



# **PART 4**

# **Rules of Procedure**

## Part A – Council And Committee Procedure Rules

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## **Part A - Council and Committee Procedure Rules**

**Note: These procedure rules apply to both meetings of the Council and meetings of Committees as set out in paragraph 25**

### **1.0 Annual Meeting of the Council**

#### **1.1 Annual Meeting (In Election Year)**

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.

#### **1.2 Annual Meeting (Ordinary)**

The Council shall hold an Annual Meeting at Mercury House, Station Road, Richmond, or such other place as may be determined by the Council on a day in May. Unless the Council agrees otherwise the day shall be the third Tuesday in May each year and the meeting shall be scheduled for 6.30 pm.

#### **1.3 Business at Annual Meeting**

The Annual Meeting will:

- (i) elect a person to preside if the Chairman of Council is not present;
- (ii) elect the Chairman of Council;
- (iii) elect the Vice-Chairman of Council;
- (iv) receive any announcements from the Chairman and/or Chief Executive;
- (v) elect the Leader in the year where there is an ordinary election of Councillors for the term of the Council or where the office is otherwise vacant;
- (vi) elect the Deputy Leader of the Council;
- (vii) establish Committees for the municipal year in accordance with the Council's Articles;
- (viii) decide the size and terms of reference for those Committees;
- (ix) decide the allocation of seats and substitutes to political groups in accordance with the political balance rules;
- (x) receive nominations of Councillors to serve on each Committee, Forum and Outside Body although save in the case of the Corporate Board (see 'v' above) it shall not appoint any Member of a Committee so as to hold office later than the next Annual Meeting of the Council;
- (xi) approve a programme of ordinary meetings of the Council for the year;

(xii) consider any business set out in the notice convening the meeting.

1.4 The Annual Meeting of Council set out in 1.3 above may be followed by Special Meetings of each Committee and each Scrutiny Committee for the purpose of electing Chairmen and Vice-Chairmen, including Working Groups where appropriate. In addition, the Corporate Board may appoint Spokespersons (as identified in the functions schedule Part A Corporate Board) for the Civic Year.

## **2.0 Ordinary Council Meetings**

2.1 Ordinary meetings of the Council are those Council meetings listed in the timetable of meetings approved at Annual Council and shall be held at Mercury House, Station Road, Richmond or such other venue as the Council shall agree at 6.30 pm.

Ordinary meetings will:

- (i) elect a person to preside if the Chairman and Vice-Chairman are not present;
- (ii) hold public speaking and question time for general questions or statements not relating to any specific agenda item and allow questions and statements prior to the agenda item to which they relate;
- (iii) approve as a correct record the Minutes of the last meeting;
- (iv) receive any declarations of interest from Members;
- (v) receive any announcements from the Chairman, Leader or Chief Executive;
- (vi) receive a statement from the Leader of the Council, receive questions and answers on that statement and answers to questions on notice;
- (vii) receive statements from the Committee Chairmen and receive questions and answers on any of those statements;
- (viii) receive recommendations from policy Committees and Scrutiny Committees where appropriate;
- (xi) deal with any business expressly required by statute;
- (xii) debate issues of local importance;
- (xii) consider any other business specified in the summons to the meeting;
- (xiii) consider Motions under Rule 11 in the order received;
- (xiv) consider urgent items of business.

2.2 The order of business, except for (i) to (iii) may be altered either if:

- (i) the Chairman decides this at the meeting; or
- (ii) a Member suggests this by Motion and the Motion is seconded and passed without discussion.

### **3.0 Extraordinary Council Meetings**

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

Those listed below may request the Chief Executive to call Council meetings in addition to ordinary meetings:

- (i) the Council by resolution;
- (ii) the Chairman of the Council; or
- (iii) any five members of the Council if they have signed a requisition presented to the Chairman of the Council and he/she has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

The agenda shall specify the business to be considered at the extraordinary meeting. No business other than that specified shall be considered at that meeting.

#### **4.0 Time and Place of Meetings**

The time and place of any meetings will be notified in the summons to the meeting. The agenda for full Council meetings will constitute the summons for that meeting.

#### **5.0 Notice of Meetings**

Notice will be given to the public of the time and place of any meeting in accordance with the Access to Information Rules. At least five clear days before a meeting, an agenda will be sent to every Member of the Council or Committee via electronic means, unless exceptional circumstances dictate otherwise and where no electronic alternative is possible. (CB36, 6/10/15 & ratified DC30, 20/10/15). The agenda 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.

#### **6.0 Chair of the Meeting**

The person presiding (in charge) at the meeting may exercise any power or duty of the Chairman. Where these rules apply to Committee meetings, references to the Chairman also include the Chairman of Committees.

The ruling of the Chairman as to the construction or application of any of these Procedure Rules, or as to any proceedings of a meeting shall not be challenged.

#### **7.0 Quorum**

The quorum of a Full Council meeting will be one quarter of the whole number of Members and shall, in any event, be not less than 9 Members. During any meeting if the Chairman counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

The quorum of a Committee meeting will be the number of Members as set out in the table below.

<b>Committee</b>	<b>Number of Members</b>	<b>Quorum</b>
Corporate Board	11	4
Audit, Governance and Standards Committee	11	4
Licensing Committee	11	4
Planning Committee	11	4
Scrutiny Committee 1	12	4
Scrutiny Committee 2	12	4
Appeals Committee	7	3
Communities Opportunity Fund Sub-Committee	7	3
Licensing Hearings Panel	3	3
Standards Hearings Panel	3	3

## **8.0 Duration of Meeting**

Unless the majority of Members present vote for the meeting to continue, any meeting that has lasted for 3 hours will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting. A break of ten minutes will take place after about two hours of business.

## **9.0 Statements and Questions by the Public**

9.1 Members of the public may ask questions of the Leader or a Committee Chairman at any meeting of the Council or a Committee which is open to the public with the exception of the following meetings:

- Annual Council
- Appeals Committee
- Licensing Hearings Panel
- Scrutiny Committee when considering a call - in
- Standards Hearings Panel

## **9.2 Scope of Questions and Statements**

Questions and statements must relate to a matter within the remit of the Council or in relation to Committees, to an agenda item. More than one question may be asked by an individual questioner subject to the time limit in 9.6 below but where a number of questions or statements are received expressing a similar view on one agenda item it is expected that a representative will be nominated to voice those views.

The Democratic Services Manager may reject a question or statement in consultation with the relevant Chairman, if it:

- is not about a matter for which the local authority has a responsibility or which affects the district;
- is not within the remit of the Council or Committee to which it is to be put or is not directly relevant to a Committee agenda item

- is defamatory, frivolous or offensive in the opinion of the Monitoring Officer;
- is substantially the same as a question which has been put to a meeting of the Council or its Committees within the past six months unless there has been a material change in circumstances;
- requires the disclosure of exempt or confidential information;
- relates to employee matters properly falling within the remit of the Joint Consultative Forum;
- is a matter where there is a statutory procedure in place for public consultation;
- names an individual member or officer and in the opinion of the Monitoring Officer in consultation with the Chairman of the meeting, constitutes a personal attack on the individual(s) concerned;
- names an individual(s) and in the opinion of the Monitoring Officer in consultation with the Chairman of the meeting, constitutes a personal attack on the individual(s) concerned.

### 9.3 **Period of Notice**

A question or statement may only be asked /made if notice has been given by delivering it in writing or by electronic mail to the Democratic Services Manager by no later than 09:30am on the day of the meeting.

“Clear days” do not include the day of the meeting, a Saturday, Sunday or any day on which the Council offices are closed for business by reason of public or other holiday.

Questions and statements must give the name and address of the questioner and should state the name of the Member to whom it is to be put. If no name is given the Democratic Services Manager will determine to which Member the matter will be referred.

### 9.4 **Record of Questions**

The Democratic Services Manager will keep a public record of each question or statement and will immediately send an electronic copy of the question to the Member to whom it is to be put.

If a question or statement is rejected for any of the reasons set out in 9.2 then the person who submitted the question or statement will be informed of the reason prior to the meeting.

