not be paid to a councillor who is already in receipt of an allowance or other assistance from any other source for the same purpose on the occasion for which the allowance is being claimed.

12. Payment of Allowances

- 12.1 The responsibility for the accuracy, integrity and correctness of the claim rests with the claimant. Where in the opinion of the Assistant Director Legal and Governance a claim cannot for some reason be met within the rules of this Scheme, the claim will not be paid and the claimant will be informed in writing of the reason.
- 12.2 Travel and subsistence and dependent carers' allowances are to be claimed promptly and must not be allowed to accumulate before claim. Councillors are to submit such claims monthly, within the normal accountancy deadlines announced by the Director of Corporate Services.
- 12.3 Backdated claims for a period longer than two months may be accepted at the discretion of the Director of Corporate Services.
- 12.4 Claims made after 31st March in respect of expenditure within the financial year ending on that date, shall be accepted only up to the deadline announced by the Director of Corporate Services, which will normally be 30th April. The Director shall have discretion to deal with exceptional circumstances.
- 12.5 It is the responsibility of the councillor or independent member to notify the Council of any material change in the information held by the Council and relevant to the processing of claims (e.g. change of address or vehicle details).

13. Co-opted Members

13.1 Co-opted Members are not entitled to Basic Allowance or Special Responsibility Allowance but may claim travel and subsistence allowances in relation to approved duties at the same rate as councillors.

13.2 A Financial Loss Allowance may be paid to Co-opted Members for loss of earnings and expenses incurred by them in the performance of any approved duty. Claims for loss of earnings are to be supported by a certificate supplied by the employer or such other evidence as to enable the loss of earnings to be determined.

14. Local Government Pension Scheme

14.1 Councillors are not eligible to join the Local Government Pension Scheme.

15. Tax and National Insurance

15.1 The Basic Allowance, Special Responsibility Allowances and the Dependent Carers' Allowance are taxable and are subject to National Insurance.

16. Update of Allowances and Review of the Scheme

16.1 The Basic Allowance and Special Responsibility Allowances will be uplifted annually by an amount equivalent to the negotiated APT&C salary award for Officers.

16.2 The Independent Remuneration Panel that is required to be established under the Regulations, will undertake a fundamental review of the Scheme every four years and may report annually to the Council if the need arises.

16.3 The Panel will also undertake a review within that four-year period when requested to do so by the Council, usually following a planned change of circumstances that would require an amendment to the Scheme.

16.4 This Scheme may be amended at any time by the Council but may only be revoked with effect from the beginning of a year.

16.5

Before the Council makes a new Scheme or amends this Scheme it shall have regard to the recommendations made in relation to it by its Independent Remuneration Panel.

SCHEDULE 1 - BASIC ALLOWANCE

The Basic Allowance for the Council Year 2019/20 shall be £8,887.

SCHEDULE 2 – SPECIAL RESPONSIBILITY ALLOWANCES

Leader of the Council	£28,041
Deputy Leader of the Council (70% of Leader's SRA)	£19,628
Executive Members (60% of Leader's SRA)	£16,824
Assistant Executive Members (25% of Leader's SRA)	£7,010
Chairman of the Council (30% of Leader's SRA)	£8,412
Chairs – Policy and Scrutiny Panels (25% of Leader's SRA)	£7,010
Chair – Planning and Regulatory (25% of Leader's SRA)	£7,010
Chair of Audit Committee (15% of Leader's SRA)	£4,206
Chair – Licensing and Employment	No allowance
Vice Chairs of Committees and Vice Chair of the Council	No allowance
Leader of Other Groups (5% of Leader's SRA + 1% per group member)	

SCHEDULE 3 – TRAVEL AND SUBSISTENCE RULES AND ALLOWANCES

Car User Allowance for all employees

All Fuel types and Engine Sizes

Mileage rates:	
-up to 10,000 miles	45.0p
-over 10,000	25.0p

Subsistence

Subsistence cannot be claimed for visits to other North Somerset establishments during normal working hours including schools. All claims should be submitted on a regular monthly basis in the month following when the expenses were incurred. Claims not received by the advertised deadline date will be paid the following period. Amounts that can be claimed will be found on the Councils intranet.

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Claims for meals and overnight accommodation should not normally apply when staying on a residential course or residential conference. **ALL CLAIMS MUST BE ACCOMPANIED BY A RECEIPT.** Claims for lunch cannot be made where lunch is part of a training course, seminar, site visit etc.

Breakfast (either as part of an overnight stay or leaving home before 7.00 am) -up to £4.48

Lunch -up to £6.17

Tea (must include the period between 6:30pm and 8:30pm) -up to £2.43

Evening meal (return or work beyond 8pm) -up to £7.64

Any claims which exceed the above limits will be capped. In exceptional circumstances subject to prior approval being obtained and subsequent production of receipts unless discretion is exercised, a Director may approve additional expenses.

SCHEDULE 4 – “APPROVED DUTIES” AND “ALLOWABLE JOURNEYS” FOR CLAIM PURPOSES

17. Part A

The following is a list of approved duties within the terms of the Regulations and approved by the Council for which travel and subsistence and dependent carer claims may be made.

17.1 Attendance at:

17.1.1 a meeting of (a) the authority; (b) the executive or any committee or sub-committee of the executive or (c) any committee or sub-committee of the authority

** Note: in this particular context, the term “attendance” is to mean attendance

17.1.2 as a member of the body concerned;

17.1.3 in exercise of a member’s constituency responsibilities as ward councillor

17.1.4 in an observer capacity pursuant to any legitimate role as a councillor, including the exercise of a special responsibility granted to the member by the Council

17.1.5 in order to exercise a statutory or constitutional power, right or duty.

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- 17.2 a meeting of any body to which the authority makes appointments or nominations (or of any committee or sub-committee of such body) but only as, or on behalf of, the appointed or nominated person;
- 17.3 any other meeting the holding of which is authorised by the authority, or by a committee or sub-committee of the authority, or a Joint Committee of the authority and one or more other authorities or a sub-committee of such a Joint Committee, provided that
- 17.3.1 where the authority is divided into two or more political groups it's a meeting to which members of at least two political groups have been invited or
- 17.3.2 if the authority is not so divided it is a meeting to which at least two members of the authority have been invited;
- 17.4 any meeting of an association of authorities of which the authority is a member but only as the authority's appointed representative;
- 17.5 a meeting or event at the invitation of an Executive Member or an Officer
- 17.6 a meeting instigated by the councillor, where that councillor is an executive member and the meeting is in pursuance of a matter relevant to the councillor's executive portfolio or to the effective working of the executive function
- 17.7 a pre-agenda briefing, if acting in the capacity of chair or vice chair of the meeting
- 17.8 any training or personal development event authorised under the agreed members' training programme
- 17.9 the Council offices for the purpose of conducting any legitimate councillor role as identified in paragraph 9 above
- 17.10 a parish or town council meeting within a councillor's ward for the sole purpose of representing the Council
- 17.11 any event related to an overview and scrutiny review carried out by a panel of which the councillor is a member or when the councillor is invited to attend in

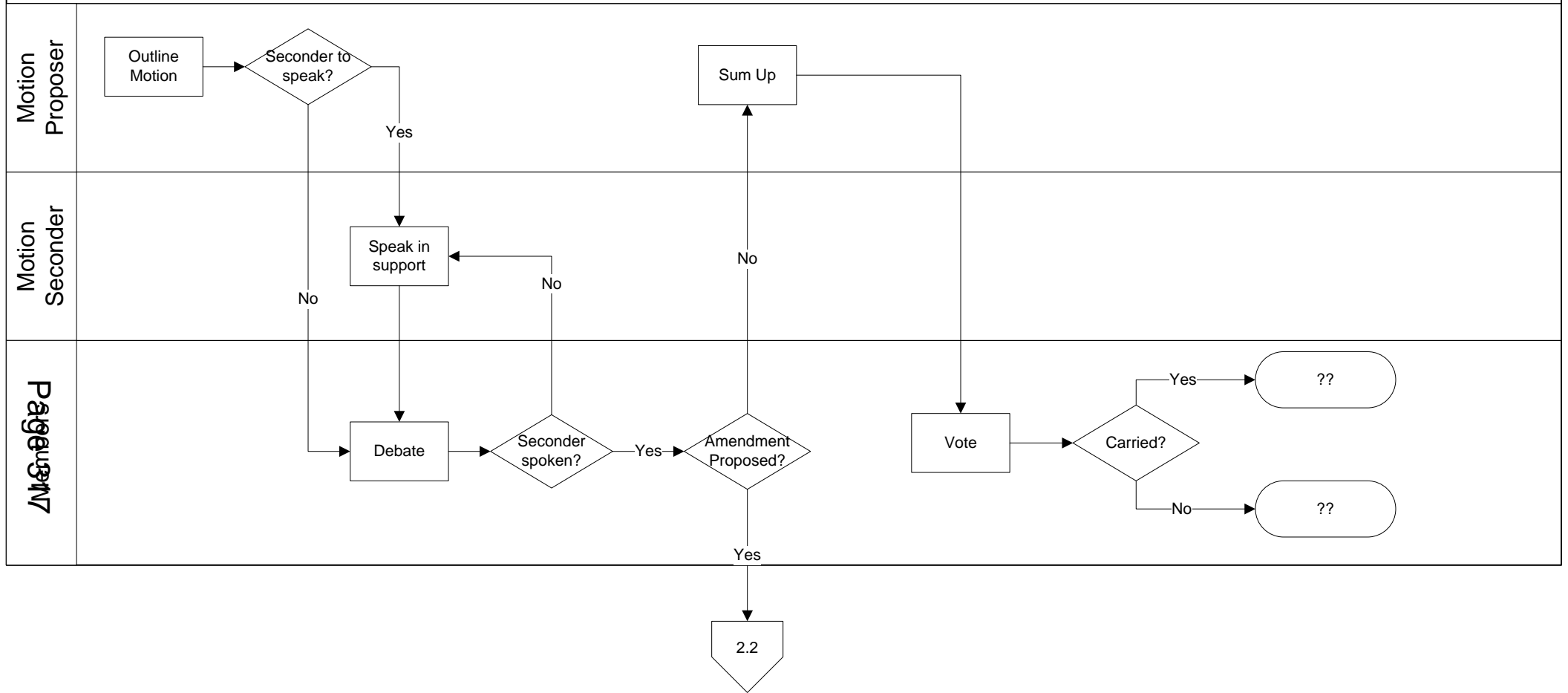
pursuance of a special responsibility role carried by the councillor

PART B

17.12 An "allowable journey" shall comprise the following:

- 17.12.1 travel from the councillor's home address (as notified to the Council) to the location of any of the meetings/events referred to in Part A above and the return journey;
- 17.12.2 travel from the Town Hall, Weston-super-Mare to the location of any of the meetings/events referred to in Part A above and the return journey;
- 17.12.3 travel between the councillors notified home address and the Town Hall and the return journey for the purpose of (a) performing the functions of a councillor or (b) conducting the business of the Council (this on the basis that a councillor's place of work is deemed to be both the Town Hall, Weston-super-Mare and their notified home address).

2.1 Meeting Debate Main Motion



2.2 Meeting Debate Amendment

Amendment Proposer	<p data-bbox="212 239 280 303">2.1</p> <p data-bbox="179 343 313 422">Outline Amendment</p>
Amendment Seconder	
Amendment Page	

North Somerset Council

Report to the Audit Committee

Date of Meeting: 28 April 2022

Subject of Report: Risk Management update

Town or Parish: ALL

Officer/Member Presenting: Emma Diakou, Head of Business Insight, Policy and Partnerships

Key Decision: NO

Reason: Information item

Recommendations

That the Audit Committee note the Q3 update to the Strategic Risk Register.

1. Summary of Report

The North Somerset Council Business Planning Framework is designed to monitor progress and risks aligned to our [Corporate Plan](#) priorities and against our vision for an *open, fairer, greener North Somerset*.

We do this on an annual basis by developing, implementing and monitoring Annual Directorate Statements (ADS'). These are the business plans for each council directorate and give the key strategic commitments and key risks for the year ahead.

2. Policy

The Corporate Plan is the council's overarching strategic document. It is the only plan which covers the full range of the council's responsibilities and is an important tool to help focus our effort and resources on the right things. This is even more important in the context of constrained budgets and rapid change. By prioritising a clear set of commitments, the Corporate Plan also helps residents to hold the council to account for its performance and challenge it to improve.

The risk registers detail the risks faced by North Somerset Council in relation to achieving our aims and priorities as defined in the Corporate Plan. The risk registers also note mitigating actions being taken where possible to control those risks.

3. Details

The North Somerset Council business planning cycle starts in late January with a review of the Corporate Plan followed by an analysis of the emerging Transformation Programmes both directorate-led and cross cutting, any strategy development, and any MTFP savings identified for the year ahead.

Priorities are then combined to create each directorate’s Annual Directorate Statement (business plan). Each ADS give the directorate’s key strategic commitments for the year ahead and an associated risk register. The commitments show how each directorate will contribute to the aims and objectives in the Corporate Plan. The risks outline any concerns in achievement to those commitments.

From the Annual Directorate Statements an Integrated Performance Management Framework (IPMF) is developed. The framework aligns Key Projects and Key Corporate Performance indicators to each commitment within the Annual Directorate Statements. These allow us to monitor progress and outcomes.

Commitments and risks are reviewed and revised where necessary at least quarterly through the Integrated Performance Management Framework.

Commitments and risks are reported quarterly. As of Q3 there were 13 risks in the Strategic Risk Register.

Risks are scored using the following *risk scoring matrix*. This considers the likelihood of the risk and the impact of it. Scores are given for the inherent risk (before any mitigating actions have been applied) and the residual risk (once mitigating actions have been applied).

		Impact →				
		Negligible	Minor	Moderate	Significant	Severe
Likelihood ↑	Very Likely	Low Med	Medium	Med Hi	High	High
	Likely	Low	Low Med	Medium	Med Hi	High
	Possible	Low	Low Med	Medium	Med Hi	Med Hi
	Unlikely	Low	Low Med	Low Med	Medium	Med Hi
	Very Unlikely	Low	Low	Low Med	Medium	Medium

Table 1.1. showing risks from the Strategic Risk Register with scoring:

Theme	Risk	Inherent risk score	Mitigating actions	Residual risk score
Climate Emergency	Risks to achieving a net zero position by 2030 given current resources and sphere of influence.	HIGH	The Strategy and Action Plan are being updated. The council is embarking on some projects to improve its estate, grow awareness and influence behaviours and improve active and sustainable travel. The council's own emissions have decreased significantly within the last two years. Nonetheless, the council is working to a timeframe 20 years ahead of government and its investment profile.	HIGH
Data and systems	Risk that despite protecting the council's systems and essential data from cyber-attacks, malicious attempts to damage critical services within the council could be disruptive.	HIGH	A growth bid has been submitted to access additional specialist resources to protect the council ICT infrastructure.	HIGH
Finance and resources	Risk that we do not manage the increased demands on social care or market demands within available financial or staffing resources for adult social care.	HIGH	Efforts to mitigate by transformational activity e.g. TEC, accommodation shift.	HIGH
Finance and resources	Risks of ineffective recruitment across the organisation leading to capacity issues in key areas.	HIGH	Hard to fill roles increase and may impact on service delivery (i.e. Social Workers/Engineers).	HIGH

Theme	Risk	Inherent risk score	Mitigating actions	Residual risk score
Finance and resources	Risk that we are unable to deliver capital projects within the approved resource envelope either due to lack of governance or unmanageable cost increases.	HIGH	Governance and monitoring arrangements around capital projects has been reviewed and is being enhanced through new arrangements.	MED
Finance and resources	Risk that we are unable to deliver the priorities of the council by not planning to meet the Medium-Term Financial Challenge and delivering a balanced budget.	HIGH	We've set a balanced budget for the year ahead however the budget challenge remains given the uncertainties in local government funding.	MED
Finance and resources	Risks to our overall organisational operational effectiveness due to the impacts of COVID-19.	HIGH	COVID Gold meetings held when needed. Working at home directive strengthened and supports lack of direct team contact through Q3.	MED
Finance and resources	Risk that we do not manage the demand for children's social care and SEND placements within available resources.	MED	Operating for most of the time since March 2020 as business as usual within a pandemic. There is no indication currently that we are seeing an increase of children in care 2021/22.	LOWMED
Operations	Risks around supply chain and/or distribution issues and lack of drivers.	MEDHIGH	A risk exercise was undertaken at the end of Q3. Responses were requested across directorates for any areas where supply chain and/or distribution issues may be a risk, responses have been received from almost all directorates. Analysis of these responses suggests that generally the risk is considered low once any mitigating actions have been applied with no areas of significant concern.	LOWMED

Theme	Risk	Inherent risk score	Mitigating actions	Residual risk score
Partnership working	Risk of operational failure of partners including care providers due to the requirement for mandatory Covid-19 vaccinations.	HIGH	Next phase for domiciliary care is likely to be of highest risks but numbers have been reduced. Awaiting any national guidance updates.	HIGH
Placemaking	Risks aligned to any delay to the Local Plan process exposing council to risk of speculative development and unplanned growth through appeal.	HIGH	Preparation is well advanced on the Local Plan and the preferred options will be consulted on this spring with a high level of support from the council's Executive.	MED
Placemaking	Risks aligned to the deteriorating condition of some of our assets.	HIGH	Resources have been identified to start to improve the information of the condition of assets to support their improvement.	MED
Transformation	Risk that we do not deliver sustainable change in Children's Services at the right pace of the improvement journey.	MED	Oversight and challenge by Lead Member and CYPP Board. Continued work with Partner in Practice. Robust QA activity with evidence of improved practice across all teams/services. Clear leadership by DCS and AD. Adequate budget and demand management.	MED

4. Consultation

As part of the Business Planning Framework all tier three managers and above contribute to their Annual Directorate Statement and their risk register. These are then agreed by Directorate Leadership teams, Corporate Leadership team and with the relevant Executive members.

The views of residents, staff and other stakeholders all helped to shape the development of the Corporate Plan on which the Annual Directorate Statements are based.

5. Financial Implications

Any financial implications related to the risk registers are included as part of the quarterly Integrated Performance Management updates.

Costs

N/A

Funding

N/A

6. Legal Powers and Implications

N/A

7. Climate Change and Environmental Implications

All Annual Directorate Statements included the following commitment: *Implement the climate emergency strategy and action plan*. This and any associated risks are monitored quarterly.

8. Risk Management

This report considers risk management across the organisation aligned to the Corporate Plan, Annual Directorate Statements and Integrated Performance Management framework.

9. Equality Implications

The Performance Management Framework includes Key Projects and Key Corporate Performance Indicators. A number of these are equality objectives and reported to the Equalities Group.

Equality implications are also considered throughout the risk management process.

10. Corporate Implications

It is a requirement as part of the Business Planning Framework for all directorates to hold a risk register that is aligned to their business plan and considered at least quarterly by their Directorate Leaderships Team.

A strategic risk register is held by Corporate Leadership Team and reviewed at least quarterly both by Corporate Leadership Team and by Executive members.

11. Options Considered

Risk registers are a requirement of the Business Planning Framework.

Author:

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Background Papers:

- North Somerset Corporate Plan: https://www.n-somerset.gov.uk/sites/default/files/2022-03/corporate_plan_2020-24.pdf
- Adults directorate Annual Directorate Statement 2021/22
- Children's directorate Annual Directorate Statement 2021/22
- Corporate Services directorate Annual Directorate Statement 2021/22
- Place directorate Annual Directorate Statement 2021/22
- Public Health and Regulatory Services Annual Directorate Statement 2021/22

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North Somerset Council

Report to the Audit Committee

Date of Meeting: 28th April 2022

Subject of Report: Audit and Assurance Annual Report 2021-2022

Town or Parish: None

Officer/Member Presenting: Peter Cann, Audit West

Key decision: no

Recommendations

The Audit Committee notes the Internal Audit Annual Report 2021-22 and the opinion on the Internal Control environment.

1. Summary of Report

This is the closing Internal Audit Annual Report to the Committee for the financial year 2021-22. Also included is a summary of audit performance and key issues, as well as the formal opinion on the internal control framework.

2. Policy

The work of the Internal Audit Service is to provide independent assurance to the council's senior officers and members that governance, risk management and controls are sufficient to ensure delivery of the council's objectives. As part of meeting statutory and professional requirements the Chief Audit Executive is also required to provide an opinion on the council's internal control environment.

3. Details

At its meeting of 23 April 2021, the Audit Committee approved the Annual Audit Assurance Plan for 2021-22.

The plan forms the principal work of the Internal Audit Service and is a significant source of assurance of the effectiveness of the council's internal control environment. The plan was impacted slightly during the year due to the ongoing impacts of Covid-19 and subsequent auditee availability. The Audit Committee have been updated throughout the year on progress.

In determining the scope, depth and breadth of the Audit Assurance Plan, the Audit Committee accepts limitations in coverage and the inherent risks associated with this. As resources or organisational risks may change dynamically over a year, audit coverage can be affected, and this may impact on the level of assurance achieved through delivering the audit plan.

4. Headline Information for Financial Year 2021/22

The summary position as of 31st March 2022 is as follows:

- Work on the plan is almost finalised and as at the 31st March, approximately 92% of the plan had been complete.
- Unplanned work continued throughout the year with ongoing involvement in Covid-19 Grant Claims including Omicron.
- Two audits were requested to be delayed until 2022/23 by Senior Management in the Place Directorate.
- There have been two audit reports issued where it was considered that the overall systems of internal control provided 'Limited Assurance'.
- The Internal Audit service were involved in four investigations and, in addition, provided significant support with an independent fact-finding review.
- 100% of recommendations due to be implemented in 2021/22 were followed-up by the audit service. Evidence is still awaited in two audit areas to confirm that recommendations made in year have been implemented, whilst one further area had recommendations that were partially implemented.
- A significant amount of fraud prevention work has taken place, including through staff awareness, online training, participation in the National Fraud Initiative and implementing an improved fraud reporting process.
- State of the Internal Control framework is satisfactory, based on our audit opinions. However, this continued to be tempered by remote working as we could not observe normal working practices whilst Covid regulations continued.

1) Significant Issues

Assurance Levels

- 1.1 From the audit reviews completed in the 2021/22 financial year, all but two of the audits completed had an overall audit opinion of satisfactory to excellent (between 'Level 3' and 'Level 5').

There were not any significant control issues identified within internal audit's consultancy, advice, and guidance work.

- 1.2 There were two audit reports issued where it was considered that the overall systems of internal control were weak ('Level 2'). These were in respect of Kewstoke Primary School and ICT – Malware/ Ransomware.

Kewstoke Primary School

- 1.3 Whilst most schools within North Somerset have converted to Academy status there remains a small number of maintained schools, where funding and oversight is through the local authority. Coverage of maintained schools are included within the Council's internal audit plan every year and each individual school is then generally reviewed on a cyclical basis. A review of Kewstoke Primary School was included within the 2021/22 plan on this basis.

- 1.4 The key issue identified during the audit review related to a large projected budget deficit by 2023/24, although it should be noted that the school were aware and had taken action to try and avert this.

Two of the overarching controls reviewed during the audit were also considered to be weak and these were in respect of both Purchasing and Income procedures.

- 1.5 The findings from the review were shared with the Director of Children's Services, the Assistant Director for Education Partnerships and the Head of Strategic Planning and Governance (Education Partnerships) so that they could engage with the school as appropriate.

ICT Malware/ Ransomware

- 1.6 Our evaluation followed the control framework described in the National Cyber Security Centre (NCSC) 'Cyber Essentials' and '10 Steps' guidance, which aims to protect an organisation's IT infrastructure in "cyber space".

- 1.7 Key findings were identified during this review were as follows:

- i) Malware Playbook: The Agilisys Malware Playbook has been in draft form since July 2021. This is an important document since it outlines how Agilisys will respond to a malware being detected in the IT infrastructure. Furthermore, the Malware Playbook is held online and offline copies are not available.
- ii) Offline backups: The data backups for locally hosted systems at the Town Hall and Castlewood sites are not held offline.
- iii) Backup Testing: ICT do not regularly exercise system and data restore and recovery. Ad-hoc restore of servers from backup and recovery of files does take place.
- iv) Corporate Information Security Policy: Whilst the policy has undergone minor updates on an annual basis, a major review of the technical content within the

Corporate Information Security Policy has not been carried out since its creation in 2009.

The Audit report was shared with the Information and ICT Security Manager, Agilisys Governance and Compliance Officer and Council's section 151 Officer.

Investigations & Whistleblowing

- 1.8 There were four main Audit investigations in the 2021-22 financial year as well as significant involvement in a fact-finding review.

Investigations 1 and 2

Two investigations were ongoing during the year, both of which related to suspected Covid-19 grant payment frauds.

These were both referred to the National Investigation Service (NATIS)/ National Anti-Fraud Network (NAFN). Whilst the larger of these two frauds remains as an open investigation with NATIS and the lower value is still under their consideration for investigation, we received confirmation in year that we could also pursue both payments locally. Audit West worked with Liberata to attempt recovery of these funds but, as anticipated, have so far been without success.

We have approached NATIS for an update on their own investigation(s) and will inform the Committee when there is further information to report.

Investigation 3

This related to an allegation that an officer of one of the Council's partner organisations had been overseen looking at inappropriate material and had also sent these images from a North Somerset Council email account to their own personal email account. Internal Audit were asked to investigate this allegation as a matter of urgency, and, upon review, it was confirmed that these allegations were true. The employee concerned subsequently had their employment terminated with the partner organisation.

Investigation 4

An email was received via the Fraud mailbox where an external source alleged that a Council employee had not declared their criminal record. A link to a newspaper article supporting this allegation was provided by the whistleblower.

Internal Audit undertook some background research and ascertained that the person was actually an employee of North Somerset Environment Company (NSEC). The matter was then discussed between Audit and NSC HR as, despite it being an NSEC employee, it was important to understand some base information around the allegation and recruitment process followed. HR then discussed the issue with the Director of NSEC, who in turn had engaged outside legal advice surrounding the situation. Following this, the employee's contract of employment was terminated.

Additional Work

As well as the investigations described above, the Internal Audit service have assisted in an independent review of the issues surrounding the roofing works commissioned at a North Somerset School during the summer of 2021.

The review was commissioned by the Council's Chief Executive following extensive flooding at the school and was led by an independent investigating officer from One West (BANES), with independent consultancy support from the Chairman of the Strategic Schools Forum. The Head of Audit and Assurance also provided technical input and participation at key meetings.

It was found that overall there was a lack of clear ownership and joined up thinking towards the works at the school. Four key themes of causation were identified during the review as follows:

- Resources and Investment
- Timing and Resource Planning
- Relationships and Communications
- Contractor Failings and Contract Management

At the conclusion of the work, several presentation/ feedback sessions were held with the Chief Executive/ One West, followed by similar sessions with Council Directors and Members, and a session with the School.

Counter Fraud

1.9 Regular counter fraud updates have been provided to the Committee throughout the year and a detailed summary of all counter fraud related activity during 2021-22 is presented within a separate paper to this Committee. This covers work completed and progress undertaken by the service, including:

- National Picture and Emerging Risks
- Results from the National Fraud Initiative (NFI)
- Internal Audit Targeted Work and Investigations

1.10 Also contained within the above paper are four appendices, which contain strategy and policy updates as follows:

- Updated Counter Fraud Strategy 2022 – 2024
- Whistle Blowing Policy 2022
- Anti-Money Laundering Policy and Guidance 2022
- Anti-Bribery & Corruption Policy 2022

Unplanned Work

1.11 The service continued to receive requests for unplanned work and, as anticipated, this was mainly in the form of pre- and post-payment assurance work concerning Covid-19 grant funding (including Omicron). Regular updates and informal sessions were provided to the Committee throughout the year in respect of this work.

There was also an ongoing need to assist with non-Covid Grant Funding that required audit review and sign-off. The internal audit service regularly issues reminders to teams to ask for details/ notice of any scheduled funding in advance, however, this is not always received and as such the work is often presented as urgent in nature in order to meet funding deadlines.

2) Completion of Audit Plan

2.1 There were 46 pieces of audit work within the plan. Of the total number of audits:

- 42 Audits had been completed or were at reporting stage
- 1 Audit (Business Rates) was approx. 60% complete and would be carried forward
- 2 Audits have been requested to be postponed into 22/23 (Green Waste/Sea Fronts)
- 1 planned piece of work was superseded by s151 Officer/ Audit Committee Work (Capital Projects)

2021/22 Internal Audit Plan Position Statement

Audit Area	Status	Opinion
Data Analytics	Complete	N/A
National Fraud Initiative	Complete	N/A
Counter Fraud - Knowledge & Training	Complete	N/A
Governance - Annual Governance Statement	Complete	N/A
Governance - Audit Committee, Advice & Guidance	Complete	N/A
Follow-up of Audit Recommendations	Complete	N/A
WECA LGF - Weston Town Centre	Complete	Signed Off
WECA LGF - Foodworks	Complete	Signed Off
WECA LGF - Town Square	Complete	Signed Off
WECA LGF - Metrowest	Complete	Signed Off
Bus Services Operator Grant (BSOG)	Complete	Signed Off
Productivity Challenge Grant – Universal Business Support	Complete	Signed Off
Emergency Active Travel Fund	Complete	Signed Off
Pothole and Highways Grant	Complete	Signed Off
COVID-19 - Pre-payment Assurance	Complete	N/A
COVID-19 - Post-payment Assurance	Complete	N/A
COVID-19 - Governance (Contain Outbreak Management Fund)	Complete	N/A
Payroll	Complete	4
Transactional HR	Complete	N/A
Debt Monitoring	Complete	N/A
Council Tax Payments & Collection	Draft Report Issued	(3)
Business Rates NNDR Income	Approx. 60% Complete	N/A
Major Projects - Capital Recharges	Complete	4
ICT Server Migration	Complete	3
ICT Ransomware	Complete	2
ICT Software Asset Management	Draft Report Issued	(3)
Information Governance - Handling of Post	Draft Report Issued	(3)
Contract Management - Recommissioning Process	Reporting	N/A
Contract Management - Post Procurement Training	Reporting	N/A
New Waste Service – Guidance	Complete	N/A
Monitoring of Mandatory Training	Complete	N/A
Financial Assessments (Non-Residential)	Draft Report Issued	(3)
Interfaces (Liquid Logic/ ContrOCC/ Agresso)	Reporting	N/A
Housing Jigsaw System	Draft Report Issued	(3)
Out of Authority Placements (SEND)	Complete	3
Payments to Childcare Providers	Complete	3
Kewstoke Primary School Assurance Visit	Complete	2
Churchill C of E Primary School Assurance Visit	Draft Report Issued	(4)
SFVS	Complete	N/A
Alternative Provision (VLC)	Complete	3
Green Waste Charging and Income	Deferred to 22/23	N/A
Capital Projects	S151/ Audit Cttee Work	N/A
Climate Change - Corporate Planning	Reporting	N/A
HIF (Housing Infrastructure Fund)	Reporting	N/A
Home to School Transport (inc. Dedicated HTST Grant Funding)	Complete	N/A
Sea Front Concessions	Deferred to 22/23	N/A

2.2 Further information on those items highlighted in the table is provided as follows:

NNDR (Business Rates)

As of the 31st March, this audit was approximately 60% complete and therefore the audit will include some overrun into 22/23. This is due to client availability, whereas a partner client’s (Liberata) officers have been impacted due to unforeseen work on Omicron Business Rates, Covid Additional Relief Fund and Council Tax Rebate Scheme, as well as dealing with the Annual Billing cycle.

Green Waste Charging and Income & Sea Front Concessions

The planned audits of Green Waste Charging & Income and Sea Front Concessions were both requested to be deferred by the Place Directorate Leadership Team. This was due to operational pressures throughout the year and officer availability. These included back-officer pressures caused by the ongoing effects of Covid and the HGV driver shortage.

Capital Projects

This planned review was superseded by a distinct piece of work that was completed by the section 151 Officer, along with the Director of Place, on Capital Governance. As agreed with the s151, the work undertaken will be followed-up as part of the 2022/23 internal audit plan.

3) Implementation of Recommendations

- 3.1 The follow-up of recommendations is prioritised on ensuring that critical and high level recommendations have been implemented. This is because the critical and high level recommendations made will have either identified significant risks, or identified improvements that could best help the organisation to achieve its objectives.
- 3.2 Audit West staff communicate continuously with auditees throughout the review process to ensure that proposed recommendations are understood, are relevant and are achievable to the business. Through following this approach, we can report that 100% of recommendations due to be implemented in 2021/22 were followed-up by the audit service.
- 3.3 Whilst all of the recommendations have been followed up with the officer(s) responsible, we are still awaiting evidence on two audits to confirm implementation.