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

### 9.5 **Order**

If the question or statement relates to a particular agenda item, it will be considered immediately prior to the discussion on that item.

If the question or statement is of a general nature it will be dealt with under the Public Speaking and Question Time item on the relevant agenda and if there is more than one general question or statement they will be dealt with in the order in which they were received.

#### **9.6 Time Limit**

Any questioner/speaker will be limited to three minutes' maximum speaking time per meeting, with a further two minutes for any supplementary question. If a questioner/speaker is representing the views of a number of other similar questioners/speakers they will be allowed five minutes speaking time with an additional two minutes for any supplementary question.

The total time allowed for public questions on any agenda item shall be 10 minutes or such other period as the Chairman shall decide.

#### **9.7 Supplementary Questions/Points of Information**

A speaker who has put a question/statement in person may also put a supplementary question without notice to the Member who has replied to the original question, subject to the time limit outlined at 9.6 above. The supplementary question will only be permitted for the purpose of clarifying an answer.

Any speaker who has put a question/statement in person is allowed to raise one point of information at any time during the following debate on the item, subject to the time limit outlined in 9.6 above

#### **9.8 Attendance**

Questioners/speakers must either attend the meeting in person to read their question or statement or arrange for a representative to do so on their behalf. Questions or statements will not be read out in the absence of the questioner or their representative.

#### **9.9 Response**

The Leader of the Council or relevant Committee Chairmen will provide a verbal response to questions at the meeting and may also circulate a written confirmation of the response following the meeting if requested to do so at the meeting by any other Member.

Where necessary the Chairman of Council may nominate an officer to assist in providing the response.

Any questions which cannot be dealt with during Public Speaking and Question Time either due to lack of time or because of the non attendance of the Member to whom the question was to be put, will be dealt with by a written response within five working days of the meeting. This response will be sent electronically where possible.

Public questions and responses shall not be matters for debate.



## **10.0 Questions by Members**

### **10.1 To the Leader**

A Member of the Council may ask the Leader any question without notice on any matter in relation to which the Council has powers duties or which affects the District.

### **10.2 To Committee Chairmen**

A Member of the Council may ask a Committee Chairman any question without notice upon any matter falling within their terms of reference or the terms of reference for their Committee.

### **10.3 To Members of the Corporate Board**

A Member of the Council may ask the Chair of the Corporate Board any question without notice on any matter falling within the remit of the Corporate Board.

A Member of the Council may ask a question directly to the relevant Spokesperson with the Chair able to comment on the question if he or she so wishes.

The Chair may nominate a Corporate Board Member to respond to any question asked.

### **10.4 Questions at Committees**

A Member of a Committee may ask the Chairman of it a question on any matter in relation to which the Council has powers or duties or which affects the District and which falls within the terms of reference of that Committee or Sub-Committee.

### **10.5 Response**

The Leader of the Council or relevant Committee Chairman, or Corporate Board Member will provide a verbal response to the question at the meeting and may also circulate a written response following the meeting if requested to do so at the meeting by any other Member.

A copy of any question for which notice has been given shall be circulated to every Member at the start of the meeting. If possible a draft response to questions shall be incorporated.

Copies of questions and any note taken of a response will be kept in a book open for public inspection.

### **10.6 Supplementary question**

A Member asking a question under Rules 10.1 to 10.3 may ask one supplementary question without notice of the Member to whom the first question was asked. The supplementary question must arise directly out of the original question or reply.

Where a response to the supplementary question cannot conveniently be given orally, a written response will be circulated within five working days to the questioner and other Members of the Council or Committee.

## **11.0 Notices of Motion**

### **11.1 Notice**

Except for Motions which can be moved without notice under Rule 12, written notice of every Motion, signed by the person(s) proposing it, must be delivered to the Democratic Services Manager at least four clear days before the dispatch of the Agenda to allow the Motion to be included on the agenda. The Democratic Services Manager shall date and number each Notice of Motion and enter it in a book open to public inspection. A notice of motion may be submitted by electronic mail provided it is sent from the proposer's usual electronic mail address (please note that requisitions for the Extraordinary meetings of Council cannot be submitted by electronic mail as they are required by law to be signed by the requisitioning Members).

Any Notice of Motion which refers to an individual by name and not by office shall be rejected by the Democratic Services Manager in consultation with the Monitoring Officer.

### **11.2 Motion set out in agenda**

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

The Council will treat as withdrawn any Motion not moved, or moved and not seconded, at the meeting at which it appears on the agenda, unless its postponement is agreed.

### **11.3 Scope**

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

### **11.4 Motions within the remit of Committees**

Any Motion, the subject of which comes within the remit of any Committee(s) may either:

- (a) be referred without discussion to that (those) Committees; or
- (b) be dealt with at the meeting at which it is moved if the Chairman of the Council considers that it would be convenient or appropriate to do so.

The Member who has moved the Motion shall be notified by the Democratic Services Manager of the meeting(s) of the Committee(s) to which it has been referred, and has the right to attend the meeting(s) and to explain the Motion.

## **12.0 Motions without Notice**

The following Motions may be moved without notice:

- (a) to appoint a Chairman of the meeting at which the Motion is moved;

- (b) in relation to the accuracy of the Minutes;
- (c) to change the order of business in the agenda;
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a Committee or Member arising from an item on the agenda for the meeting;
- (f) to receive reports or adoption of recommendations of Committees or officers and any resolutions following from them;
- (g) to withdraw a Motion;
- (h) to extend the time limit for speeches;
- (i) to amend a Motion;
- (j) to proceed to the next business;
- (k) that the question be now put;
- (l) to adjourn (defer) a debate;
- (m) to adjourn a meeting;
- (n) that the meeting continue beyond 3 hours in duration;
- (o) to suspend a particular Council Procedure Rule;
- (p) to exclude the public and press in accordance with the Access to Information Rules;
- (q) to not hear further a Member named under Rule 19.3 or to exclude them from the meeting under Rule 19.4;
- (r) to move a vote by name (under Rule 15.4); and
- (s) to give the consent of the Council where its consent is required by this Constitution.

## **13.0 Rules of Debate**

### **13.1 No speeches until Motion seconded**

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

### **13.2 Right to require Motion in writing**

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

### 13.3 **Secunder's speech**

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

### 13.4 **Content and length of speeches**

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

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

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

- (a) to speak once on an amendment moved by another Member;
- (b) to move a further amendment if the Motion has been amended since he/she last spoke;
- (c) if his/her first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);
- (d) in exercise of a right to reply;
- (e) on a point of order;
- (f) by way of personal explanation; and
- (g) to move or speak on a procedural Motion (under Rule 13.10).

### 13.6 **Right of reply**

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

### 13.7 **Amendments to Motions**

- (a) An amendment to a Motion must be relevant to the Motion and will either be:
  - (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;

(Note - deferral of an item does not constitute an amendment – deferral is dealt with under 12 (l) adjournment of debate)

- (ii) to leave out words;
- (iii) to leave out words and insert or add others; or
- (iv) to insert or add words

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

- (b) Only one amendment may be moved and discussed at any one time. No further amendments may be moved until the amendment under discussion has been disposed of, except that the Chairman may permit two or more amendments to be discussed together if this is likely to help the proper conduct of the Council's business but each amendment must be voted on separately.
- (c) If an amendment is not carried, other amendments to the original Motion may be moved.
- (d) If an amendment is carried, the Motion as amended takes the place of the original Motion. This becomes the substantive Motion to which any further amendments are moved.
- (e) After an amendment has been carried, the Chairman will read out the amended Motion before accepting any further amendments, or if there are none, put it to the vote.

### **13.8 Alteration of Motion**

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

### **13.9 Withdrawal of Motion**

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

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

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

- (a) to withdraw a Motion;

- (b) to amend a Motion;
- (c) to proceed to the next business;
- (d) that the question be now put;
- (e) to adjourn (defer) a debate;
- (f) to adjourn a meeting;
- (g) that the meeting continue beyond 3 hours in duration;
- (h) to exclude the public and press in accordance with the Access to Information Rules;
- (i) to suspend one or more Procedure Rules;
- (j) to extend the time limit for speeches; and
- (k) to not hear further a Member named under Rule 19.3 or to exclude them from the meeting under Rule 19.4.