Audit Name	Recommendations Raised				Recommendation Status	Planned Implementation Date
	High	Medium	Low	Total		
Out of Area Placements (Children)	5	3	1	9	Followed up – Previously agreed by Management but not yet evidenced as implemented.	31/12/2021 (later adjusted to 14/02/22 and now 31/05/22)
ICT Server Migration	2	0	1	3	Followed up -verbal assurance of implementation confirmed/ awaiting documented evidence	28/02/2022
Total	7	3	2	12		

3.4 Detail on those audits with documented evidence outstanding is as follows:

Out of Area Placements (Children)

The officer responsible for implementation was on long term sick leave and has since recently left the Council. Therefore, duty for implementing the recommendations has subsequently been passed to the Service Manager and a meeting was held between Audit and this Manager on the 4th April to discuss the recommendations. An action plan from the service area has since been committed and is expected to be received in May.

ICT Server Migration

In order to be efficient and helpful to the client, follow-up of these recommendations was delayed slightly so that evidence could be sought whilst we were working with the same service area on another ICT audit. At the time of report publication, verbal assurance had been received that recommendations were implemented and we were awaiting documentary confirmation.

3.5 In addition, we also received documented confirmation that partial implementation of recommendations has been made in one further audit:

Audit Name	Recommendations Raised				Recommendation Status	Planned Implementation Date
	High	Medium	Low	Total		
Customer Engagement Routes and Processes	1	5	1	7	Agreed by Management – partial implementation of recommendations confirmed	31/03/2022
Totals	1	5	1	7		

The Audit of Customer Engagement Routes and Process included a high-risk recommendation not yet implemented. This is where it was originally agreed that the service area would review and streamline their customer contact routes to include the possibility of integrating service request applications (for example the Confirm system with the Case Tracker system). However, whilst the service area has now investigated this as agreed, it appears that the cost would be prohibitive at c£10,000 so they are looking at alternative methods to achieve a similar outcome. We will report progress to the Committee during 2022/23.

4) Compliance with Public Sector Internal Audit Standards

- 4.1 In December 2017 a report was presented to the Committee on the Public Sector Internal Audit Standards (PSIAS) and based on this report the Committee approved an Internal Audit Charter.
- 4.2 The Internal Audit Charter states that Audit West through its engagement lead will report periodically to the Audit Committee regarding Internal Audit conformance to the Code of Ethics and the Standards and is being separately reported in the Audit Plan report for information to the Committee.
- 4.3 A new external assessment of compliance against the PSIAS is required this financial year. Audit West have begun work to evidence conformity and the results of this work and the assessment outcome will be reported to the Audit Committee later in the year.

5) Formal Opinion on the Internal Control Framework

5.1 As part of our statutory requirements, the Head of Audit and Assurance in fulfilling the role of the Council's Chief Internal Auditor/ Chief Audit Executive, is required to give an opinion on the internal control framework. In forming this view, I have considered the work of the Audit & Assurance function as well as other assurances I can rely on and consideration of the wider governance framework and performance of the council.

As highlighted during previous reports to the Audit Committee since the beginning of the pandemic, we are reporting the state of the internal control framework as satisfactory based on our audit opinions. However, during this period, our opinions have been tempered by remote working as we could not observe normal practices due to Covid-19 and government advice to work from home.

This has continued to be the case throughout most of 2021-22 and coupled with unplanned work relating to Covid-19 Grant Funding, has brought into consideration whether a limited or qualified opinion should be issued as result of changes to the plan. The Institute of Internal Auditors guidance in this respect is that if the Audit Committee has agreed to any amendments to the plan, then there is no need for a limited opinion; the opinion will reflect the work detailed as agreed.

There have been small adjustments to the 2021-22 plan and it is therefore my opinion that, based on the work completed, the council's internal control framework and systems to manage risk are reasonable.

- Reasonable assurance can be provided over the council's systems of internal control, helping to ensure corporate priorities can be achieved;
- Agreed policies, Financial Regulations and Contract Standing Orders are broadly being complied with;
- Managers throughout the council are aware of the importance of maintaining adequate and effective governance arrangements;
- Appropriate arrangements are operated to deter and detect fraud and investigations did not identify any systemic failures although individual issues were noted;
- Senior Management - led by the Chief Executive – demonstrate a pro-active approach to the fundamental themes of good governance and risk management;
- There were no fundamental system failures or control breakdowns to business-critical functions. We remain alert however to the ongoing challenges impacted upon the council's operations due to Covid-19.

5.2 The ongoing financial challenge, especially within a year dominated by world events including Covid-19, the conflict in Ukraine and the cost-of-living crisis, also places further pressure locally on services to respond and manage risk in a proportionate way. A robust Internal Audit service is a vital component of the Council's governance systems and provides the third and final line of defence in relation to the internal control framework.

5.3 The Audit Committee's support of our work and maintaining effective corporate governance is appreciated and I would like to thank members of the committee for their input and guidance over the year.

6. Consultation

The Annual Report refers to facts and opinions that have been included within individual Audit reports which were distributed to, and agreed with, senior managers. The service meets regularly with the directorates to update them on the audit plan and ensures the plan continues to reflect the risks.

7. Financial implications

There are no direct financial implications from this report which is focussed on performance.

8. Legal powers and implications

There are no direct legal implications from this report which is focussed on performance.

9. Climate Change and Environmental Implications

The council faces a wide variety of climate change and environmental impacts whilst delivering its many services to residents, some of which have a direct or indirect financial impact or consequence. There are referenced or noted, where appropriate, throughout the report and associated appendices.

10. Risk Management

Significant risks to the council arising from an ineffective Internal Audit service include lack of internal control, failures of governance and weak risk management. Specific risks include supplementary External Audit fees and undetected fraud. The Internal Audit Service assists the council in addressing its risk profile. Internal Audit helps by identifying risks, improvement areas and by institutionalising good practice.

11. Equality Implications

Embedded within the audit process is consideration of compliance with statutory guidance and regulations which includes those relating to equality and diversity.

12. Corporate Implications

Failure to deliver the agreed Annual Assurance Plan may result in an inability to provide adequate assurance to officers, members, and the public of the soundness of the council's corporate governance.

13. Options Considered

None, this is an annual report.

AUTHORS

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BACKGROUND PAPERS

Annual Audit Assurance Plan 2021/22

Audit Committee April 2021

Update Performance Report 2021/22

Audit Committee Sep 2021

Counter Fraud Update Report 2021/22

Audit Committee April 2022

Appendix A – Description of Audit Assurance Ratings and Opinion:

Assurance Rating	Opinion
Comprehensive Assurance - Level 5	The systems of internal control are excellent with a number of strengths and comprehensive assurance can be provided over all the areas detailed in the Assurance Summary
Substantial Assurance - Level 4	The systems of internal control are good and substantial assurance can be provided. Only minor weaknesses have been identified over the areas detailed in the Assurance Summary
Reasonable Assurance - Level 3	The systems of internal control are satisfactory and reasonable assurance can be provided. However there is one area detailed in the Assurance Summary which requires improvement and specific recommendations are detailed in the Action Plan
Limited Assurance - Level 2	The systems of internal controls are weak and only limited assurance could be provided over a number of areas detailed in the Assurance Summary. Prompt action is necessary to improve the current situation and reduce the risk exposure
No Assurance - Level 1	The systems of internal controls are poor, no assurance can be given and there are fundamental weaknesses in the areas detailed in the Assurance Summary. Urgent action is necessary to reduce the high levels of risk exposure and the issues will be escalated to your Director and the Audit Committee

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North Somerset Council

Report to the Audit Committee

Date of Meeting: 28th April 2022

Subject of Report: Audit and Assurance Plan 2022-23

Town or Parish: None

Officer/Member Presenting: Peter Cann, Audit West

Key decision: no

Recommendations

The Audit Committee approves the Audit & Assurance Plan 2022-23.

1. Summary of Report

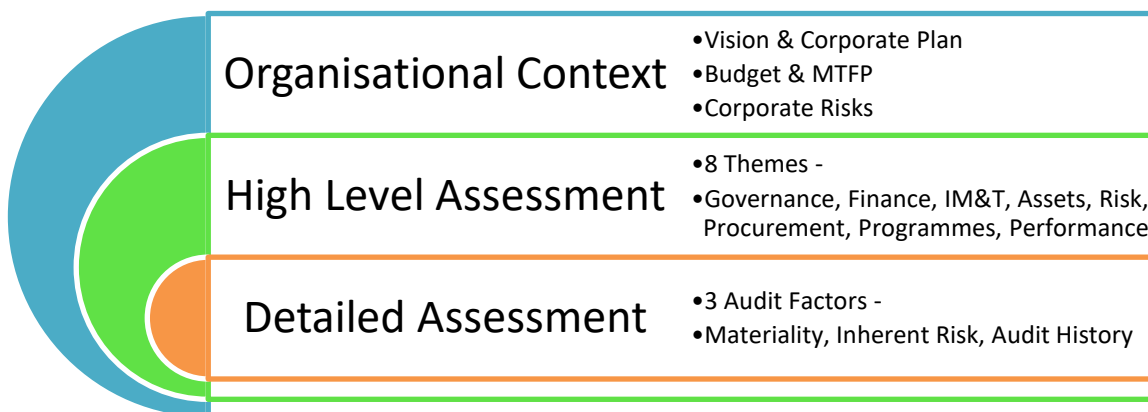
This report outlines the Annual Audit and Assurance Plan 2022-23 which forms the principal work of the Internal Audit Service for the new financial year. The Audit Committee is asked to endorse the plan. Also attached is the Audit Charter for the Internal Audit Service for information in Appendix B.

2. Policy

The Annual Audit and Assurance Plan forms a key element of the council's corporate governance arrangements. The work provides assurance and improves the council's internal controls to ensure delivery of the council's objectives. The outputs inform the Head of Audit's opinion of the council's governance, risk and control environment as well as informing the Annual Governance Statement.

3. Details

The Public Sector Internal Audit Standards (PSIAS) require Internal Audit to prepare a risk-based plan and this is attached at Appendix A. The plan is formulated using the Reasonable Assurance Model the essential elements of the model are as follows –



Notwithstanding the assessment, specific circumstances (such as a significant reputational issue or request of S151 or Corporate Leadership Team) may on occasion mean that a low scoring or new topic is nevertheless included in the Plan, e.g., Covid-19.

The plan process involved extensive consultation between December and March including the following key stakeholders –

- Senior Management
- Directorate Leadership Teams
- Statutory Officers
- Audit Committee

Resources available to deliver the Plan will also inform the quantum of the Plan and these will remain the same during 2022-23. Our partnership arrangements also give us ongoing efficiency opportunities to reduce the amount of time spent on reviews and share best practice.

Ongoing Review of the Audit Plan

It should be noted that the 2022-23 Plan was completed during significant world and national events; the detection of the Omicron variant and the associated restrictions which followed, the conflict in Ukraine, and the national cost of living crisis. As the full effect that these issues will have locally is currently unknown, the plan will be kept under constant review and adjusted to cover any further unforeseen requirements. A review of the annual plan at the six-month stage will then take place to adequately prioritise and resource the second half of the financial year.

Internal Audit Charter & Professional Standards

The Public Sector Internal Audit Standards (PSIAS) came into effect from 1st April 2013 and replaced the CIPFA Code of Practice for Internal Audit in Local Government, Central Government and the NHS.

The PSIAS was revised wef 1st April 2017 and are based on the Institute of Internal Auditors' International Standards. The objectives of the PSIAS are to:

- Define the nature of internal auditing within the UK public sector.
- Set basic principles for carrying out internal audit in the UK public sector.
- Establish a framework for providing internal audit services, which add value to the organisation, leading to improved organisational processes and operations.
- Establish the basis for the evaluation of internal audit performance and to drive improvement planning.

A key requirement of the PSIAS is an Internal Audit Charter which defines the internal audit activities, purpose, authority and responsibility. The Internal Audit Charter establishes its position within the organisation; the nature of the Chief Audit Executive (CAE's) functional reporting relationship with the Audit Committee; formally records its access to property, records and personnel; and defines the scope of internal audit activities.

As part of best practice we always present the Charter annually to the Audit Committee so that you are aware of how Internal Audit delivers its services and derives its authority and to re-confirm our independence.

Each year we will assess ourselves against the required standards and ensure a quality assurance and improvement programme (QA&IP) is in place requiring both internal and external assessment with an external assessment being required once every 5 years. An external review of our conformation against these standards is due later this year and we will report to Members on this accordingly.

4. Consultation

In developing the Audit Plan, the Internal Audit Service drew upon local and national intelligence and reports and consulted with a range of stakeholders. The Service used a risk framework to identify the topics to be included in the draft plan.

5. Financial Implications

The costs of delivering the Annual Audit Plan are contained within the budget set aside for the contract with Audit West. If this work identifies weaknesses in the council's control environment, this may result in additional costs. The work may also identify efficiencies and savings in the council's operation.

6. Legal Powers and Implications

There are no direct legal implications from this report.

7. Climate Change and Environmental Implications

The plan process will consider key risks (& opportunities) which will include a continued focus on Climate Change and report back on whether assurances can be given on the delivery of the organisations plan to mitigate the risk in this area.

8. Risk Management

The Plan describes how Internal Audit will take a risk-based approach in applying its limited resources to provide a sufficient level of assurance to those charged with governance. This includes a risk assessment tool used to inform the content of the Annual Audit Assurance Plan.

9. Equality Implications

Embedded within the audit process is consideration of compliance with statutory guidance and regulations which includes those relating to equality and diversity.

10. Corporate Implications

Failure to agree a sufficient Annual Assurance Plan may result in an inability to provide assurance to officers, members and the public of the soundness of the council's corporate governance

11. Options Considered

None as this report follows professional standards.

Authors

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Background Papers

None

Attachments

- Appendix A Annual Audit & Assurance Plan 2022-23
- Appendix B Audit Charter

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Audit & Assurance Plan 2022/23

Delivering Independent Assurance to Local Government



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An open, fairer, greener North Somerset

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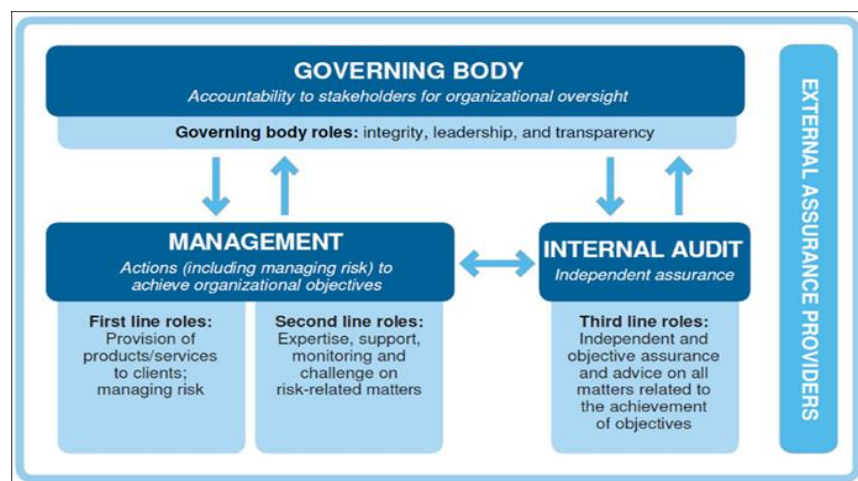
1. Our Role

Introduction

North Somerset Council strives to deliver excellent services to local people and pledges to be an open, fairer and greener Council. The Council has recognised through its Corporate Plan the importance of excellence in resource management and sound governance as fundamental to achieving its priorities.

Audit West fully recognises its need to be flexible and agile in the face of the significant changes affecting the whole of the public sector and meet the needs of its stakeholders. Independent assurance which is strong but supportive can provide a helpful and positive role not just to services but to elected Members and the Community at large by demonstrating that the Council is operating effectively and protecting its assets and resources for the benefit of all its stakeholders.

Three Lines of Defence Model



By being independent of management, Audit West maintain the third line of defence and we continue to do this effectively by working with all our stakeholders - especially the Audit Committee, Statutory Officers and Senior Management – to improve the service we offer but also to provide an independent voice in supporting service change and transformation.