### 13.11 Closure Motions

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

### 13.12 Point of order

A Member may raise a point of order at any time. The Chairman will hear them immediately. A point of order may only relate to an alleged breach of these Council

Rules of Procedure or the law. The Member must indicate the rule or law and the way in which he/she considers it has been broken. The ruling of the Chairman on the matter will be final.

### **13.13 Personal explanation**

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

## **14.0 Previous Decisions and Motions**

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

A Motion or amendment to rescind a decision made at a meeting of Council within the past six months cannot be moved unless notice has been given (under Rule 11) and the Motion is signed by at least 7 other Members.

This procedure may not be used if it has been used in the previous six months to try and rescind the same earlier resolution and the Motion was rejected.

A recommendation made by a Committee to the Council may not be rescinded under this rule however an amendment made by the Council to such a recommendation may be rescinded.

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

A Motion or amendment in similar terms to one that has been rejected at a meeting of Council in the past six months cannot be moved unless notice has been given (under Rule 11) and the Motion is signed by at least 7 other Members. Once the Motion or amendment is dealt with, no one can propose a similar Motion or amendment for six months.

## **15.0 Voting**

### **15.1 Majority**

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

### **15.2 Chairman's casting vote**

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

### **15.3 Show of hands**

Unless a recorded vote is demanded under Rule 15.4, the Chairman will take the vote by show of hands, or if there is no dissent, by the affirmation of the meeting.

#### **15.4 Recorded vote**

If before the Chairman begins to take the vote, a Member so requests and the request is supported by four other Members:

- the procedural adviser will call the name of each Member;
- the Member will respond, for or against the Motion or abstaining; and
- the procedural adviser will record in the Minutes each Member's response.

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

Where any Member requests it immediately after the vote is taken, their vote will be so recorded in the Minutes to show whether they voted for or against the Motion or abstained from voting with no reason being given (DC39, 21/10/08).

#### **15.6 Voting on appointments**

In appointing people or electing people to office voting shall be carried out by a show of hands. Where there are multiple vacancies and more candidates than vacancies voting shall be carried out by reading the name of each Member and asking how they wish to cast their vote. Each Member may vote for as many candidates as he/she wishes up to the number of vacancies to be filled.

Where there are more than two persons nominated for a single position to be filled by the Council and, following a vote no nominee receives an absolute majority of votes, the names of those who receive no votes and the name of the one who receives the least number of votes shall be struck off the list and a fresh vote be taken, and so on, until all the vacancies are filled.

#### **15.7 Separate Votes on Individual Recommendation**

Each recommendation within a report before any meeting may be moved as a separate Motion.

Any Motion on notice before Council or Committee shall be voted on as a whole either with or without amendment

#### **15.8 Recorded Votes at Budget Meetings**

A recorded vote will be required at a meeting of the Council on business to approve the budget or set council tax whereby there shall be recorded in the minutes of the meeting the names of the Councillors who cast a vote for the decision or against the decision or who abstained from voting.

#### **16.0 Minutes**

##### **16.1 Signing the Minutes**

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



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

*(NB This is a mandatory standing order under the Local Authorities (Standing Orders) Regulations 1993. The language is constrained by that permitted in the regulations.)*

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

## **16.3 Form of Minutes**

Minutes will contain all Motions and amendments in the exact form and order the Chairman put them.

## **17.0 Record of Attendance**

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

The Minutes of each meeting of the Council and of each of its Committees shall record the time when in relation to Full Council any Member and in relation to a Committee any Member of the Committee arrived late at, or departed early from, the meeting. In addition, at Council meetings a record will be made of the time at which Members leave the room during the meeting and also the time at which they re-enter the meeting if appropriate.

## **18.0 Exclusion of Public**

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

## **19.0 Members' Conduct**

### **19.1 Standing to speak**

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

The Chairman may give a dispensation to individual Members who, as a result of a disability or ill-health would find it difficult or impossible to stand.

This rule shall not apply at Committee meetings.

## **19.2 Chairman standing**

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

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

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

## **19.4 Member to leave the meeting**

If the Member continues to behave improperly after such a Motion is carried, the Chairman may move that either the Member leaves the meeting or that the meeting is adjourned for a specific period. If seconded, the Motion will be voted on without discussion.

## **19.5 General disturbance**

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

## **20.0 Disturbance by Public**

### **20.1 Removal of member of the public**

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

### **20.2 Clearance of part of meeting room**

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

## **21.0 Suspension and Amendment of Council Procedure Rules**

### **21.1 Suspension**

All of these Council Rules of Procedure except Rules 15.5 and 16.2 may be suspended by Motion on notice or without notice if at least one half of the whole number of Members of the Council are present. Suspension can only be for the duration of the meeting.

### **21.2 Amendment**

Any Motion to add to, vary or revoke these Council Rules of Procedure shall be approved by the Council.

## **22.0 Pagers/Mobile Phones**

Any Member, Officer or another person present who have in his/her possession a pager or mobile phone shall ensure that it is switched off or switched to silent during the proceedings of the Council or Committees (excluding members of the emergency services on call).

## **23.0 Matters of Urgency**

The Chairman of the Council and any Committee Chairman has the authority to allow consideration of an item of business if by reason of special circumstances, which shall be specified in the minutes, the Chairman is of the opinion that the item should be considered as a matter of urgency.

Wherever time allows officers will try to produce a supplementary agenda for the urgent report and put copies on the Council's website prior to the day of the meeting.

## **24.0 Use of Audio Equipment**

The use of audio/visual equipment is permitted and Council and Committee meetings may be recorded and broadcast online (DC18, 23/07/13) with prior notification given to the Democratic Services Manager.

Members of the public who do not wish to be recorded whilst presenting their question/statement must inform the Legal Adviser/Democratic Services Officer at the start of a meeting.

Any person seen to be abusing this procedure will be requested to stop the recording.

## **25.0 Application to Committees and Sub-Committees**

These Council Procedure Rules apply at all meetings of the Full Council and, in so far as they are applicable, shall with any necessary modification apply to Committee and Sub-Committee meetings.

## **26.0 Public Petitions**

26.1 When a public petition is presented to the Council the petition organiser may present the petition and speak for up to 10 minutes.

26.2 The debate on the petition including the presentation from the petition organiser will be discussed for a maximum of 30 minutes. No questions may be asked of the petition organiser during the debate.

26.3 The Council will decide how to respond to the petition at the meeting.

## **Part B – Specific Committee Procedure Rules**

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## **Part B – Specific Committee Procedure Rules**

### **1.0 Appointment of Committees**

1.1 The Council shall at the Annual Meeting appoint such standing Committees as set out in the Articles and may at any time appoint other Committees as are necessary to carry out the work of the Council but:

- (i) save for the Corporate Board shall not appoint any Member of a Committee so as to hold office later than the next Annual Meeting of the Council;
- (ii) may, at any time, dissolve a Committee or alter its membership.

1.2 If following the proportionate allocation of seats on Committees, a Political Group does not express its wishes to have a Member appointed to the Corporate Board, that Group's place on the Board shall remain with the Group and shall not be referred back to Full Council for appointment.

### **2.0 Sub-Committees**

Every Committee appointed may appoint Sub-Committees for the purposes to be specified by that Committee.

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

Each Committee shall elect a Chairman and Vice-Chairman at its first meeting following the Annual Meeting of the Council save for the Corporate Board where the Chairman shall be the Leader of the Council.

### **4.0 Committee Meetings**

Committees shall meet at times and dates to be decided either by:

- the Council; or
- the Committee concerned

A special meeting of a Committee shall be called at any time:

- by the Chairman of the Committee concerned; and
- by the Chief Executive receiving a request signed by three Members of the Committee demanding a meeting.
- if the Chief Executive deems it necessary.

### **5.0 Right of Members to Place Items on Committee Agenda**

The rules in relation to Notice of Motions do not apply to meetings of Committees. This rule sets out how a Member may place items before a Committee Meeting.

Any Member shall be entitled to place an item on the Agenda of a Committee with consent of the relevant Committee Chairman. Once consent of the relevant Committee Chairman has been given, written notice of the item must be given to Democratic Services at least four clear days before the despatch of the agenda to allow the item to be included in the agenda papers. The Member shall have the right to have his/her supporting evidence included with the agenda, provided that it is submitted within this timeframe and consists of no more than two sheets of A4

paper.

Where the Member gives 10 clear days notice before the dispatch of the agenda and consent of the relevant Committee Chairman has been given, Democratic Services shall arrange for a report to be prepared on the item in question and placed on the agenda.

Any item suggested for inclusion on an agenda must fall within the terms of reference of the Committee.

The Committee shall treat as withdrawn any item placed on the agenda by a Member if that Member does not attend that meeting and does not explain the reasons why he/she asked for the item to be included on the agenda.

## **6.0 Members Permitted to Attend Meetings of Committees**

Any Member shall be permitted to attend a meeting of any Committee of which he/she is not a Member and shall be entitled to speak but not vote with exception of Appeals Committee and the Standards Hearing Panel where Members may attend but may not speak or vote.

Members wishing to speak at a Committee will indicate their intention to the Chair by raising their hand. Members will be invited to speak at Committee in the order in which their interest is noted by the Chair with the exception of Planning Committee where the Member concerned is the Ward Member for the application site in which case they will be invited to speak first.

Members have the right to speak once on any agenda item and additionally a right to speak once on each amendment to that item. Any further contribution from Members is at the discretion of the Chair whose decision shall be final.

Members in attendance, but not on a Committee have the right to raise points of order.

This right also applies when a meeting is considering private (or exempt) business, except where such private or exempt business is being considered by the Appeals Committee.

Members who are not Members of the Committee will not be entitled to speak at meetings of the Standards Hearings or Appeals Committee except that a Ward Member may speak on behalf of an applicant for hardship relief where they have been requested to do so by the applicant. In relation to Alternate Weekly Collection appeals, the Ward Member, if present, will be invited to give their view of the circumstances.

## **7.0 Member Learning and Development**

In order to sit on a regulatory or quasi-judicial committee (Planning, Licensing, Audit, Governance & Standards, Appeals) established by the Council, Members must have received formal training in the relevant procedures and law either within the preceding 12 months or within their first year of service on the regulatory or quasi-judicial Committee concerned and thereafter attending 2 out of the 3 sessions on an annual basis.

**Part C – Access To Information Procedure Rules**

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## **Part C - Access to Information Procedure Rules**

### **1.0 Scope**

These rules apply to all meetings of the Council, Corporate Board, Overview and Scrutiny Committees, Planning Committee, Licensing and other Regulatory Functions Committee, Audit, Governance and Standards Committee and Appeals Committee.

### **2.0 Additional Rights**

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

### **3.0 Rights to Attend Meetings**

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

### **4.0 Notice of Meeting**

The Council will give at least five clear days notice of any meetings by posting details of the meetings at the principal office of Richmondshire District Council at Mercury House, Richmond and by posting notice on the Council's website.

### **5.0 Access to Agenda and Reports before the Meeting**

The Council will make copies of the agenda and reports open to the public available for inspection at the designated office at least five clear days before the meeting.

If an item is added to the agenda later, a supplementary agenda and associated reports will be open to inspection from the time the item was added to the agenda.

Where a meeting is convened at shorter notice, a copy of the agenda and associated reports shall be made available for inspection at the time the meeting is convened.

### **6.0 Supply of Copies**

The Council will supply copies of:

- (a) any agenda and reports which are open to public inspection;
- (b) any further statements or particulars necessary to indicate the nature of items in the agenda; and
- (c) copies of any other documents supplied to Councillors in connection with an item

to any person free of charge electronically or on payment of a charge for postage and any other costs.



This Procedure Rule does not apply to exempt or confidential information.

## **7.0 Access to Minutes etc after the Meeting**

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

- (a) the Minutes of the meeting and/or record of decisions taken;
- (b) the agenda for the meeting; and
- (c) reports relating to items when the meeting was open to the public.

## **8.0 Background Papers**

### **8.1 List of background papers**

Every report will contain a list of those documents (called background papers) relating to the subject matter of the report which:

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

but does not include published works or those which disclose exempt or confidential information (as defined in Rule 10).

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

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

## **9.0 Summary of Public's Rights**

A written summary of the public's rights to attend meetings and to inspect and copy documents (as detailed in this Constitution) must be kept at and available to the public at the Council's Offices.

## **10.0 Exclusion of Access by the Public to Meetings**

### **10.1 Confidential information - Requirement to Exclude Public**

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

## 10.2 Exempt information - Discretion to Exclude Public

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

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

## 10.3 Meaning of Confidential Information

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

## 10.4 Meaning of exempt information

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

Para	Description	Qualification	Comments
1	Information relating to any individual		
2	Information which is likely to reveal the identity of an individual		
3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Information falling within paragraph 3 above is not exempt information by virtue of that paragraph if it is required to be registered under – (a) the Companies Act 1985 (b) the Friendly Societies Act 1974 (c) the Friendly Societies Act 1992 (d) the Industrial and Provident Societies Acts 1965 to 1978 (e) the Building Societies Act 1986 or (f) the Charities Act 1993 <b>(para 8)</b>	'financial or business affairs' includes contemplated, as well as past or current, activities.  'registered' in relation to information required to be registered under the Building Societies Act 1986 means recorded in the public file of any building society (within the meaning of the Act)

Para	Description	Qualification	Comments
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.		<p>'employee' means a person employed under a contract of service</p> <p>'labour relations matter' means-</p> <p>(a) any of the matters specified in paras (a) to (g) of sections 218 (1) of the Trade Union and Labour Relations (Consolidation) Act 1992 (matters which may be the subject of a trade dispute); or</p> <p>(b) any dispute about a matter falling within paragraph (a) above and for the purposes of this definition the enactments mentioned in para (a) above, with the necessary modifications, shall apply in relation to office-holders under the authority as they apply in relation to employees of the authority</p> <p>'Office holder' in relation to the authority, means</p>
5	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.		
6	Information which reveals that the authority proposes-		
	(a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or		
	b) to make an order or direction under any enactment.		

<b>Para</b>	<b>Description</b>	<b>Qualification</b>	<b>Comments</b>
7	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.		

Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to regulation 3 of the Town and Country Planning General Regulations 1992;

Information which falls within any of paragraphs 1 to 7 above; and is not prevented from being exempt by virtue of paragraph 3 above, is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **11.0 Exclusion of Access by the Public to Reports**

The Council may exclude access by the public to reports which relate to items during which, in accordance with Rule 10, the meeting is likely not to be open to the public. Such reports will be marked “not for publication” together with the category of information likely to be disclosed.

### **12.0 Confidential and Exempt Business**

12.1 A Member or officer of the Council shall not:

- (i) disclose any information which has been reported to the Council or to a Committee and which is defined as “confidential” as defined in paragraph 10; or
- (ii) without the permission of the Council or the relevant Committee disclose any information which the Council or Committee has agreed is “exempt information” as defined in paragraph 10

12.2 A Member of the Council shall not, without the permission of the Council or the relevant Committee, disclose any information supplied by an officer when, during the course of supplying the information the Member has been advised that the information is regarded as “exempt” information as defined in paragraph 10.

12.3 Members must note that the rules relating to disclosure of confidential information as set out in the Members’ Code of Conduct are subject to compliance with the terms of this paragraph.

### **13.0 Additional Rights of Access to Members**

13.1 A Member may inspect any document (other than a document containing confidential information as defined in rule 10 above, which will be provided to Members on a need to know basis only) which has been considered by the Council, a Committee or Sub-Committee, including any reports, correspondence or other document which is circulated after the agenda or at the meeting and, if

copies are available shall, on request be supplied with a copy of such document in electronic form if practicable.

13.2 A Member shall not knowingly inspect and shall not request a copy of any document relating to a matter in which he or she has a prejudicial interest within the meaning of the Members' Code of Conduct.

13.3 The rules set out in this paragraph 13 shall not override any statutory provision that comes into effect allowing greater rights of access to documents and shall be subject to the Monitoring Officer at all times having the right to decline to allow access to a document which is, or in the event of legal proceedings would be, protected by privilege arising from the relationship of solicitor and client.