We also aim to offer continued value to all our clients based on the following key priorities –

- **Use of our Reasonable Assurance Model**
- **Maximising Use of Technology**
- **Investment in Skills**
- **Offering complimentary assurance services**
- **Providing Value for Money**

The remainder of this document outlines our approach and also the indicative areas for our audit and assurance plan for 2022/23.



2. Key Priorities for North Somerset

A THRIVING AND SUSTAINABLE PLACE

PRIORITIES

- A great place for people to live, work and visit
- Welcoming safe and clean neighbourhoods
- To be a carbon neutral council and area by 2030
- A transport network that promotes active, accessible and low carbon travel
- A broad range of new homes to meet our growing need, with an emphasis on quality and affordability
- An attractive and vibrant place for business investment and sustainable growth

A COUNCIL WHICH EMPOWERS AND CARES ABOUT PEOPLE

PRIORITIES

- A commitment to protect the most vulnerable people in our communities
- An approach which enables young people and adults to lead independent and fulfilling lives
- A focus on tackling inequalities, improving outcomes
- A collaborative way of working with partners and families to support children achieve their full potential
- Partnerships which enhance skills, learning and employment opportunities

AN OPEN AND ENABLING ORGANISATION

PRIORITIES

- Engage with and empower our communities
- Empower our staff and encourage continuous improvement and innovation
- Manage our resources and invest wisely
- Embrace new and emerging technology
- Make the best use of our data and information
- Provide professional, efficient and effective services
- Collaborate with partners to deliver the best outcomes

3. How the Internal Audit Plan is Compiled – Reasonable Assurance Model

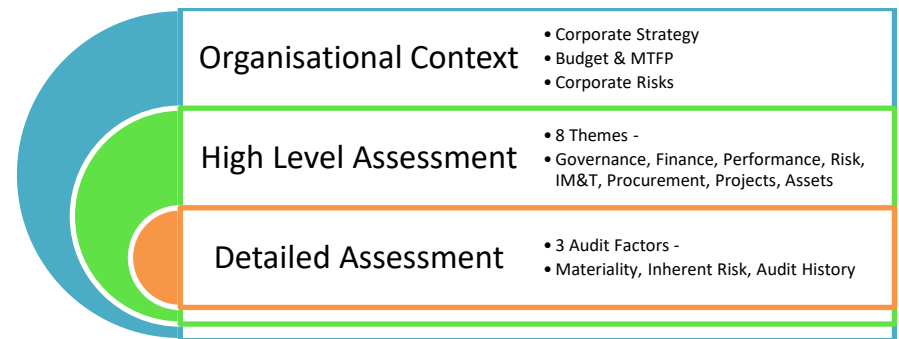
A key component of the audit needs assessment is using the adopted 'Reasonable Assurance Model' to assess the level of Assurance in place over eight themes.



Each Theme has a set of questions and the answers to these questions help assess the level of assurance and the level of risk for each theme. The Reasonable Assurance Model informs the Internal Audit Annual Plan and enables an assessment of compliance with the seven principles of good governance as recorded in the Council's Local Code of Corporate Governance.

In addition to the Reasonable Assurance Model assessment the annual plan is created by:

1. Consideration of risks recorded in the Council's Corporate Risk Register and operational risk registers.
2. Horizon scanning – external publications and networking groups e.g., LACAN (Local Authority Chief Auditors Network)
3. Consultation with Directors, key Corporate Officers and Statutory Officers – discussions cover any issues, and new / heightened risks based on new or changes in responsibilities.
4. External Review Body findings or planned reviews.
5. Risk scoring long list of potential areas of audit activity based on factors such as: Internal Audit History (previous assurance opinions, time since last review), Inherent Risk (operational, technical, reputational & people), Materiality (income, expenditure, planned savings), and Audit Management knowledge experience.



In accordance with the PSIA Standards, the plan needs to be flexible to respond to the changing risks and priorities of the Council and, to this end, audit planned activity will be regularly reviewed and changes reported to management and the Corporate Audit Committee.

4. Detailed Internal Audit Plan

This listing records the core activity of the Internal Audit Service and the planned audit reviews as of 1st April 2022.

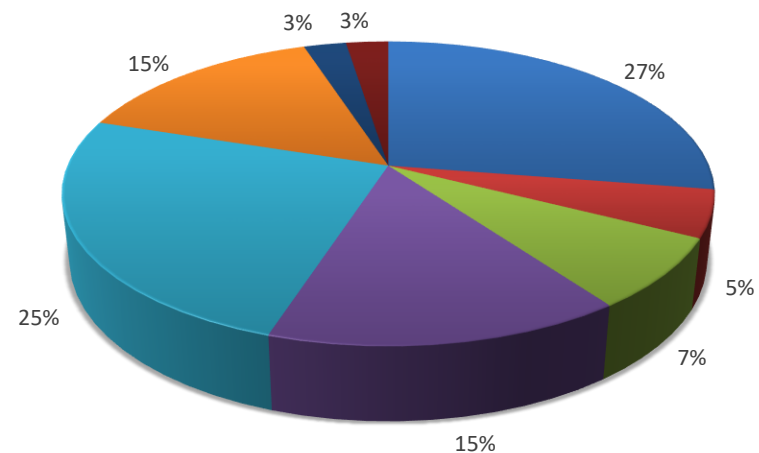
The recorded 'Quarter' scheduling is an indication of timing of each review but is intended as a guide only and is subject to change. Work in addition to that in the plan is also delivered through audit investigations and general advice to service areas, as is required.

Item	Title	Indicative Start (Q)	Directorate	Theme
1	Grant Funding Requiring Audit Verification	1/ 2/ 3/ 4	CSD	Finance
2	Grant Thornton Value for Money Review (Follow-up of External Audit Findings)	2/ 3	CSD	Finance
3	Budget Setting Process	1	CSD	Finance
4	Contracts/ Procurement (to include coverage of Leisure Centres and Cems & Crems)	TBC	CSD	Procurement
5	Agilisys/ Liberata KPI's	1	CSD	Performance
6	ICT - Network Access Configuration	TBC	CSD	IM&T
7	ICT - 3rd Party Web Based Systems	TBC	CSD	IM&T
8	ICT - Mobile Devices	1	CSD	IM&T
9	Information Governance	TBC	CSD	IM&T
10	Capital Governance	3	CSD	Governance
11	Governance - Annual Governance Statement	1/ 2/ 3/ 4	CSD	Governance
12	Governance - Audit Committee, Boards, Advice and Guidance	1/ 2/ 3/ 4	CSD	Governance
13	Follow-up of Previous Year Recommendations	1/ 2/ 3/ 4	CSD	Performance
14	Register of Interests & Declaration of Gifts and Hospitality	TBC	CSD	Governance
15	Fraud - Data Analytics	1/ 2/ 3/ 4	CSD	Finance
16	Fraud - National Fraud Initiative (NFI)	1/ 2/ 3/ 4	CSD	Finance
17	Fraud - Training, Advice and Guidance	1/ 2/ 3/ 4	CSD	Finance
18	Mandatory Training - Implementation of Revised Procedures	3/ 4	CSD	Risk
19	Lone Working	1	CSD	Risk
20	North Somerset Environment Company	3/ 4	CSD	Governance
21	Updates to Payroll System - Series of Audit/ Assurance Work	1/ 2/ 3/ 4	CSD	IM&T
22	Garden Waste Charging/ Income	2/ 3	PLACE	Finance
23	Sea Front Concessions	3	PLACE	Risk
24	Placemaking/ SEE MONSTER event - Advice and Guidance	TBC	PLACE	Projects
25	Home to School Transport Service	1	PLACE	Risk
26	Fleet Management	1	PLACE	Assets

27	Car Parking Income	3	PLACE	Finance
28	Planning Service	4	PLACE	Performance
29	Direct Payments	2/ 3	ADULTS	Risk
30	Emergency Payments/ Welfare Provision	1	ADULTS	Finance
31	Housing - Homelessness Prevention Service	TBC	ADULTS	Risk
32	Payments to Foster Carers	3/ 4	CHILDRENS	Finance
33	Children's Services Placements - Procurement & Governance Arrangements	2	CHILDRENS	Procurement
34	School Assurance Visit - Baytree School	2	CHILDRENS	Governance
35	School Assurance Visit - St Joseph's School	2	CHILDRENS	Governance
36	School Assurance Visit - Golden Valley School	2	CHILDRENS	Governance
37	School - Follow-up work	TBC	CHILDRENS	Governance
38	School Financial Value Standard	4	CHILDRENS	Governance
39	School Fund Certificates	3	CHILDRENS	Finance
40	Capita System	TBC	CHILDRENS	IM&T

NB – Shaded rows indicate potential for joint working across Bath and North East Somerset Council

NSC 2022-23 Internal Audit Plan



■ Finance ■ Procurement ■ Performance ■ IM&T ■ Governance ■ Risk ■ Projects ■ Assets

5. Other Key Components of Internal Audit Planned Work

1) Fraud – Prevention & Detection

Counter-fraud and corruption arrangements are a high priority for the Council and assist in the protection of public funds and transparency & accountability. Under the Council's Financial Regulations, the Internal Audit Service must be informed of any 'financial irregularities' and we are committed to responding timely to any reported or identified cases through carrying out our proactive work. Our proactive anti-fraud and corruption testing is focussed on those areas / systems considered to be most at risk to fraud.

The CIPFA guidance ('Code of practice on managing the risk of fraud and corruption'), the CIPFA Fraud and Corruption Tracker (CFaCT) survey, and the Fighting Fraud and Corruption Locally strategy, all assist in assessing and informing fraud and corruption risks and planning the work of the Internal Audit service. Nationally, the notable areas of fraud include Housing Benefit, Council Tax, Housing and Tenancy, Procurement, Insurance, Abuse of Position, Blue Badges, and Direct Payments (Social Care). These areas and the risks are considered as part of the audit planning process and this is evident in the list of audit reviews recorded in Section 5, as well as in previous audit plans.

In terms of other proactive work the Cabinet Office runs a national data matching exercise (National Fraud Initiative - NFI) every two years. Information must be extracted from several Council databases and uploaded to the NFI database run. The results of the most recent exercise at North Somerset Council will be reported in April 2022.

The Council has an adopted an Anti-Fraud and Corruption Strategy and associated policies and these have been reviewed and updated for 2022/23.

Staff awareness of fraud and scams is very important, and the Internal Audit service provide training and regular bulletins to ensure that staff are reminded of the risks and the need for continued diligence. This work will continue in 2022/23.

2) Corporate Governance

The Accounts and Audit Regulations require the Council to carry out an annual review of its governance arrangements, and to produce an annual statement detailing the results of that review.

The AGS must be seen as a Council wide document, and it is reviewed and approved by the Audit Committee. The Leader of the Council and the Chief Executive are required to sign the document which is then published with the Council's statement of accounts.

The Internal Audit service provide support by using an adopted methodology to carry out an Annual Governance review.

3) Independent Certification of Grant Funding

Significant funding is provided to the Council by funding bodies such as the West of England Combined Authority and Government Departments. The Internal Audit service are required to independently verify expenditure and provide an opinion on whether expenditure is in compliance with Grant Terms & Conditions.

Internal Audit Charter

This document sets out the purpose, authority and principal responsibilities of the Internal Audit Service for North Somerset Council.

1 Internal Audit's Purpose and Mission

- 1.1 Internal Audit is an assurance function that primarily provides an independent and objective opinion to the Council on its control environment. Internal Audit helps the organisation to achieve its objectives through a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control, processes. Its mission is to enhance and protect organisational value by providing risk based and objective assurance, advice and insight

2 Internal Audit's Statutory Role

- 2.1 The Accounts & Audit Regulations 2015 (Local Government England & Wales) states that:

“A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.

- 2.2 Section 151 of the Local Government Act 1972 requires the Council to designate an Officer to be responsible for “making arrangements for the proper administration” of the Council’s financial affairs. One of the ways by which this duty is discharged is by maintaining an adequate and effective Internal Audit Service.

- 2.3 The Audit Committee responsibilities are recorded in its Terms of Reference which were updated significantly during 2019/20.

3 Standards for Professional Practice of Internal Auditing

- 3.1 Internal Audit will govern itself by adherence to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing. The Chief Audit Executive will report periodically to the Council's Chief Financial Officer (S151 Officer) and the Audit Committee regarding Internal Audit conformance to the Code of Ethics and the Standards.

4 Management's Responsibilities for Internal Control

- 4.1 Responsibility for internal control rests fully with Management, who shall ensure that arrangements are appropriate and adequate. Management shall establish and maintain an adequate system of internal control to enable them to discharge their responsibilities and to ensure that the Council's resources are properly applied in the manner intended. This includes responsibility for the prevention and detection of fraud.

5 Internal Audit Responsibility & Objectives

- 5.1 Internal Audit is responsible for carrying out an appraisal of all the Council's activities, financial or otherwise, in line with this Internal Audit Charter. Internal Audit will provide an annual opinion to the Council (Audit Committee) and will carry out Audits and other assurance work in order to deliver this opinion. In addition, Internal Audit will report to Management any material facts that may affect the delivery of the opinion.
- 5.2 As stated in Section 3 Internal Audit will comply with the Professional Practices Framework, (including the Public Sector Internal Audit Standards), and will complete internal assessment of compliance with the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The findings of internal assessments and any required actions will be reported to the Council's Audit Committee. Compliance will also be verified through an external review assessment every five years.
- 5.3 One of the key service objectives of Internal Audit will be to produce a risk based Annual Audit Assurance Plan for approval by the Council's Audit Committee. The Audit Plan will remain flexible to take account of the Council's changing environment and risk profile.
- 5.4 Completion of all or a significant proportion of the approved Audit Plan will be a key performance measure of the Internal Audit Service.
- 5.5 Internal Audit will directly employ staff and contract as necessary to provide a service to the Council. This is carried out through a services agreement with Bath & North East Somerset Council who work in partnership with North Somerset Council for Internal Audit Services.

6 The Scope of Internal Audit

- 6.1 Internal Audit's work is not limited to the Council's financial systems and records, it extends to all activities of the Council. This enables Internal Audit to give an independent and objective opinion on the adequacy and effectiveness of governance, risk management and the control environment as a source of assurance to management. Work includes: reviewing and evaluating compliance with policies, laws and regulations; assessing the reliability and integrity of information; and, safeguarding Council assets. In addition to this core internal audit work, it will undertake, where appropriate, other non-assurance work at the request of management. This may include consultancy and fraud / irregularity related work.
- 6.2 Where appropriate, there may be instances whereby Internal Audit works in partnership to meet objectives and deliver services. In these instances, Internal Audit will decide whether to conduct the work required itself or can place reliance on the work carried out by other Auditors or sources of assurance. If Internal Audit were to carry out the work, then access rights need to be established to all systems and documents. Management should ensure these are established as part of the partnership arrangements.

7 Internal Audit reporting lines

- 7.1 The Chief Audit Executive fulfills the role of the Council's "Chief Internal Auditor" through its contractual arrangements and reports to the Client - Director of Corporate Services/ Section 151 Officer. The Chief Audit Executive has freedom of reporting access without fear or favour to all relevant Members and Officers (including the Leader of the Council, the Chair of the Audit Committee and the Council's Statutory Officers - Chief Executive {Head of Paid Service}; Director of Corporate Services {Section 151} and the Head of Legal & Democratic Services {Monitoring Officer}).
- 7.2 The Council has an Audit Committee whose Terms of Reference include responsibility for monitoring the performance of the Internal Audit Service and approving its Annual Audit Plan. The Chief Audit Executive reports regularly to the Corporate Audit Committee and is required on an annual basis to provide a formal opinion of the adequacy of the Internal Control Framework and systems to manage risk.

8 Internal Audit Independence

- 8.1 A critical element of the performance of Internal Audit is independence from the activities it audits. This enables Internal Audit to form impartial and effective judgment for the opinions and recommendations made. To help ensure independence Internal Audit is allowed unrestricted access to Senior Management & Members, as stated in Section 7.1. the Chief Audit Executive reports in his own name and has enhanced independence through the contractual arrangements with Bath & North East Somerset Council.