13.4 In exercising this discretion however the Monitoring Officer shall still be subject to the general duty upon all officers to keep Members informed of key issues affecting the Council.

## **Part D - Budget and Policy Framework Procedure Rules**

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## **Part D - Budget and Policy Framework Procedure Rules**

### **1.0 The Framework for Decision Making**

- 1.1 The Council will be responsible for the adoption of its budget and policy framework as set out in Article 4 of the Constitution. Once the budget or policy framework is in place, it will be the responsibility of the Corporate Board to implement it.
- 1.2 The rules set out below apply to the plans and strategies listed in Article 4, the forming of the policy framework and to the budget as defined in Article 4 of this Constitution.
- 1.3 The policy framework is the term given to the full list of policies and strategies adopted by the Council.

### **2.0 The Process of Adopting or Amending a Policy or Strategy**

- 2.1 In considering a new policy or making changes to an existing one, the Corporate Board will canvass the views of relevant stakeholders, including Overview and Scrutiny, as appropriate and in a manner suitable to the matter under consideration. A consultation period of no less than 2 months shall be adopted.
- 2.2 The Chairs of the Overview and Scrutiny Committees will need to be notified. If the matter is one which an Overview and Scrutiny Committee has already carried out a review, then the outcome of that review will need to be considered in the preparation of the initial proposals.
- 2.3 Any representations made to the Corporate Board shall be taken into account in formulating the initial proposals and shall be reflected in any report dealing with them.
- 2.4 Following the conclusion of the period of consultation, the Corporate Board will produce a firm proposal based on the responses to that consultation. The Overview and Scrutiny Committees, as part of the consultation period, have the right to further investigate, research or report in detail, making any policy recommendations before the end of the consultation process. The Corporate Board will need to take any response received from an Overview and Scrutiny Committee into account when producing its firm proposal for Council.
- 2.5 Once the Corporate Board has approved the firm proposals, the Head of Paid Service (Chief Executive) will refer the proposals to Council, for decision, at the earliest opportunity.
- 2.6 Where the Corporate Board have submitted a draft policy or strategy to Council for its consideration and before the Council:
  - i) amends the draft policy or strategy;
  - ii) approves any policy or strategy (whether or not in a draft form) for the purpose of its submission to the Secretary of State or any Minister of the Crown for approval or any part of such a policy or strategy which is required to be so submitted;
  - iii) adopts (with or without modification) the policy or strategy;

the Council, if it has any objections following consideration of that draft plan or strategy, must inform the Head of Paid Service of any such objections and give instructions requiring the Corporate Board to reconsider the draft plan or strategy, in light of these objections.

- 2.7 Where a policy or strategy has been developed with a partnership organisation(s) it is inappropriate for it to be overturned in whole or in part by the Council, where it has already been agreed by the partnership organisation(s). Accordingly, the Corporate Board should ensure, before forwarding such a policy or strategy to the Council, that there has been effective and regular consultation between the Overview and Scrutiny Committees and all other Members of the Council.
- 2.8 Where the Council has given instructions in respect of an objection to a draft policy or strategy, the Head of Paid Service on behalf of the Corporate Board has to:
- i) submit a revised version of the draft policy or strategy, with the Corporate Board's reasons for any amendments made, to the Council for the Council's consideration;
  - ii) inform the Council of any disagreement the Corporate Board has with any of the Council's objections and the reasons for these disagreements.
- 2.9 Where the Council has given instructions in respect of an objection to a draft policy or strategy, a further meeting of the Council will be convened to consider the comments of the Corporate Board. The Council will need to:
- i) reconsider the previous view of the Council in light of any revisions to the policy or strategy and any disagreement of the Corporate Board with the Council's objections.
- 2.10 The Council must take into account all the additional information presented in reaching their final decision. The options open to the Council are:
- i) to approve the revised policy or strategy
  - ii) to change their earlier decision to reflect the disagreements of the Corporate Board and hence approve the original version of the policy or strategy;
  - iii) to confirm their original decision of objection and agree the policy or strategy after accounting for and addressing these objections.
- 2.11 In approving a policy or strategy, the Council will also specify the degree of in-year changes to the policy or strategy which may be undertaken by Corporate Board, officers (with delegated authority) or other joint arrangements discharging Council functions. These in year changes must be in accordance with the paragraphs of these rules on Urgent Decisions, Virement and In Year Changes to Policies or Strategies. All other changes to the policy or strategy will be reserved to the Council.

### **3.0 The Process of Adopting or Amending the Budget**

- 3.1 Where the Corporate Board have submitted a draft budget based on calculations and estimates, to Council for its consideration, and before the Council:
- i) estimates the amounts to be aggregated in making a calculation (whether originally or by way of substitution) in accordance with Section 32-37 or 43-49 of the Local Government Finance Act 1992 ("The Budget Estimates");



- ii) estimates other amounts to be used for the purpose of such a calculation;
- iii) estimates of such a calculation;
- iv) issues a precept under Chapter IV of Part I of the Local Government Finance Act 1992;

the Council, if it has any objections following consideration of that draft budget, must inform the Head of Paid Service of any such objections and give instructions requiring the Corporate Board to reconsider the draft budget, in light of these objections.

3.2 Where the Council has given instructions in respect of an objection to a draft budget, the Head of Paid Service on behalf of the Corporate Board has to:

- i) submit a revised version of the draft budget, with the Corporate Board's reasons for any amendments made, to the Council for the Council's consideration;
- ii) inform the Council of any disagreement the Corporate Board has with any of the Council's objections and the reasons for these disagreements.

3.3 Where the Council has given instructions in respect of an objection to a draft budget, a further meeting of the Council will be convened to consider the comments of the Corporate Board. The Council will need to reconsider the previous view of the Council in light of any revisions to the budget and any disagreement of the Corporate Board with the Council's objections.

The Council must take into account all the additional information presented in reaching their final decision. The options open to the Council are:

- i) to approve the revised budget
- ii) to change their earlier decision to reflect the disagreements of the Corporate Board and hence approve the original version of the budget
- iii) to confirm their original decision of objection and agree the budget after accounting for and addressing these objections.

3.4 In approving the budget, the Council will also specify the extent of virement within the budget framework which may be undertaken by Corporate Board, officers (with delegated authority) or other joint arrangements discharging Council functions.

These in year changes must be in accordance with the paragraphs of these rules on Urgent Decisions, Virement and in year Changes to Policies or Strategies. All other changes to the budget are reserved to the Council.

#### **4.0 Decisions outside the Budget or Policy Framework**

4.1 Subject to the provision of Paragraph 6 (Virement) the Corporate Board, officers (with delegated authority) or other joint arrangements discharging Council functions may only take decisions which are in line with the budget and policy framework.

4.2 If any of these bodies or individuals wish to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by Council, then that decision may only be taken by the Council, subject to paragraph 6 below.

- 4.3 If the Corporate Board, officers (with delegated authority) or other joint arrangements discharging Council functions want to make such a decision, they shall take advice from the Monitoring Officer as to whether the decision they want to make would be contrary to the policy framework or advice from the Chief Finance Officer as to whether the decision they want to make would be contrary to or not wholly in accordance with the budget.
- 4.4 If the advice of either of those officers is that the decision would not be in line with the existing budget and/or policy framework, then the proposed decision must be referred by that body or individual to the Council, unless the decision is a matter of urgency, in which case the provisions in Paragraph 5 (Urgent Decisions outside the Budget or Policy Framework) shall apply.

## **5.0 Urgent Decisions outside the Budget or Policy Framework**

- 5.1 The Corporate Board, officers (with delegated authority) or other joint arrangements discharging Council functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by Council, if the decision is a matter of urgency. However, the decision may only be taken:
- i) if it is not practicable to convene a quorate meeting of the Council; and
  - ii) if the Chair of a relevant Overview and Scrutiny Committee agrees that the decision is a matter of urgency.
- 5.2 In the absence of the Chair of a relevant Scrutiny Committee, the consent of the Chairman of the Council and, in the absence of both, the Vice-Chair of Council shall be sufficient.
- 5.3 Following the decision, the decision taker will provide a 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.

## **6.0 Virement**

- 6.1 Actions taken by the Corporate Board, officers (with delegated authority) or other joint arrangements discharging Council functions in order to implement Council policy shall not exceed those budgets allocated to each of the defined budget heads.
- 6.2 However, such bodies or individuals shall be entitled to vire (transfer) across budget heads where each individual budget virement does not exceed that specified in the financial regulations. Beyond that limit, approval to any virement across budget heads shall require the approval of the Council.
- 6.3 The Council will decide on these virement limits in respect of each of the two classified groups, the Corporate Board and nominated Budget Holders. The details of these virement limits are contained within the Council's financial regulations, (Financial Procedure Rules).

## **7.0 In-Year Changes to the Budget or Policy Framework**

- 7.1 The responsibility for agreeing the budget and policy framework lies with the Council. Decisions by the Corporate Board or officers (with delegated authority) or other joint

arrangements discharging Council functions must be in line with it. No changes to any policy and strategy which make up the policy framework, may be made by those bodies or individuals except those changes:

- (a) that, are necessary to ensure compliance with law, ministerial direction or Government guidance;
- (b) that, in relation to the policy framework in respect of a policy which would normally be agreed by Council following consultation, but where the existing policy document is silent on the matter under consideration.

## **8.0 Call in Decisions outside the Budget or Policy Framework**

8.1 Where an Overview and Scrutiny Committee is of the opinion that a Corporate Board 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 call the decision in for scrutiny under paragraph 18.1 to 18.6 of the call in procedure set out in the Scrutiny Procedure Rules in Part 4 of this Constitution. However once the Scrutiny Committee has decided that the call in is valid, the following provisions shall apply.

- (a) As soon as the decision has been called in the Chief Executive shall request the written advice from Monitoring Officer and/or the Chief Finance Officer as to whether the decision is contrary to or wholly in accordance with the budget or policy framework.
- (b) The Chief Executive shall call a meeting of the relevant Overview and Scrutiny Committee within seven working days of the issue of such a report and the Committee shall determine what action to take in accordance with paragraph (i) and (ii) below.
  - (i) If the advice from the Monitoring Officer and/or Chief Finance Officer is that the decision is or would be contrary to the Policy Framework or contrary to or not wholly in accordance with the budget the Overview and Scrutiny Committee shall refer the matter to Council.
  - (ii) If the advice is that the decision is in accordance with policy or the budget, then the Scrutiny Committee shall withdraw the call in request and the original decision shall take immediate effect.
- (c) If the matter is referred to Council, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter.
- (d) The Council shall meet within 10 working days of the request by the Overview and Scrutiny Committee. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or Chief Finance Officer. The Council may either:
  - (i) amend the Council's financial regulations or policy concerned to encompass the decision or proposal of the Corporate Board and agree to the original decision with immediate effect. In this case no further action is required save that the decision of the Council be minuted in the normal way.

- (ii) Decide not to amend the financial regulations or policy concerned and refer the matter back to the Corporate Board for reconsideration in accordance with the advice from the Monitoring Officer and/or Chief Finance Officer.

## Part E – Scrutiny Procedure Rules

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## **Part E - Scrutiny Procedure Rules**

### **1.0 Number and Arrangements for Scrutiny Committees**

- 1.1 The Council will have the Scrutiny Committees set out in Article 6 and will appoint to them at Annual Council.
- 1.2 Such Committees may appoint Review Groups or Task and Finish Groups to carry out detailed examination or review of a particular topic or forthcoming key decisions and report back to the main Committee.
- 1.3 Review Groups or Task and Finish Groups may be appointed for a fixed period after which they shall cease to exist.

### **2.0 Role and Function of Scrutiny Committees**

- 2.1 Scrutiny Committees will perform all overview and scrutiny functions on behalf of the Council in line with the terms of reference for each Committee, as approved by Council, including the statutory role and functions set out in Article 6 of the Constitution.
- 2.2 Each Scrutiny Committee will comprise 12 Members and will be politically balanced, unless the Council decides otherwise with no Member dissenting.

### **3.0 Who may sit on Scrutiny Committees?**

- 3.1 All Councillors (except the Leader of the Council and Members of Corporate Board) may be members of a Scrutiny Committee. However, no Member may be involved in scrutinising a decision in which he/she has been directly involved.

### **4.0 Scrutiny Management Board**

- 4.1 A Scrutiny Management Board may be appointed at Annual Council if required. At present there is no Scrutiny Management Board.

### **5.0 Co-optees**

- 5.1 Non-voting co-optees may be appointed to each Scrutiny Committee as detailed in Article 6 as required. This provision may be beneficial for Scrutiny Review Groups, which may require some specific knowledge or expertise. In such cases, co-optees will be appointed for the period of the review or as standing members, at the end of which the co-option will cease.

### **6.0 Meetings of the Overview and Scrutiny Committees**

- 6.1 There shall be four ordinary meetings of each Scrutiny Committee per year. In addition, special meetings may be called from time to time as and when appropriate.
- 6.2 A Scrutiny Committee meeting may be called by the Chairman of the relevant Scrutiny Committee or by any three Members of the Scrutiny Committee.

## **7.0 Quorum**

7.1 The quorum for an Overview and Scrutiny Committee shall be four Members of the Committee or their substitutes.

## **8.0 Chairman**

8.1 Each Overview and Scrutiny Committee shall elect a Chairman and Vice-Chairman from the Members sitting on the Committee and subject to this requirement may appoint such a person as it considers appropriate.

8.2 In the absence of the Chairman, the Vice-Chairman can exercise the powers of the Chairman and in the absence of both, the Committee will appoint, from amongst those present, a person to preside at the meeting.

## **9.0 Work Programme**

9.1 Each Scrutiny Committee will be responsible for setting their own work programme and in doing so they shall take into account the wishes of all Members on the Committee, and the views of Senior Management Team.

## **10.0 Agenda Items**

10.1 Any Member of the Council may give written notice to the Democratic Services Manager that they wish an item, relevant to the functions of a Scrutiny Committee, to be included on the agenda of the relevant Scrutiny Committee.

10.2 The Scrutiny Committees shall respond, as soon as its work programme permits, to requests from the Council and/or Corporate Board to review particular areas of Council activity.

10.3 Further details on this procedure can be found at Paragraph 15 below.

## **11.0 Scrutiny Reviews and Review or Task and Finish Groups**

11.1 Each Scrutiny Committee may appoint Review Groups or Task and Finish Groups from its membership.

11.2 Review Groups shall undertake large-scale reviews of a service, policy, or issue and all Members of the Scrutiny Committee are encouraged to be involved in such large-scale reviews.

11.3 Task and Finish Groups will consider smaller issues and may comprise a small group or individual Scrutiny Member carrying out a short investigation on any particular topic.

11.4 A Task and Finish Group should be able to conclude its findings and any recommendations and report back to the Scrutiny Committee accordingly. If, following initial investigation, it appears that an issue requires a more in-depth, or large-scale review, a recommendation to this effect should be referred back to the Scrutiny Committee for consideration in light of any other ongoing reviews and the current Scrutiny workload.

11.5 All reviews being undertaken will be Member-led, meaningful, relevant and focused, having taken the views of Senior Management Team into consideration through the submission of proposed work plans.

## **12.0 Review Methodology**

12.1 The Scrutiny Committee shall agree the terms of reference for its review, including its aims and objectives. The methodology for undertaking a Scrutiny review can be obtained from the Democratic Services Manager.

## **13.0 Policy Review and Development**

13.1 The role of Scrutiny Committees in relation to the development of the Council's budget and policy framework is set out in Paragraph 2 of the Budget and Policy Framework Procedure Rules.

13.2 In relation to the development of the Council's approach to other matters not forming part of its policy and budget framework, a Scrutiny Committee may make proposals to Corporate Board for developments, in so far as they relate to matters within their terms of reference.

13.3 Scrutiny Committees may hold enquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist them in this process. They may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask individuals/organisations to attend to address them on any matter under consideration and may pay to any advisers, assessors and individuals/organisations a reasonable fee and expenses for doing so.