- 8.2 Internal Auditors will be impartial, have an unbiased attitude and avoid any conflict of interest. Auditors will not undertake audit reviews in services where they have previously worked (directly working for the function or carrying out 'consultancy services') in the last two years. In terms of 'consultancy services' this is work which is going beyond providing an opinion on the control environment, i.e., they are designing or developing systems to fulfil an objective.
- 8.3 Internal auditors will disclose any impairments of independence or objectivity, in fact or appearance, to appropriate parties.
- 8.4 Before Internal Audit agrees to carry out consultancy services consideration will be given to any potential conflicts of interest. If it is concluded that the proposed work would compromise delivery of the service's prime function, then the work would be declined.
- 8.5 Where the Chief Audit Executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.
- 8.6 The Chief Audit Executive will confirm to the Corporate Audit Committee at least annually of the independence of the internal audit activity.

9 Internal Audit Fraud related work

- 9.1 Internal Audit does not have responsibility for the prevention and detection of fraud. However, Internal Audit staff shall be alert in all their work, to risks and exposures that could allow fraud or corruption. Internal Audit work alone cannot guarantee that fraud and irregularities will be picked up even when work is performed in compliance with the Public Sector Internal Audit Standards.
- 9.2 The main source for Internal Audit to be alerted to possible fraud and irregularities will be through the awareness of Council Officer and Members of the Council's Anti-Fraud & Corruption Strategy and associated policies (Anti-Money Laundering Policy; Anti-Bribery & Corruption Policy and Whistleblowing Policy). Internal Audit maintain the Council's Strategy and Policies and report on this to the Audit Committee. The Strategy adheres to the themes and principles of the CIPFA Local Government Counter Fraud Strategy.
- 9.3 Internal Audit assist in the detection of fraud by assisting the Council's Director of Corporate Services (Section 151 Officer) in roles related to the Cabinet Office National Fraud Initiative. Internal Audit assists Council Services in the preparation and submission of data to the Cabinet Office and then the review and investigation of data matches.
- 9.4 Internal Audit may also be requested by Management to assist with the investigation of potential cases of fraud and financial irregularities. The objective of the Internal

Audit Service is to ensure that: 1) the matter is fully investigated and if deemed necessary referred for Police or disciplinary action; and 2) the system of internal control is enhanced to avoid a repeat of the issue. All reported irregularities would be investigated in line with adopted strategies, policies and protocols.

10 Internal Audit's Right of Access

10.1 The Accounts & Audit Regulations 2015 provides that any Officer of the Council must make available such documents of the Council which relates to its' accounts and other records as appear to be necessary for the purpose of the Audit.

In addition, the Council's Financial Regulations state that The Chief Audit Executive or their authorised representative, shall have authority to:

- Enter at any reasonable times, any operational or administrative Council premises or land and have access to all Council property;
- Have access to (and where necessary to copy or retain) all records whether manually or electronically held, documentation, correspondence and computer systems relating to any transaction of the Council, or non-official funds operated by Council staff;
- Require and receive such explanations as are necessary concerning any matter under examination;
- Require any employee of the Council to produce or account for cash, stores or any other property under their custody or control,
- Examine any work or services carried out for the council by an employee or contractor, and any goods purchased on behalf of the Council,
- Review appraise and report on the soundness, adequacy and application of internal controls. This includes those controls to protect Council resources, property and assets from loss / waste.

11 Relationship with External Audit & other Assurance Providers

11.1 The relationship between Internal Audit and the Council's External Audit should take account their differing roles. The External Auditor has a statutory responsibility to express an opinion on the Council's financial statements, whilst Internal Audit is responsible for assessing the adequacy and evaluate the effectiveness of its risk management, control and governance processes and advising Management accordingly.

11.2 Internal Audit will co-operate and co-ordinate with External Audit and other review agents to:

- Ensure that duplication of work is minimised
- Consider joint delivery where appropriate
- Determine the level of assurance that can be obtained from their work

- Review the reliance that can be placed on that assurance as part of Internal Audit's opinion on the control environment
- To enable access to all Internal Audit records as appropriate.

11.3 As part of its drive to secure efficiencies, Internal Audit will use all sources of assurance available to it to inform its opinion.

12 Quality Assurance and Improvement Plan

12.1 The Chief Audit Executive has developed a quality assurance and improvement programme that covers all aspects of the internal audit activity. It has been designed to enable an evaluation of the internal audit activity's conformance with the Public Sector Internal Audit Standards and an evaluation of whether internal auditors apply the Institute of Internal Auditors Code of Ethics. Identifying opportunities for improvement is a key requirement of the programme.

12.2 Internal assessments will be carried out to review compliance with the mandatory elements of the Institute of Internal Auditors International Professional Practices Framework. The results of internal assessments referencing any related action plans will be reported in the annual report to the Council's Audit Committee.

12.3 An external assessment will be carried out at least every five years by a qualified, independent assessor from outside the organisation.

12.4 The Chief Audit Executive will inform the Audit Committee of the form of the external assessment and clarify the qualifications and independence of the external assessor. The results of the external assessment including any action plans will be reported in the relevant annual report to the Audit Committee.

12.5 Any non-conformance to the International Standards for the Professional Practice of Internal Auditing and Code of Ethics will be highlighted for consideration for inclusion in the Council's Annual Governance Statement.

North Somerset Council

Report to the Audit Committee

Date of Meeting: 28th April 2022

Subject of Report: Counter Fraud Update Report, Anti-Fraud and Corruption Strategy 2022-24, and Updated Fraud Policies

Town or Parish: None

Officer/Member Presenting: Peter Cann, Audit West

Key decision: no

Recommendations

The Audit Committee is asked to note the Counter Fraud Update Report, and review the updated Anti-Fraud & Corruption Strategy and associated policies as detailed below:

- a. Note work carried out by the Internal Audit team in relation to Anti-Fraud & Corruption
- b. Review and comment on the updated Anti-Fraud & Corruption Strategy (*Appendix 1*)
- c. Review and comment on the updated Whistle Blowing Policy (*Appendix 2*)
- d. Review and comment on the updated Anti-Money Laundering Policy & Guidance (*Appendix 3*)
- e. Review and comment on the updated Anti-Bribery & Corruption Policy (*Appendix 4*)

1. Summary of Report

The report outlines the work carried out to review and update the Anti-Fraud & Corruption Strategy and related policies which are being presented for consultation. It also provides the Audit Committee with an overview on the National Fraud Initiative (NFI) and information related to investigations carried out by the Internal Audit function.

2. Policy

- 2.1 The Anti-Fraud & Corruption Strategy 2022 and associated policies for consultation.

3. Details

- 3.1 This is an update to the Audit Committee on the Counter Fraud work achieved in 2021-22 and continues our work to maintain the policies and procedures for North Somerset Council. This report also presents the updated Anti-Fraud and Corruption Strategy.

4. National Picture and Emerging Fraud Risks

- 4.1 The CIPFA Fraud and Corruption Tracker (CFaCT) survey is the definitive survey of fraud and corruption activity in local government. It tracks the level of fraud and corruption local authorities have detected, the number of investigations undertaken and the types of fraud encountered.

The latest edition of the annual CIPFA Tracker Report was published in 2020 and detailed the main themes for national fraud indicators within Local Government. This can be accessed via the CIPFA website:

<https://www.cipfa.org/services/cipfa-solutions/fraud-and-corruption/fraud-and-corruption-tracker>

The tracker report is supported by the National Audit Office (NAO) and the Local Government Association (LGA). The annual financial loss to fraud in the UK public sector is estimated at £40.3bn annually, with £7.3bn of this being in local government.

- 4.2 Known fraud risk areas in Local Authorities include, Council Tax Fraud, Disabled Parking Concessions (Blue Badge), Business Rates and Housing Fraud.

During 2021/22, the Internal Audit Service undertook work on these related areas:

- i) Council Tax Payments and Collection (audit opinion Level 3)
- ii) Business Rates (NNDR) Income (audit ongoing)
- iii) Housing – Jigsaw System (audit opinion Level 3)

Audit work on Blue Badges was completed in 2020/21 and had an overall opinion of 'weak'. This work was followed up in 2021/22 to confirm that the recommendations made in the review had been implemented.

4.3 Emerging Fraud Risks

Information regarding known and emerging fraud risks are obtained from a number of organisations and professional bodies. One of these is the National Anti-Fraud Network (NAFN). NAFN are one of the largest shared services in the country, managed by, and for the benefit of its members, and is hosted by Tameside MBC. Currently, almost 90% of local authorities are members, including North Somerset Council.

A specific fraud risk that has emerged post-pandemic is the cost-of-living crisis. This will be actively considered throughout the year during our planning and subsequent work, including how we may be able to use data analytics to help detect fraud.

5. National Fraud Initiative (NFI)

- 5.1 The Internal Audit function also carry out other anti-fraud activity, such as co-ordinating the National Fraud Initiative (NFI) on behalf of the Council's Section 151 Officer.

- 5.2 The NFI is a Cabinet Office initiative, matching data from a large number of public and private sector organisations. These organisations provide data from their systems as prescribed by the Cabinet Office. The data is then matched and data matching reports are made available for each participating organisation to review. It is for each

organisation to make the necessary enquiries and any identified fraud is recorded within the NFI system to enable the effectiveness of the initiative to be monitored.

For Local Authorities such as North Somerset Council, example data sets for matching purposes include; Housing Benefit, Adult Social Care Personal Budgeting and Disabled Parking (Blue Badges).

5.3 Results from 2021/22 NFI Exercise

The results from the latest exercise are as follows:

Report title	Total matches	Processed	In Progress	Frauds / errors	Identified loss	Estimated Savings
Housing Benefits	64	46	9	2	£2,629.80	£4,826.22
Council Tax Reduction Scheme	402	357	3	30	£19,984.57	£5,190.57
Payroll	13	13	0	0	£0	£0
Blue Badges	804	804	0	60	£0	£34,500
Waiting List	99	99	0	0	£0	£0
Creditors	1430	1430	0	1	£647	£647
Procurement	18	18	0	0	£0	£0
Covid-19 Business grants	71	65	6	1	£0	£0
TOTAL	2901	2832	18	94	£23,261.37	£45,163.79

An invitation has been extended to Members of the Audit Committee to attend a workshop hosted by the Audit Service to discuss the NFI exercise and these specific findings in greater detail.

6. **Internal Audit Targeted Work and Investigations**

6.1 **Internal Audit Planning and Reviews**

The risk of Fraud is considered during all internal audit planning activity. This includes from initially building the Annual Audit Plan (i.e. the audit reviews planned to be carried out during the financial year) through to considering the objectives, fraud risks, controls and focus of each review to be carried out, i.e. each individual work programme. As described in section 4.2, targeted work has been carried out in 2021/22 on known key fraud risk areas, including Council Tax, Business Rates and Housing.

6.2 **COVID-19 Grant Payments**

In addition to the above, a large amount of work was also completed on COVID-19 Grant Payments. This was detailed at length, formally and informally, to the Audit Committee throughout the year and a COVID-19 Business Grant Funding Internal Audit position statement summary report was also produced in September and discussed in a workshop with members in October 2021.

Further Business Grants were announced following the outbreak of the Omicron variant which affected many businesses in December 2021. To prevent fraud, pre-payment checks were once again undertaken by the Audit service using the Government's 'Spotlight' tool to ensure the validity of grant applicants.

6.3 Data Analytics

Data analysis and data matching are important tools for identifying fraud and error in local government. The Fighting Fraud and Corruption Locally Strategy for the 2020s recommends that local authorities should share data across its own departments and engage in the use of data analytics as a key response to fraud.

As well as participating in the National Fraud Initiative (see section 5), Audit West wishes to support effective data analysis with the use of existing information that the authority already holds. Therefore, internal data matching takes place regularly throughout the year and this is partly completed via IDEA – an internal audit data analytics software tool.

The matches were completed primarily on data from the payroll and creditor system and we are pleased to report that no instances of fraud or serious error were identified. The key findings were as follows:

- Potential duplicate payments were identified. These were investigated further and confirmed not to be duplicates, which provides positive assurance over the functioning of the accounts payable system.
- 22 employees were identified as not having received any payments for twelve months. HR agreed to remove any staff members no longer required, which will reduce the risk of fraud and error.
- There were eight instances of payments made to employees where the bank account details were the same as that of another employee. There were confirmed as being bonafide employees, i.e. not fraudulent 'ghost' employees.
- A large number of duplicate suppliers were identified as part of the matches, however there can be many legitimate reasons for the suppliers to be on the system more than once, for example where suppliers require payments to be made to different accounts. These exercises continue to provide a regular opportunity for the Accounts Payable team to review suppliers and cleanse the databases in order to reduce the risk of fraud and error.

6.4 Investigations

During Internal Audit investigations, the themes of prevent and pursue as recorded in the Anti-Fraud and Corruption Strategy are the focus of the work of the Auditor. The key objectives are to:

- a) Identify the breakdown in controls and correct this to avoid further losses
- b) Collect evidence to be able to pursue responsible individuals, i.e. through criminal prosecution or a disciplinary route.

There were four main Audit investigations in the 2021-22 financial year as well as significant involvement in a fact-finding review.

Investigations 1 and 2

Two investigations were ongoing during the year, both of which related to suspected COVID-19 grant payment frauds.

These were both referred to the National Investigation Service (NATIS)/ National Anti-Fraud Network (NAFN). Whilst the larger of these two frauds remains as an open investigation with NATIS and the lower value is still under their consideration

for investigation, we received confirmation in year that we could also pursue both of these payments locally. Audit West worked with Liberata to attempt recovery of these funds but, as anticipated, have so far been without success.

We have approached NATIS for an update on their own investigation(s) and will inform the Committee when there is further information to report.

Investigation 3

This related to an allegation that an officer of one of the Council's partner organisations had been overseen looking at inappropriate material and had also sent these images from a North Somerset Council email account to their own personal email account. Internal Audit were asked to investigate this allegation as a matter of urgency, and, upon review, it was confirmed that these allegations were true. The employee concerned subsequently had their employment terminated with the partner organisation.

Investigation 4

An email was received via the Fraud mailbox where an external source made an allegation that a Council employee had not declared their criminal record. A link to a newspaper article supporting this allegation was provided by the whistleblower.

Internal Audit undertook some background research and ascertained that the person was actually an employee of North Somerset Environment Company (NSEC). The matter was then discussed between Audit and NSC HR as, despite it being an NSEC employee, it was important to understand some base information around the allegation and recruitment process followed. HR then discussed the issue with the Director of NSEC, who in turn had engaged outside legal advice surrounding the situation. Following this, the employee's contract of employment was terminated.

Additional Work

As well as the investigations described above, the Internal Audit service have assisted in an independent review of the issues surrounding the roofing works commissioned at a North Somerset School during the summer of 2021.

The review was commissioned by the Council's Chief Executive following extensive flooding at the school and was led by an independent investigating officer from One West (BANES), with independent consultancy support from the Chairman of the Strategic Schools Forum. The Head of Audit and Assurance also provided technical input and participation at key meetings.

It was found that overall there was a lack of clear ownership and joined up thinking towards the works at the school. Four key themes of causation were identified during the review as follows:

- Resources and Investment
- Timing and Resource Planning
- Relationships and Communications
- Contractor Failings and Contract Management

At the conclusion of the work, a number of presentation/ feedback sessions were held with the Chief Executive/ One West, followed by similar sessions with Council Directors and Members, and a session with the School.

6.5 Fraud Reporting

In the financial year 2021/22, a total of 34 potential fraud referrals were received, mainly through our dedicated fraud email address and referral form, which is an increase of 54% upon the previous year. This coincided with our redesign of the fraud reporting form, which has simplified the process and widened the scope to a larger range of fraud types. Early results suggest the new reporting form is enabling and encouraging more members of the public to come forward and report fraud, and as such is strengthening the Council's fraud defences. The reporting form can be accessed at: <https://www.n-somerset.gov.uk/form/fraud-referral-report>

Formal investigations took place where appropriate as reported in section 6.4, otherwise the majority related to areas such as Housing Benefit, Single Person Discount, etc and were referred to the relevant service area for action.

6.6 Staff Awareness

A strong focus on providing fraud information and awareness to equip staff has continued this year, with increased articles in the staff newsletter 'The Knowledge', a special article to coincide with 'International Fraud Awareness Week' (November 14-20) and a refreshed and updated online Fraud Awareness training course, which is a mandatory requirement for staff to undertake.

We received 32 fraud alerts throughout the year from the National Ant-Fraud Network which we then discussed/ shared directly with the relevant service areas, including Accounts Payable, Blue Badges, I.T., Electoral Services and Schools (including items being posted on the virtual 'Schools Noticeboard' and also circulated with a range of local academies).