## **14.0 Reports from Scrutiny Committees**

14.1 Once it has formed recommendations, as a result of the findings and conclusions of a review (can be any development, not just policy) the Scrutiny Committee will prepare a report and submit it to the Corporate Board or to the Council if appropriate.

14.2 If the Scrutiny recommendation would require a departure from, or a change to the agreed budget and policy framework, the report will be submitted to Council, but otherwise shall be considered by the Corporate Board.

14.3 If in exceptional circumstances the Scrutiny Committee cannot agree on one single final report for the Corporate Board or Council, as appropriate, then a minority report may be prepared and also submitted for consideration.

14.4 The Corporate Board or Council shall consider the report of the Scrutiny Committee at its next available meeting.

## **15.0 Making sure that Overview and Scrutiny Reports are considered by Corporate Board or Council**

15.1 The agenda for Corporate Board meetings, or Council, where appropriate, shall, if necessary, include an item entitled 'Issues arising from Scrutiny'. Any Scrutiny Committee recommendations shall be included at this point in the agenda (unless



they have been considered in the context of the Committees deliberations on a substantive item on the agenda) at the next available meeting of the relevant Corporate Board or Council.

15.2 In preparing to submit its findings and recommendations to the Corporate Board or Council, the Scrutiny Committee should consult with the appropriate Corporate Director or Manager and any relevant Spokesperson as appropriate, who may submit their own written response to the report on the findings and recommendations, which will also be considered by the Corporate Board or Council.

15.3 The Chairman of the relevant Scrutiny Committee shall present the report, following which, the Corporate Board or Council may respond in the following way:

- accepts the report and recommendations with an indication as to how it wishes to implement its contents;
- accepts the report and recommendations in part, giving reasons why some recommendations are not accepted and such reasons to be reported back to the relevant Scrutiny Committee;
- disagrees with the report giving reasons for this decision and such reasons to be reported back to the relevant Scrutiny Committee.

Nothing in this paragraph prevents more detailed liaison between the Corporate Board and Scrutiny Committees as appropriate depending on the particular matter under consideration.

## **16.0 Members and Officers Giving Account**

16.1 Any Overview and Scrutiny Committee may (subject to paragraph 22) scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the scrutiny role, it may require any Member, any Chief Officer, Corporate Director or Manager to attend before it to explain matters within their remit:

- any particular decision or series of decisions;
- the extent to which the actions taken implement Council policy; and/or
- the performance of a service or function

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

16.2 Where any Member or officer is required to attend an Overview and Scrutiny Committee under this provision, at least five working days' notice of the meeting at which he/she is required to attend will be given.

16.3 The notice will state the nature of the item on which he/she is required to attend to give account and whether any papers are required to be produced for the Committee. Where the account to be given to the Committee will require the production of a report, then the Member or officer concerned will be given sufficient notice to allow for preparation of that documentation.

16.4 Where, in exceptional circumstances, the Member or officer is unable to attend on the required date, then the Scrutiny Committee shall, in consultation with the Member or officer concerned, arrange an alternative date for attendance.

## **17.0 Attendance by Others**

17.1 An Overview and Scrutiny Committee may invite people other than those people referred to in paragraph 16 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders and Members and officers in other parts of the public sector and shall invite such people to attend. Such attendance is however at the discretion of those people invited.

## **18.0 Call-In**

18.1 Call-in should be kept to a minimum and only used in exceptional circumstances, however any decision of Corporate Board not subject to ratification from Full Council may be called in providing the reason for the request is clearly stated. When Call-in relates to a decision that is contrary to or not wholly in accordance with the Budget or Policy Framework paragraphs 18.2 to 18.5 of this procedure apply but please also see the additional requirements in the Budget and Policy Framework Procedure rules requiring reports from the statutory officers.

18.2 When a decision is made by the Corporate Board or under joint arrangements, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of the Council normally within two working days of it being made. All Members of Council will be sent copies of the records of all such decisions within the same timescale, by the person responsible for publishing the decision.

18.3 That notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of five working days following the publication of the decision, unless any three Members of the Council, not involved in the making of the decision, object to it and call it in. The form for calling in a decision can be found as part of the decision notice.

18.4 If the call-in request is valid (ie. three Members have signed the form within time, giving reasons relating to a Corporate Board decision not subject to ratification from Full Council) the Democratic Services Manager shall call-in the decision for Scrutiny and shall then notify the decision-taker of the call-in. The Democratic Services Manager will then call a meeting of the Scrutiny Committee on a date to be determined in consultation with the Chairman of the Scrutiny Committee, and in any case within ten working days of the decision to call-in.

18.5 For the avoidance of doubt, if those Members requesting the call-in are not able to attend the meeting the decision will be considered by the Scrutiny Committee in their absence.

18.6 If following the receipt of a call-in request, the Scrutiny Committee fails to meet within ten working days, the original decision shall be implemented with immediate effect.

## **19.0 Attendance at Call-In Meetings**

19.1 Any Member may attend the call-in meeting of a Scrutiny Committee considering the call-in of a decision. However, under Paragraph 9 of the Members Code of Conduct, any Member involved in the making of the decision must not take part in the scrutiny

of the decision – except that they may provide evidence or opinion to those undertaking the scrutiny process.

19.2 The press and public are entitled to attend call-in meetings except for those parts of the meeting where confidential or exempt information is under consideration and press and public have been excluded by resolution.

## **20.0 Procedure for the Consideration of a Call-In**

20.1 The Chairman of the Scrutiny Committee will open the meeting and outline the procedure to be followed. At any stage of the proceedings the Chairman may if he or she thinks it appropriate, invite the Committee to decide whether it wishes to continue with the Call-in or whether it feels that the grounds for the call-in do not warrant further debate.

20.2 The Chairman will then introduce the call-in request and invite one of the Members who submitted the call-in request to outline the reasons for the request on behalf of the three Members who submitted the call-in.

20.3 The Chairman will then invite the decision-taker to respond to the request and answer any questions the Scrutiny Committee may put. Any additional persons who have been invited to provide evidence or give account in relation to the call-in will then be heard. Members in attendance at the call-in meeting may also put a question to the meeting through the Chairman at his/her discretion.

20.4 Members and Officers giving evidence to a Scrutiny Committee shall be treated with respect at all times and Members shall ask questions in an appropriate and constructive manner. Call-in is a chance to gather information about the way in which a decision was made and shall not be conducted in an inquisitorial style. Any criticism of the decision making process will be given constructively and without reference to the capabilities of the Members or officers involved.

20.5 Once the Scrutiny Committee has concluded its questions, any of the three Members who requested the call-in and the decision-taker will be invited to add any concluding remarks.

20.6 The Scrutiny Committee will then debate the call-in request and decide whether it is in support of the Corporate Board decision or wishes to propose an alternative recommendation.

20.7 If, having considered the decision, the Scrutiny Committee is still concerned about it, then it may refer it back to the decision making body for reconsideration, setting out in writing the nature of its concerns and any alternative recommendations.

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

20.9 If, following the call-in meeting, the Scrutiny Committee supports the original decision and does not refer the matter back to the decision-making body, the decision shall take effect with immediate effect.

## **21.0 Call in - Exceptions**

21.1 In order to ensure that call-in is not abused, or causes unreasonable delay, certain limitations may be placed on its use as detailed in this Paragraph and Paragraph 22 below.

21.2 For the avoidance of doubt only decisions of Corporate Board may be subject to call in:

- Decisions that require ratification from Full Council may not be called in; and
- Decisions may only be called in once.

## **22.0 Call-In and Urgency**

22.1 The call-in procedure set out above shall not apply where the decision being taken by the Corporate Board is urgent. A decision will be urgent if the Chief Executive is of the view that any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public interests. The record of the decision, and notice by which it is made public shall state whether in the opinion of the Chief Executive, the decision is an urgent one, and therefore not subject to call-in.

22.2 Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.