Some examples of information provided to staff this year has included (but is not limited to):

- Change of Supplier details fraud, with subsequent good work from the Council's Accounts Payable team which resulted in the identification and prevention of an attempted fraud.
- Working with ICT in communicating a National Fraud alert received by Internal Audit. ICT then immediately placed a pop-up warning on user's computer, warning them about a phishing attack which affected a couple of other authorities
- items of topical relevance, such as an article reminding staff to declare any gifts or hospitality they are offered, as well as any personal or pecuniary interests they have. This was very much in line with news around MP's second jobs and related interests.

7. Strategy and Policy Updates

- 7.1 The Fighting Fraud and Corruption Locally 2020 is the updated counter fraud and corruption strategy for local government. It provides a blueprint for a coordinated response to fraud and corruption perpetrated against local authorities. The 2016-19 strategy promoted three key themes; 'Acknowledge, Prevent and Pursue', which was then adopted locally within the Council's 2019 Anti-Fraud & Corruption Strategy.

The 2020 Fighting Fraud and Corruption Locally strategy has built upon the pillars of 'acknowledge', 'prevent' and 'pursue' and added two more areas of activity, these

being 'Govern' and 'Protect'. Accordingly, the Council's Anti-Fraud and Corruption Strategy has been refreshed and updated to include these two new pillars in order to ensure the Council's approach to Fraud continues to be in line with best practice.

7.2 The Council's Anti-Fraud & Corruption Strategy is the "umbrella strategy" that brings together all fraud related policies. Its objective is to ensure that the Council is proactive in preventing and detecting fraudulent activities and corrupt practices, and takes the necessary action to punish those involved and recover losses.

7.3 Policies linked to the Strategy have also been reviewed and the following three key policy documents have been updated:

- i) Whistle Blowing Policy
- ii) Anti-Money Laundering Policy and Guidance
- iii) Anti-Bribery & Corruption Policy

8. Consultation

As part of our consultation process the Audit Committee is asked to note the Counter Fraud Update Report, and review the Anti-Fraud & Corruption Strategy and associated policies

9. Financial Implications

There are no direct financial implications from this report which is focused on strategy and policy review.

10. Legal Powers and Implications

There are no direct legal implications from this report which is focused on strategy and policy review.

11. Climate Change and Environmental Implications

The council faces a wide variety of climate change and environmental impacts whilst delivering its many services to residents, some of which have a direct or indirect financial impact or consequence. These are referenced or noted, where appropriate, throughout the report and associated appendices.

12. Risk Management

It is recognised by Government that the current economic climate in the United Kingdom including the remaining effects of COVID-19 and the evolving cost of living crisis have the potential to increase the risk of fraud and irregularity as never seen before in the Public Sector. Furthermore, as the Council makes continued cuts in its future budgets, it is essential that it continues to maintain strong defences against fraud and irregularity, directing its resources most effectively to mitigate the areas of highest risk.

13. Equality Implications

Embedded within the approach to fraud prevention is consideration of compliance with statutory guidance and regulations which includes those relating to equality and diversity.

14. Corporate Implications

There is a requirement to have a strategy which applies to all aspects of the council's business and has in place policies and processes to support the prevention and detection of fraud and corruption.

15. Options Considered

None.

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Appendices

Appendix 1 - Anti-Fraud & Corruption Strategy

Appendix 2 - Whistle Blowing Policy

Appendix 3 - Anti-Money Laundering Policy & Guidance

Appendix 4 - Anti-Bribery & Corruption Policy

Background papers

Internal Audit Update Reports to Audit Committee, 2021/22



Anti-Fraud and Corruption Strategy

2022 – 2024

Anti-Fraud and Corruption Strategy

Introduction and Context

What is Fraud?

“Fraud is a form of dishonesty, involving false representation, failing to disclose information or it’s abuse of position, undertaken in order to gain or cause loss to another” and “Theft is dishonestly appropriating property belonging to another with the intention of permanently depriving the other of it ¹”.

For the purpose of this strategy, fraud may also be defined as the use of deception with the intention of:

- **Corruption**- gaining an advantage, financial or otherwise, personally and for family or friends; or abuse of position – abusing the council’s resources for personal gain
- **Theft** – removal or misuse of funds, assets or cash causing a financial loss to the Council or,
- **False accounting** - dishonestly destroying, defacing, concealing, or falsifying any account, record or document required for any accounting purpose, with a view to personal gain or gain for another.

Fraud costs the UK economy around £200 billion a year. The latest available figures from CIPFA estimate the annual financial loss to fraud in the UK public sector is around £40.3 billion, with £7.3 billion of this being in local government².

Fraud therefore continues to pose a major financial threat to councils and any losses are magnified based on the severe financial constraints and challenges on council finances. Therefore, it is important to have the resilience and innovation within the council to ensure all staff, stakeholders and the public are aware of the fraud prevention threats and solutions to the ongoing fraud challenge, to enable strong defences against fraud to be maintained.

The services provided by a Unitary Council are varied and of significant financial value and volume and therefore the risk is high. The main conditions that are commonly found when fraud occurs are: -

- Incentive / pressure
- Opportunity
- Attitude / rationalism

In summary, the Council controls millions of pounds of assets and therefore employees, Members and Council partners need to be vigilant to the risk of fraud and corruption in everyday business.

¹ Fraud Act 2006 (<http://www.legislation.gov.uk/ukpga/2006/35/contents>)

² CIPFA Fraud and Corruption Tracker (<https://www.cipfa.org/services/cipfa-solutions/fraud-and-corruption/fraud-and-corruption-tracker>)

Protecting the Council

We have a duty to protect the public purse and the council's assets, and the aim of the Strategy is to maintain and improve prevention, detection, awareness and response to fraud and corruption. We wish to build on the organisational culture in the fight against fraud and corruption by raising awareness and encouraging staff to report any issue or suspicion of malpractice at the earliest stage.

Fraud and Corruption amounts to unnecessary cost which the council would prefer to avoid. Finding fraud and corruption early will allow the council to deal with the issue in an efficient and effective manner.

The Council will take all appropriate action to prevent fraud and corruption and respond when cases of attempted or committed fraud are identified. The Council will always seek to reduce any such risk of fraud.

Zero Tolerance

North Somerset Council is determined to pursue a strategy of bringing to account those involved in fraud and corruption through its robust HR Policies. It applies a Zero tolerance approach in relation to Fraud and Corruption. By providing guidance and maximising awareness it will help instil our zero tolerance attitudes to fraud and corruption, meaning that staff, contractors, and our volunteers neither have the motivation nor the opportunity to commit fraud.

In certain types of investigation, the Council may (where necessary) apply for authorisation to complete covert surveillance under the Regulatory Investigations Powers Act (RIPA). For internal fraud, disciplinary action may be taken. In addition to this, where appropriate, the case may be referred to the Police for criminal investigation and sanction and/ or the National Investigation Service (NATIS).

Using Data and Information

Within the Council's Corporate Plan, priorities include managing our resources and making the best use of our data and information. The data the Council holds across its various services areas is an essential tool for tackling fraud and prevent losses.

Our priorities

A thriving and sustainable place

- A great place for people to live, work and visit
- Welcoming, safe and clean neighbourhoods
- To be a carbon neutral council and area by 2030
- A transport network which promotes active, accessible and low carbon travel
- An attractive and vibrant place for business investment and sustainable growth
- A broad range of new homes to meet our growing need, with an emphasis on quality and affordability

A council which empowers and cares about people

- A commitment to protect the most vulnerable people in our communities
- An approach which enables young people and adults to lead independent and fulfilling lives
- A focus on tackling inequalities and improving outcomes
- Partnerships which enhance skills, learning and employment opportunities
- A collaborative way of working with partners and families to support children achieve their full potential

An open and enabling organisation

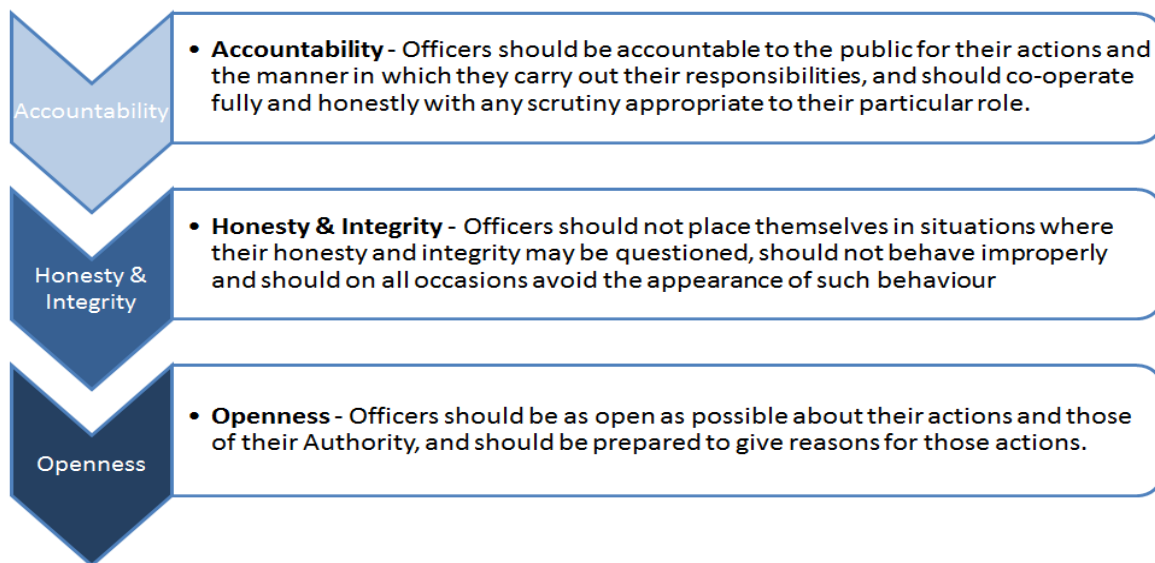
- Engage with and empower our communities
- Empower our staff and encourage continuous improvement and innovation
- Manage our resources and invest wisely
- Embrace new and emerging technology
- Make the best use of our data and information
- Provide professional, efficient and effective services
- Collaborate with partners to deliver the best outcomes

Creating an Anti-Fraud Culture

The best defence against fraud, corruption and bribery is to create a strong anti-fraud culture within the organisation.

We promote the 'seven principles of public life' put forward by the Nolan Committee and expect all our staff and partners (including contractors), and councillors to be aware of and to follow principles, legal rules, procedures, and practices, to: protect legitimate interests at all times. (Nolan Principles³).

North Somerset Council is committed to these principles of good governance and confirms this through the adoption, monitoring and development of the Council's Local Code of Corporate Governance.



³ <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

What Constitutes our Strategy

Scope - The Strategy applies to any individual undertaking Council specific activity, i.e.

- All employees whether full or part time, permanent or temporary
- Elected Members
- All staff working in Local Authority schools
- All contractors, agencies and partners working within the Council

The previous Anti-Fraud & Corruption Strategy (2019) was based upon three key themes: **Acknowledge, Prevent** and **Pursue**.

The Fighting Fraud and Corruption Locally 2020⁴ is the most recent updated counter fraud and corruption strategy for local government and builds upon the pillars of 'Acknowledge, Prevent and Pursue' and adds two more areas of activity, these being '**Govern**' and '**Protect**'. This 2022 strategy acknowledges and includes these new pillars in our objectives in order to ensure that the Council's approach to fraud continues to be in line with best practice.



⁴ CIFAS Fighting Fraud and Corruption Locally <https://www.cifas.org.uk/insight/public-affairs-policy/fighting-fraud-corruption-local-authorities/ffcl-strategy-2020>

Key Themes and Our Objectives

Our objectives within each theme are underpinned by the '6 Cs':

Culture – creating a culture in which beating fraud and corruption is part of daily business

Capability – ensuring that the range of counter fraud measures is appropriate to fraud risks

Capacity – deploying the right level of resources to deal with the level of fraud risk

Competence – having the right skills and standards

Communication – raising awareness, sharing information, and celebrating successes

Collaboration – working together internally and externally, with colleagues and other local authorities, and with other agencies: sharing resources, skills and learning, good practice and innovation, and information.



Govern

Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Having a holistic approach to tackling fraud is part of good governance.

Our objectives:

- Ensure strategies and policies exist which underpin the Council's approach to fraud
- Ensure senior managers are kept informed of fraud and investigation work, including through regular reporting to Statutory Officers and key updates to the s151 officer
- Provide regular updates to the Council's Audit Committee, including details of any fraud, investigations and internal audit reviews which identify exposure to fraud
- Provide training and information to staff, including through a mandatory online Fraud course for employees and regular awareness articles via the staff newsletter
- Members & employees are aware of the need to disclose gifts, hospitality & conflicts of interest and provide such information as required



Acknowledge

Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.

Our objectives:

- Ensure on-going effectiveness and resilience of anti-fraud arrangements
- Ensure all senior staff and managers in key service areas are aware of and comply with the anti-fraud & corruption strategy and effectively disseminate guidance to officers
- Whistle Blowing Policy and referral system in place for internal and external reporting
- Contractors/ third parties informed of the strategy and procedures
- Provide resources for staff on the intranet to allow them to better understand and acknowledge fraud risks and how to respond accordingly



Prevent

Preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes, and developing an anti-fraud culture.

Our objectives:

- Maintain an effective internal audit function to assist the organisation in ensuring a robust framework of internal control
- Implement strong audit/ control procedures to respond to issues identified through investigation of irregularities.
- Provide guidance and training to staff, Councillors, and partners to identify and report attempted or actual fraud.
- Effective use of data matching and sharing e.g., participation in the National Fraud Initiative (NFI) and use of IDEA (data analytics tool).
- Publicise anti-fraud issues across the organisation, including NAFN fraud alerts received
- Recruitment vetting is maintained to highlight issues with potential employees.
- Continuously monitor the national picture to keep informed of emerging fraud risks.
- Continue to provide awareness sessions to staff working in areas of high fraud risk.



Pursue

Punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters, and developing a more collaborative and supportive local enforcement response.

Our Objectives:

- Deliver financial benefits in terms of efficiency savings or increased revenue whilst utilising data analytics
- Investigate issues and weaknesses of instances of proven fraud and corruption
- Determine the appropriate action against fraudsters
- Effective sanctions including legal action where appropriate against anyone found guilty of committing fraud and corruption
- Scrutinise and feed back to relevant departments to ensure robust systems are in place for the future
- Reporting of all cases of fraud and corruption to the Audit Committee
- Instil effective methods for seeking recovery of money defrauded



Protect

Protecting against serious organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the community. Protecting public funds, protecting the organisation from fraud and protection from future frauds.

By ensuring that we meet the above objectives in the areas of Govern, Acknowledge, Prevent and Pursue, we will have the best possible chance of Protecting the Council and its residents.

Our Objectives:

- Protect public funds
- Protect vulnerable people in our local society
- Protect the council from fraud and cyber crime
- Protect against the possibility of future frauds

How to report Fraud and Corruption

The Council is committed to the highest ethical standards. High standards of corporate and personal conduct are essential and explicitly stated through the Council's Employee Code of Conduct, the Code of Conduct for Members and Co-Opted Members, and HR policies.

Policy and guidance are maintained which contains full details on how any concerns can be reported. These are available on the Council's internet site and are as follows:

- Whistleblowing Policy
- Anti-Money Laundering Policy and Guidance
- Anti-Bribery and Corruption Policy
-

If in doubt or to make an anonymous report, use the Council's online form or email:

<https://www.n-somerset.gov.uk/form/fraud-referral-report> or fraud@n-somerset.gov.uk

DO	DON'T
<p><u>Make a note of your concerns</u></p> <ul style="list-style-type: none"> • Write down the nature of your concerns • Make a note of all the relevant details, such as what is said over the telephone or any other conversations • Note the names and, if known, the position of those involved • Notes do not need to be overly formal, but should be timed, signed, and dated • Notes should be held in a secure place • Timeliness is most important. The longer you delay writing up, the greater the chances of recollections becoming distorted, and the case being weakened • Note the date and time when the suspicion was reported onwards 	<p><u>Don't be afraid of raising your concerns</u></p> <ul style="list-style-type: none"> • The Public Interest Disclosure Act provides protection to employees who raise reasonably held concerns through the appropriate channels. • The Council's Confidential Reporting Codes provides guidance on how to do this. • You will not suffer discrimination or victimisation as a result of following these procedures and the matter will be treated sensitively and confidentially. • The Public can report concerns in confidence to the Internal Audit Team Audit West through the online portal and/ or email.
<p><u>Report your concerns promptly</u></p> <ul style="list-style-type: none"> • In the first instance, for internal fraud report your suspicions to your line manager. If this action is inappropriate further guidance on disclosure can be found in the Confidential Reporting Code. • If you are unsure who to report to, contact the Internal Audit team for advice. • All concerns must be reported to the Head of Audit and Assurance • External fraud concerns should also be reported to the Internal Audit Team 	<p><u>Don't convey your concerns to anyone other than authorised persons</u></p> <ul style="list-style-type: none"> • There may be a perfectly reasonable explanation for the events that give rise to your suspicions. Spreading unnecessary concerns may harm innocent persons and the reputation of the Council. • Don't discuss your suspicions with anyone other than the officer you formally raised the issue with. • Don't report the matter to the police unless you have been authorised to do so by audit.
<p><u>Retain any evidence you may have</u></p> <ul style="list-style-type: none"> • The quality of evidence is crucial and the more direct and tangible the evidence, the better the chances of an effective action. • Retain and keep all relevant records/evidence that may have been handed over or discovered as a result of the initial suspicion in a secure and confidential location. 	<p><u>Do not approach the person you suspect or try and investigate the matter yourself</u></p> <ul style="list-style-type: none"> • There are special rules relating to the gathering of evidence for use in criminal cases and to protect human rights. Any attempt to gather evidence by persons who are unfamiliar with these rules may prevent appropriate action being taken. • Don't interfere with any documentary or electronic evidence • Don't attempt to interview or question anyone unless authorised to do so.

Whistleblowing Policy 2022



Whistleblowing Policy 2022

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If you require clarification on any aspect of the Whistleblowing Policy or require this document in a different format, please contact the Internal Audit function of the Council.

Telephone: 01934 888888 (switchboard)

E-Mail: Audit

Or contact directly:

Peter.cann@n-somerset.gov.uk

Pete.charles@n-somerset.gov.uk

<https://www.n-somerset.gov.uk/form/fraud-referral-report>

Whistleblowing Policy 2022

The Council's Audit Committee has recorded in its Terms of Reference that it will review periodically the Council's key financial governance procedures, i.e. Financial Regulations, Contract Standing Orders, Anti-Fraud & Corruption Strategy and recommend any necessary amendments.

1. Introduction

What is Whistleblowing?

Someone blows the whistle when they tell someone in authority about a dangerous, illegal or unethical activity that they are aware of through their work. This can include health and safety risks, environmental issues, fraud, poor standards of care and other problems.

Why is Whistleblowing important?

North Somerset Council is committed to the highest possible standards of service and being open, fair and honest. It recognises that all staff, Members and others associated with the Council are often the first to realise that there may be something seriously wrong. Whistleblowing, enabled by this policy, provides a structured way for this important information to come to light.

Why does the Council need a Whistleblowing policy?

Under the requirements of the Public Interest Disclosure Act 1998, it will:

- a) Encourage employees, Members and others who have serious concerns about any aspect of the Council's work to voice them;
- b) Recognise that certain cases have to proceed on a confidential basis;
- c) Enable participation without fear of reprisals;
- d) Enable employees, Members and others to raise serious concerns within the Council rather than overlook a problem;
- e) Allow for the general public to report wrong doing

2. Scope of Policy

Who does the Whistleblowing policy apply to?

The Policy applies to any individual undertaking Council specific activity, i.e.

- All employees whether full or part time, permanent or temporary
- Elected Members
- All staff working Local Authority maintained schools
- All contractors, agencies and partners working within the Council

Whistleblowing Policy 2022

What is covered by the Whistleblowing Policy?

The Policy:

- provides avenues for the raising of concerns;
- provides procedures for how action taken will be reported back to the whistle blower;
- allows for the matter to be taken further if there is dissatisfaction with the Council's decision;
- underpins the Anti-Fraud and Corruption Strategy and will aim to reassure anyone whistleblowing that they will be protected from reprisals or victimisation for acting in good faith.

The Policy **does not** replace:

- the Council's complaints procedure;
- the Council's grievance procedure;
- the Employees' Code of Conduct;
- specific Council procedures (e.g. those specific to Adult and Children Services);
- Managerial responsibilities.

3. Reporting a Concern

When should I raise a concern?

If you find out about, or have suspicion of, any activity that could be detrimental to the Council. These activities may include:

- conduct which is an offence or a breach of law;
- disclosures relating to miscarriages of justice;
- health & safety risks to public or employees;
- damage to the environment;
- unauthorised use of public funds;
- possible fraud and corruption;
- breaches of the Council's policies, rules and regulations including Financial Regulations, Contract Standing Orders, Data/ Information Security;
- falling below established professional standards or practices;
- improper or unethical conduct; or
- the abuse or neglect of service users. (This list is not exhaustive).

Whistleblowing Policy 2022

How do I go about raising a concern?

The easiest way of reporting is to email the Internal Audit service, providing as much information as possible. You can provide the details anonymously if you want to, but we encourage people to leave their details so we can ask, where appropriate, for more information to help in any investigation.

If you decide to report the allegation to a Prescribed Persons instead of the Council, the table below records the most relevant 'Prescribed Persons' related to the work of a Unitary Council.

<u>Work Area of Unitary Council</u>	<u>Prescribed Person</u>
General responsibilities	Council's External Auditor
Social Care	Care Quality Commission
Social Services & Child Welfare	Her Majesty's Chief Inspector of Education, Children's Services and Skills ('the Chief Inspector') Ofsted

The Government issues an up-to-date list of Prescribed Persons and they can be found here: www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies as specified Prescribed Persons Order 2014).

The decision on who to contact does depend on the seriousness and sensitivity of the issue(s) and who is thought to be involved in the issue(s) to be reported.

If the allegation relates to a contractor or partner organisation, the council will refer allegations direct to the contractor/ partner for them to consider the issues being raised because the council only has jurisdiction for council staff.

If the allegation of misconduct or complaint relates to a Member it must be submitted to the Deputy Monitoring Officer committee.administration@n-somerset.gov.uk who will make the decision if it should be referred for investigation or other action.

Where a complaint is referred for investigation, an Investigating Officer will be appointed to provide a report, which may then be presented to the Standards Committee at a Hearing. If their decision is that there is a case to answer and that the Code had been breached, then they will decide on an appropriate sanction. The full procedure is set out in the Arrangement for Dealing with Complaints about the Code of Conduct for Members.

If the matter is more serious or it is not appropriate to raise with Line Management, then any of the following can be contacted: -

- a) Senior Management; i.e. an independent Director to the Service area or the Chief Executive

E-mail: Jo.Walker@n-somerset.gov.uk

The logo for Audit West, featuring the words "Audit West" in a stylized, orange-brown font with a horizontal line above and below the text.

Whistleblowing Policy 2022

- b) Concerns around Fraud and Misuse of Council Resources;
E-mail: Amy.Webb@n-somerset.gov.uk
- c) Concerns around the treatment and safety of staff and partners;
E-mail: Su.Turner@n-somerset.gov.uk
- d) Concerns around the application of legislation and lawful practice;
E-mail: Nicholas.Brain@n-somerset.gov.uk

Where there are local specific procedures relating to the raising of concerns (e.g., Adult & Children Health & Social care) then these procedures will apply.

Outside agencies and partners should raise concerns with the appropriate Senior Manager or Director. Where this is not appropriate, they should contact the Council Solicitor or the Chief Executive.

Who will be told about my concern?

There are also certain officers with delegated responsibilities who will need to be contacted on certain matters. However, they will not be advised of your identity without your approval. They are:

- a) Council Solicitor:

In respect of actual/potential unlawful conduct, maladministration, breach of the North Somerset Council Local Code of Conduct for Members or breach of law:

- b) Chief Internal Auditor:

In respect of any actual/potential financial irregularity, misuse of council resources or breach of council rules and regulations.

- c) Head of Human Resources:

In respect of any matters relating to treatment and safety of staff/partners.

How should I raise my concern?

Concerns should be raised as soon as possible, when you have a reasonable suspicion even if the allegation is in the past.

It will allow you to incorporate relevant information about specific incidents. The background and history of the concern including names, dates and places where possible and the reason why you are particularly concerned about certain situations should also be provided. If you are unable to express your concerns using the tool, then you should contact the appropriate officer / person by telephone or arrange to meet them.

It might be appropriate to discuss with a colleague first and you may find it easier to raise the issue if there are two or more of you who have had the same experience or concerns.

Whistleblowing Policy 2022

What if I don't want to reveal my identity?

The Council and / or the Prescribed Person (Prescribed Persons Order 2014) will respect the confidentiality of anyone raising a concern and will do everything in its power to protect the identity of that individual whether they are an employee, Member or an external source.

However, as a result of an investigation process a statement may be requested to contribute to the evidence collected. In all such cases the provision of a statement will be discussed with you.

Can I raise my concern anonymously?

Yes. However, the Council would encourage you to put your name to an allegation. Formal statements do help to build a case and add credibility to allegations.

The key factors to be taken into account when investigating allegations are:

- Seriousness of the issues raised;
- Credibility of the concern and
- Likelihood of confirming the allegation from attributable sources.

Will I be protected from possible harassment or victimisation?

The Council recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for malpractice. The Council will not tolerate harassment or victimisation and will take action to protect anyone raising a concern in good faith.

If an employee is the subject of disciplinary or redundancy procedures when they raise their concerns, then those procedures will not automatically be affected. The information provided would be assessed in the light of the new circumstances and a decision taken as to how, if at all, those proceedings should be affected.

Will I be subject to any sanctions if the allegation is not proven?

When an allegation is made in good faith, but is not confirmed by the investigation, no action will be taken against the person voicing the concern.

If, however, an employee or Member makes a malicious or vexatious allegation, disciplinary action may be taken. The conduct of the Member may be the subject of consideration by the Standards Committee under the provisions of the North Somerset Council Code of Conduct for Elected Members & Co-opted Members which forms part of the Council's Constitution. Employee conduct may be subject to the Council's Disciplinary Process.

Do I have to provide proof of the allegation?

Although you are not expected to provide evidence of an allegation, you will need to demonstrate to the appropriate officer contacted that there are sufficient grounds for raising the concern.

4. What happens next

How will the Council respond to my concern?

The action taken by the Council will depend on the nature of the concern. The matters raised may be:

- a) Resolved without the need for investigation;
- b) Investigated internally;
- c) Referred to the Police;
- d) Referred to the External Auditor; or
- e) Form the subject of an independent inquiry.

In order to protect individuals and the Council, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations, which fall under the scope of specific procedures (e.g. Adult & Children Health and Social Care), will be referred for consideration under those procedures.

As soon as possible after a concern has been raised (normally within 10 working days) the Council will write to the individual concerned to acknowledge the issue that has been raised and to indicate the future course of any action.

Will I be involved with the investigation?

The amount of contact between the individual raising the concern and the officers considering the issue will depend on the nature of the matters raised. The individual may be approached to provide further information.

If a meeting is arranged then the individual concerned has the right to be accompanied by an appropriate person of their choice, for example a work colleague or Trade Union representative, or Group Leader if you are a Member.

The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern, for instance, if you are required to give evidence in any form of proceeding, then the Council will arrange for you to receive advice and help with preparation of statements.

Will I be informed of the outcome of the investigation?

The person raising a concern will need to be assured that the issue has been appropriately addressed. Therefore, the Council, subject to legal constraints, will inform them in writing about the outcomes of any investigations.

5. Further information

Further guidance: <https://www.gov.uk/whistleblowing/who-to-tell-what-to-expect>

An independent charity, PROTECT, can offer independent and confidential advice. Contact: 020 3117 2520 or <https://protect-advice.org.uk/contact-us/>

Anti-Money Laundering Policy and Guidance 2022



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If you require clarification on any aspect of the Anti-Money Laundering Policy or require this document in a different format, please contact the Internal Audit function of the Council.

E-Mail: [Audit](#) or contact Peter.Cann@n-somerset.gov.uk

The Council's Audit Committee has recorded in its Terms of Reference that it will review periodically the Council's key financial governance procedures, i.e. Financial Regulations, Contract Standing Orders, Anti-Fraud & Corruption Strategy and recommend any necessary amendments

Introduction

The [Proceeds of Crime Act 2002](#) (The POCA Act) amended by the Criminal Finance Act 2017 ([2017](#)). The Terrorism Act [2000](#) & [2006](#), and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ([MLR 2017](#)) place obligations on the Council and its employees with respect to suspected money laundering.

MLR 2017 commenced on 26 June 2017 and impacts on certain areas of local authority business. As under the previous regulations of 2007, it requires local authorities to maintain internal procedures to prevent the use of their services for money laundering. A key difference of the 2017 Regulations is that it requires relevant persons to adopt a more risk-based approach towards anti-money laundering, particularly in the conduct of due diligence. Determining the appropriate level of due diligence requires analysis of risk factors based on the EU Directive and which are set out in MLR 2017.

Scope of Policy

This Policy applies to all employees of the Council and aims to maintain the high standards of probity which currently exist within the Council by preventing criminal activity through money laundering.

- All employees whether full or part time, permanent or temporary
- Elected Members
- All staff working in maintained schools (Local Authority)
- All contractors, agencies and partners working within the Council

This Policy is closely aligned to the Council's Anti-Fraud & Corruption Strategy 2022 and the Whistle Blowing Policy 2022.

Failure by a member of staff to comply with the procedures set out in this Policy may lead to disciplinary action under the Council's Disciplinary Procedure and/or prosecution.

What is Money Laundering?

Money laundering is the disguising of the source of money, either in cash, paper or electronic form including Bitcoin. This may be in order to conceal that the money has originated from crime, or it may be to conceal the source of money that is to be used in the pursuit of future crime.

Money laundering is highly sophisticated. The conversion of cash in to a non-cash form of money is only the first step. In itself it is not sufficient disguise for the launderer. There will follow a complex series of transactions intended to hide the trail from any investigator. Consequently those on the lookout for money laundering should not restrict themselves to looking for cash transactions.

The following acts constitute money laundering:

- Concealing, disguising, converting, transferring criminal property or removing it from the UK ([Section 327 of the Proceeds of Crime Act 2002](#));
- Entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person ([Section 328](#));
- Acquiring, using or possessing criminal property ([Section 329](#)).

What are the obligations on the Council?

Organisations conducting “relevant business” must:

- Appoint Money Laundering Reporting Officers (MLROs) to receive disclosures from employees, of money laundering activity (their own or anyone else’s);
- Implement risk sensitive policies and procedures relating to customer due diligence, reporting, record keeping, internal control, risk assessment and management, the monitoring and management of compliance and the internal communication of such policies and procedures.

Not all of the Council’s business is “relevant” for the purposes of the legislation: it is mainly the accountancy and audit services carried out by the Corporate Services Directorate and the financial, company and property transactions undertaken by Legal Services. It should also be a consideration for any large cash payments received in connection with Council Tax, Business Rates, rents etc.

While the risk to the Council of contravening the legislation is low, it is important that all employees are familiar with their responsibilities: serious criminal sanctions may be imposed for breaches of the legislation. The key requirement on employees is to promptly report any suspected money laundering activity to the Money Laundering Reporting Officers.

Personal Liability

It is an offence under the Proceeds of Crime Act 2002 if an employee enters into or becomes concerned in an arrangement, which a person knows, or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person.

These offences are punishable by a maximum term of imprisonment for 14 years at the Crown Court and an unlimited fine. At the Magistrates Court it is a 6 months maximum term of imprisonment and £5,000 fine.

A new criminal offence was created in 2017; any individual who recklessly makes a statement in the context of money laundering which is false or misleading commits an offence punishable by a fine and/or up to 2 years imprisonment.

The Money Laundering Reporting Officers (MLROs)

All employees and members are obliged to report any suspicion of money laundering or terrorist financing to the Council's nominated officer. The officer nominated to receive disclosures about money laundering activity within the Council is:

Peter Cann - Head of Audit and Assurance (Peter.Cann@n-somerset.gov.uk)

Reporting to the Money Laundering Reporting Officers

Where you know or suspect that money laundering activity, as described in the "What is Money Laundering?" section above, is taking/ has taken place, or become concerned that your involvement in a matter may amount to a prohibited act under sections 327-329 of the Act, you must disclose this as soon as practicable to the MLROs. The disclosure should be within "hours" of the information coming to your attention, not weeks or months later.

SHOULD YOU NOT DO SO, THEN YOU MAY BE LIABLE TO PROSECUTION

Offence of Tipping Off

If an employee has a concern they should ask questions or seek information/ documentation, which would allay any suspicions they may have and negate the need to make a report.

Once a report has been made to the nominated officer or the person the Council is dealing with suspects that a report has been made the potential criminal offence of "tipping off" arises.

"Tipping off" is where someone informs the person who has approached the financial institution, such as the Council, that they are suspected of being involved in money laundering, in such a way as to prejudice any investigation.

Any person found guilty of tipping off or prejudicing an investigation offence is liable to imprisonment (maximum 5 years), a fine or both.

How You Might Recognise Money Laundering

The key slogan is “Know Your Customer” or “K.Y.C”. For any transaction, cash or otherwise you should ask yourself: -

“Given my knowledge of this person, is it plausible that they can pay this amount for this service by this means?”

If they are paying more than would be reasonable, or more than they could afford, or by a means that would not normally be used the answer would be ‘No’. Then action will be required.

More specific possible indicators of Money Laundering are:

- If the Source or Destination of funds differ from the original details given by the client;
- If the client cancels a transaction without good reason and requests a refund for previously deposited funds;
- Any large cash deposits;
- Large overpayments of fees or money on account;
- If information about the client reveals criminality or association with criminality;
- If there is more than one Solicitor/ Conveyancer used in the sale or purchase of a property or land or if there is an unexplained and unusual use of a Solicitor in relation to a property’s location;
- If the buyer or seller’s financial profile does not fit, particularly in relation to property transactions;
- If there are over complicated financial systems;
- If the client enters into transactions which make little or no financial sense or which go against normal practice;
- If the client is happy to enter into an apparent bad deal for them;
- If the client enters into arrangements beyond their apparent financial means;
- Any odd behaviour by any of the parties involved.

Further information can be obtained from the MLRO and the following sources:

- <http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/nationaleconomic-crime-centre> – website of the National Crime Agency
- Anti Money Laundering Guidance for the accountancy sector , published by CCAB www.ccab.org.uk
- Anti Money Laundering Guidance for the legal sector at www.lawsociety.org.uk
- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 at: <https://www.legislation.gov.uk>

Procedures – Appendix 1

Cash Payments

The Council will risk assess all cash payments in line with the regulatory guidance.

Reporting

Any employee who suspects money laundering activity must report their suspicion promptly to the MLROs, using the attached **Disclosure Report** form (Appendix A). If you would prefer, you can discuss your suspicions with the MLROs first.

The employee must follow any subsequent directions of the MLROs, and must not themselves make any further enquiries into the matter. They must not take any further steps in any related transaction without authorisation from the MLROs.

The employee must not disclose or otherwise indicate their suspicions to the person suspected of the money laundering. They must not discuss the matter with others or note on the file that a report has been made to the MLROs in case this results in the suspect becoming aware of the situation.

The MLROs must promptly evaluate any Disclosure Report, to determine whether it should be reported to the National Crime Agency (NCA).

The MLROs must, if they so determine, promptly report the matter to NCA in the prescribed manner by submitting a Suspicious Activity Report (SAR) via the [SAR online system](#).

You will be informed if the MLROs make a SAR report to NCA. Officers should not complete any transactions **until clearance has been given by NCA, or seven days have elapsed since the disclosure was made to NCA.**

The MLROs will commit a criminal offence under POCA if they know or suspect, or have reasonable grounds to do so, through a disclosure being made to them, that another person is engaged in money laundering and they do not disclose this as soon as practicable to NCA.

Customer Due Diligence

Where the Council is carrying out certain 'regulated activities' then extra care needs to be taken to check the identity of the customer or client; this is known as carrying out Customer Due Diligence.

Regulated activity is defined as the provision 'by way of business' of: advice about tax affairs; accounting services; treasury management, investment or other financial services; audit services; legal services; estate agency; services involving the formation, operation or arrangement of a company or trust or; dealing in goods wherever a

transaction involves a cash payment of €10,000 or more (approximately £8,318 at the time of writing). The limit is specified by the MLR 2017.

The Regulations regarding customer due diligence are detailed and complex, but there are some simple questions that will help you decide if it is necessary:

- Is the service a regulated activity?
- Is the Council charging for the service i.e. is it 'by way of business'?
- Is the service being provided to a customer other than a UK public authority?

If the answer to any of these questions is **NO** then you do not need to carry out customer due diligence.

If the answer to all these questions is **YES** then you must carry out customer due diligence **BEFORE** any business is undertaken for that client. If you are unsure whether you need to carry out customer due diligence then you should contact the MLROs.

Where you need to carry out customer due diligence then you must seek evidence of identity, for example:

- Checking with the customer's website to confirm their business address;
- Conducting an on-line search via Companies House to confirm the nature and business of the customer and confirm the identities of any Directors / beneficial owners;
- Seeking evidence from the key contacts of their personal identity, for example their passport and position within the organisation.

The requirement for customer due diligence applies immediately for new customers and should be applied on a risk sensitive basis for existing customers. Ongoing customer due diligence must also be carried out during the life of a business relationship but should be proportionate to the risk of money laundering and terrorist funding, based on the officer's knowledge of the customer and a regular scrutiny of the transactions involved.

If, at any time, you suspect that a client or customer for whom you are currently, or are planning to carry out a regulated activity is carrying out money laundering or terrorist financing, or has lied about their identity then you must report this to the MLROs.

In certain circumstances enhanced customer due diligence must be carried out for example where:

- The customer has not been physically present for identification;
- The customer is a politically exposed person. A politically exposed person is an individual who at any time in the preceding year has held a prominent public function outside of the UK, and EU or international institution/body, their immediate family members or close associates;
- There is a beneficial owner who is not the customer. A beneficial owner is any individual who holds more than 25% of the shares, voting rights or interest in a company, partnership or trust.

Enhanced customer due diligence could include any additional documentation, data or information that will confirm the customer's identity and/or the source of the funds to be used in the business relationship/transaction. If you believe that enhanced customer due diligence is required then you must consult the MLROs prior to carrying it out.

Record Keeping

Where 'relevant business' is carried out then the customer due diligence records and details of the relevant transaction(s) for that client **must be retained for at least five years after the end** of the business relationship.

An electronic copy of every customer due diligence record must be sent to the MLROs to meet the requirements of the Regulations and in case of inspection by the relevant supervising body.

Internal Clients: Appropriate evidence of identity for Council employees will be signed, written instructions on Council headed notepaper or e-mail from an internal email address at the outset of a particular matter. Such correspondence should then be placed in the Council's client file along with a prominent note explaining which correspondence constitutes the evidence and where it is located.

External Clients: For external clients of the Council, appropriate evidence of identity will be written instructions on the organisation's official letterhead at the outset of the matter or an email from the organisation's e-communication system. Such correspondence should then be placed in the Council's client file along with a prominent note explaining which constitutes the evidence and where it is located.

With instructions from new clients, or further instructions from a client not well known to you, you may wish to seek additional evidence of the identity of key individuals in the organisation and of the organisation itself.

In all cases, the evidence should be retained for at least five years from the end of the business relationship or one-off transaction(s).

If satisfactory evidence of identity is not obtained at the outset of the matter then the business relationship or one-off transaction(s) cannot proceed any further.

Client Identification Procedure - Appendix 2

You need to be satisfied as to the identity of the client before any business is undertaken for that client. The client's identity can be verified on the basis of documents, data or information obtained from a reliable and independent source.

The following checklist should be used for the **identification** of a private individual:

- Name;
- Address;
- Date of Birth;
- National Insurance Number;
- Telephone number;
- E-mail address.

The following checklist should be used for the **verification** of a private individual:

- Passport;
- Driving Licence;
- Birth Certificate;
- Current Council Tax and/or Utility Bill;
- Marriage Certificate.

In the case of a representative of an organisation, this can include measures such as:

- Checking the organisation's website to confirm the business address;
- Attending the client at their business address;
- Asking the key contact officer to provide evidence of their personal identity and position within the organisation.

Where the client is acting on behalf of a third party, reasonable steps should be taken to establish the identity of that other person.

If satisfactory evidence of identity is not obtained at the outset of the matter then the business relationship or one off transactions cannot proceed any further.

Methods to Safeguard Yourself

Customer due diligence measures is a key part of the Anti-Money Laundering requirements and to adequate measures should be in place. Therefore to safeguard staff in their normal business administration the following are key points to remember when engaging in business transactions.

- Obtain sufficient evidence/knowledge to ascertain the true identity of the person(s) you are dealing with.
 - Who is the ultimate owner of the business
 - Has their Identity been verified
 - Who do they report to e.g. company director, chair of a board or head of department
 - Does the company exist? Can you locate them through a normal internet search
 - Where the business is located and the ability to visit and verify them.
 - Retain evidence for a period of 5 years

Further information can be obtained from the MLRO and the following sources:

- National Crime Agency (NCA) – <http://www.nationalcrimeagency.gov.uk>
- CCAB - Anti-Money Laundering (Proceeds of Crime and Terrorism) – Guidance for Accountants – www.ccab.org.uk
- The Law Society - Anti-Money Laundering Guidance and Advice - <http://www.lawsociety.org.uk/advice/anti-money-laundering>

ANTI-MONEY LAUNDERING DISCLOSURE REPORT FORM

Appendix A

CONFIDENTIAL

REPORT TO MONEY LAUNDERING REPORTING OFFICERS

To: Peter Cann, Head of Audit & Assurance

From:

Contact details:

Department:

DETAILS OF SUSPECTED OFFENCE:

Name(s) and address(es) of person(s) involved:
(If a company/public body please include details of nature of business)

Nature, value and timing of activity involved and cause of suspicion:
(Please include full details e.g. what, when, where, how.)

Has any investigation been carried out (as far as you are aware)?

(Please circle appropriate answer) **Yes/No**

If yes, please include details below:

Have you discussed your suspicions with anyone else?

(Please circle appropriate answer) **Yes/No**

If yes, please specify below whom the discussion took place with, when and why such discussion was necessary:

Please set out below any other information you feel is relevant:

Signed..... Dated.....

Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years' imprisonment.

When completed, please print off the form and put it in a sealed envelope, marked "**Strictly Private and Confidential**" and **hand deliver to Peter Cann**, or email Peter.cann@n-somerset.gov.uk

Your report will be treated in the strictest confidence.

THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MLROs

Date report received:

Date receipt of report acknowledged:

CONSIDERATION OF DISCLOSURE

Action Plan:

OUTCOME OF CONSIDERATION OF DISCLOSURE

Are there reasonable grounds for suspecting money laundering activity?

If there are reasonable grounds for suspicion, will a report be made to the NCA?

(Please circle appropriate answer) **Yes/No**

If yes, please confirm date of SARS report to the NCA: _____ and complete the details below:

Details of liaison with the NCA regarding the report:

Notice Period: _____ to _____

Moratorium Period: _____ to _____



Is consent required from the NCA to any ongoing or imminent transactions which would otherwise be prohibited acts?

(Please circle appropriate answer) **Yes/No**

If yes, please confirm full details below:

Date consent received from the NCA: _____

Date consent given by you to employee: _____

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to the NCA, please set out below the reason(s) for non-disclosure:

Date consent given by you to employee for any prohibited act transactions to proceed:

____/____/____

Other relevant information:

Signed: _____ Date: _____

THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS

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Anti-Bribery & Corruption Policy 2022

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If you require clarification on any aspect of the Anti-Bribery & Corruption Policy or require this document in a different format, please contact the Internal Audit function of the Council.

E-Mail: [Audit](#) or contact Peter.Cann@n-somerset.gov.uk

Anti-Bribery & Corruption Policy 2022

The Council's Audit Committee has recorded in its Terms of Reference that it will review periodically the Council's key financial governance procedures, i.e., Financial Regulations, Contract Standing Orders, Anti-Fraud & Corruption Strategy and recommend any necessary amendments.

1. Introduction

What is Bribery & Corruption?

The Bribery Act 2010 came into force in the UK on 1st July 2011. The Act applies both to individual staff and the Council corporately.

The Bribery Act contains two general offences of bribery, covering the offering, promising, or giving of a bribe (**ACTIVE BRIBERY**) and the requesting, agreeing to receive, or accepting of a bribe (**PASSIVE BRIBERY**) (Sections 1 & 2).

As well as a discrete offence of bribing a foreign public official to obtain or retain business or an advantage in the conduct of business (Section 6), it also introduced an offence that can be committed by commercial organisations that fail to prevent bribery committed on their behalf (Section 7).

The guidance states that a "commercial organisation" is any body formed in the United Kingdom and "...it does not matter if it pursues primarily charitable or educational aims or purely public functions. It will be caught if it engages in commercial activities, irrespective of the purpose for which profits are made." Whether or not the Council is a "commercial organisation", it is committed to meeting the standards set by the Bribery Act 2010.

Why is it important?

Bribery is a criminal offence. North Somerset Council **do not** and **will not** tolerate bribery. It will **not** tolerate the paying of bribes or offers of improper inducements to anyone for any purpose.

It is unacceptable and a criminal offence to use third parties as conduits to channel bribes and the Council will not engage indirectly or otherwise which encourages bribery.

The Council is committed to the prevention, deterrence, and detection of bribery.

Why does the Council need an Anti-Bribery & Corruption policy?

The Council commits to:

- Setting out a clear anti-bribery policy and keeping it up to date

Anti-Bribery & Corruption Policy 2022

- Making all employees aware of their responsibilities to adhere strictly to this policy at all times.
- Training all employees so that they can recognise and avoid the use of bribery by themselves and others
- Encouraging employees to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately
- Rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution
- Taking firm and vigorous action against any individual(s) involved in bribery
- Providing information to all employees to report breaches and suspected breaches of this policy
- Dealing appropriately with bribery prevention as part of its procurement and contract monitoring processes.

2. Scope of Policy

Who does the Anti-Bribery & Corruption Policy apply to?

The Policy applies to any individual undertaking Council specific activity, i.e.

- All employees whether full or part time, permanent or temporary
- Elected Members
- All staff working in Local Authority maintained schools
- All contractors, agencies and partners working within the Council

What is unacceptable behaviour within the Policy framework?

It is unacceptable to:

- Give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given
- Give, promise to give, or offer a payment, gift, or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure
- Accept payment from a third party that you know, or suspect is offered with the expectation that it will obtain a business advantage for them
- Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be

Anti-Bribery & Corruption Policy 2022

provided by us in return

- Retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- Engage in activity in breach of this policy.

3. Reporting a Concern

Staff responsibilities:

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Council or under its control. All staff must avoid activity that breaches this policy. Staff must comply with their terms and conditions of employment including the Employees' Code of Conduct.

Staff must:

- Read, understand, and comply with this policy
- Raise concerns as soon as possible if they believe or suspect that a conflict with this policy has occurred or may occur in the future.

As well as the possibility of civil and criminal prosecution, any member of staff that breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct.

Raising a concern

North Somerset Council is committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each member of staff to know how they can raise concerns. We all have a responsibility to help detect, prevent, and report instances of bribery.

If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance will help. The sooner you act, the sooner it can be resolved. The Council's Whistleblowing Policy provides information about how to report a concern. Under the guidance of the Whistleblowing Policy, reporting a wrongdoing is straightforward.

This policy and the Whistleblowing policy relate to council employees but if a report is received detailing allegations that relate to an employee of our contractors/ partners, the issue will be referred to the relevant contractor/ partner and associated client manager.

Any reports received which relate to an elected member will be referred to the monitoring officer who will make the decision to investigate.

4. Penalties

An individual guilty of an offence under sections 1, 2 or 6 is liable:

- On conviction in a magistrate's court, to imprisonment for a maximum term of 12 months (six months in Northern Ireland), or to a fine not exceeding £5,000, or to both
- On conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both
- Organisations guilty of an offence under section 7 are liable to an unlimited fine

5. Additional Policies and Procedures

In addition to the Anti-Bribery & Corruption Policy the Council has several policies (linked to the Council's Anti-Fraud & Corruption Strategy 2022) which provides proposed or adopted actions and guidance to all stakeholders. The following policies and related guidance are available through the Councils intranet and internet site:

- Anti-Money Laundering Policy 2022
- Whistleblowing Policy 2022
- Employees' Code of Conduct
- Gifts and Hospitality
- Declaration of Interests
- Promote awareness with our outsourced partners