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

## **23.0 The Party Whip**

23.1 The Council has resolved that the Party Whip should not be applied at meetings of Overview and Scrutiny Committees.

## **24.0 Procedure at Overview and Scrutiny Committee Meetings**

24.1 Overview and Scrutiny Committees shall consider the following business:

- (i) Minutes of the last meeting;
- (ii) declarations of interest (including whipping declarations);
- (iii) any decisions referred for call-in;
- (iv) Work Plan consideration of any matter referred to the Committee for a decision in relation to call-in of a decision;
- (v) responses of the Policy Committee to reports of the Overview and Scrutiny Committee; and
- (vi) the business otherwise set out on the agenda for the meeting.

## **25.0 Business at Scrutiny Meetings**

25.1 Scrutiny agendas shall not be dominated by the consideration of strategy reports, business plans or items for information.

25.2 Officers should consider giving consideration to the following before submitting a report to Scrutiny:

- Does the report need to go to a Scrutiny Committee or will the issue be debated at Full Council?
- Is the report for information?
- If so, could consultation be undertaken electronically or posted to the Members' area of the website for comment or response?
- should this information be available to all Members as part of a Workshop or Member Development session?

25.3 Where Scrutiny Committees conduct investigations, it may invite people to attend to give evidence at formal Committee meetings. In these cases the meetings will be conducted in accordance with the following principles:

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

25.4 Following any investigation or review, the Committee shall prepare a report, for submission to the Corporate Board and/or Council as appropriate and shall make its report and findings public.

25.5 Conclusions and recommendations should ideally be reached by consensus. However, if necessary, a minority of Members may ask for their views to be recorded in any report which contains the conclusions and any comments or recommendations of a Scrutiny Committee should they so wish

## **26.0 Public Petitions**

26.1 In accordance with the Petition Scheme, petitions containing at least 50 signatures will be considered by the appropriate Overview & Scrutiny Committee. The Petition Scheme can be viewed in Part 5 – Codes and Protocols.

## Part F - Financial Procedure Rules

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## Part F - Financial Procedure Rules

### 1.0 Introduction

- 1.1 The purpose of these Financial Procedure Rules is to set out a framework to control the way in which the Council manages its finances and safeguards its assets. The aim is to facilitate service delivery by setting out best practice for the administration of all financial matters, ensuring a high quality of financial information and enabling better decision making.
- 1.2 Where the Council has delegated powers to Corporate Directors these shall be exercised in accordance with the Financial Procedure Rules. A consultant appointed to cover the role of any Senior Officer shall be bound, as appropriate, by these rules.
- 1.3 The Financial Procedure Rules insofar as they relate to the conduct of business in Council, Corporate Board or Committees, shall be deemed to be part of the Constitution.
- 1.4 These rules apply in all situations in which persons, either Members or employees, act on behalf of the Council or in connection with it.
- 1.5 All Members and employees have a general requirement for taking responsible actions to provide for the security of the Council's assets and for ensuring that the use of Council resources are legal, properly authorised and provide value for money.
- 1.6 These rules are made by the Council and are subject to the relevant provisions of the Local Government Act 1972, the Local Government Act 1988, the Local Government and Housing Act 1989 and Part 2 of the Local Government Act 2003. They set out the working arrangements by which the Council gives effect to its statutory financial responsibilities.
- 1.7 In the case of any item, which is of sufficient financial significance, the Council's Chief Finance Officer/s151 Officer may require a report to be produced, even though it might not be required according to these rules.
- 1.8 Under the provisions of Section 114 of the Local Government Finance Act 1988 and section 151 of the Local Government Act 1972, the Chief Finance Officer shall be responsible for the proper administration of the Council's financial affairs and submission of reports to the Council on the discharge of that responsibility. He/she shall also have the duty, in consultation with the Head of Paid Service and the Monitoring Officer, to issue a report if it appears to him/her that the Council or any of its officers:-
  - (a) has made or is about to make a decision which involves or would involve the Council incurring expenditure which is unlawful;
  - (b) 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
  - (c) is about to enter an item of account the entry of which is unlawful. If such a report is issued, it must be considered by Council within 21 days and in the

meantime the course of conduct which led to the report being made shall not be pursued.

- 1.9 The Chief Executive shall, in conjunction with the Chief Finance Officer, designate the appropriate "Senior Officer(s)" for the purposes of these Financial Procedure Rules.

## **2.0 Powers and Duties - Financial Management and Administration**

- 2.1 The Council is responsible for determining the budget and policy framework within which the Corporate Board operates. The Corporate Board is responsible for implementing, within policy, the functions of the Council not implemented through delegations to Officers or delegations to other arrangements discharging Council functions.
- 2.2 The Chief Finance Officer is legally responsible for the proper administration of the Council's financial affairs for the purpose of Section 151 of the Local Government Act 1972. The Chief Finance Officer, in consultation with the Council's Monitoring Officer where appropriate, shall take whatever action is appropriate in discharging the responsibilities under Section 151 of the Local Government Act 1972.
- 2.3 Protocols setting out the role and responsibilities of the Monitoring Officer and the Chief Finance Officer are contained within 'Part 3 – Responsibility for Functions' of the Constitution.
- 2.4 In carrying out the responsibilities for the proper administration of the Council's financial affairs, the Chief Finance Officer is responsible for advising on effective systems of internal control which ensure compliance with all applicable statutes and regulations and that public funds are properly safeguarded and used economically, efficiently and effectively.
- 2.5 It is the responsibility of all Senior Officers to establish and maintain sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement and to achieve their financial performance targets.
- 2.6 It is the duty of all Members and employees to ensure that their actions are in accordance with these Financial Procedure Rules. Senior Officers must take the necessary steps to ensure that all Members and employees are aware of their obligations in this respect and are provided with suitable financial training.
- 2.7 Failure to comply with the Financial Procedures may lead to action being taken in accordance with the Council's disciplinary procedures. Any employee who requires further advice or is unable to comply with these Financial Procedures should inform and consult their line manager and/or Chief Finance Officer.
- 2.8 The Chief Finance Officer shall review these Financial Procedure Rules on an annual basis and report to the Audit, Governance and Standards Committee and/or Council, if appropriate.
- 2.9 Any question, which arises from the interpretation of these Financial Procedure Rules, shall be determined and settled by the Chief Finance Officer.



- 2.10 These Financial Procedure Rules shall only be suspended on the resolution of Council, or as varied by any part of the Scheme of Delegation (Part 3 – Responsibility for Functions) approved by Council.
- 2.11 All senior officers shall follow the procedures set out in the Finance Manual, which is a comprehensive document detailing all aspects of financial systems and procedures and is designed for use on a day to day basis by staff involved in any new aspect of financial administration. Any new or revised instructions on financial matters issued by the Council's Chief Finance Officer will be incorporated into the Finance Manual.

### **3.0 Responsibility for Accounts and Accounting Systems**

- 3.1 The Accounts and Audit Regulations 2015 require that the Council be responsible for ensuring that the financial management of the Council is adequate and effective. The accounts of the Council shall be kept by the Chief Finance Officer and all systems of accounting and financial records throughout the Council shall be subject to his/her approval. He/she shall, from time to time, make such recommendations to the Audit, Governance and Standards Committee and the Council regarding the accounting systems and financial operations of any Council area as he/she may deem necessary.
- 3.2 The Chief Finance Officer is responsible for the maintenance, development and control of all the Council's corporate financial information systems. Senior Officers are required to record all accounting operations on the corporate financial information systems in line with the procedures and processes agreed with the Chief Finance Officer.
- 3.3 Senior Officers shall, at an early stage, consult the Chief Finance Officer on the design of systems, forms and records which could have an impact on the corporate financial information systems, records or needs.
- 3.4 Each Senior Officer shall be responsible for ensuring that such records and systems are properly maintained and shall carry out independent checking of financial transactions relevant to their service to ensure compliance with these Financial Procedure Rules.
- 3.5 At any time, every Senior Officer shall supply to the Chief Finance Officer such information and explanations as appropriate.
- 3.6 The Chief Finance Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices and for selecting consistent and suitable accounting policies.
- 3.7 The Audit, Governance and Standards Committee is responsible for approving the annual Statement of Accounts.

### **4.0 Strategic Financial Planning – Medium Term Financial Strategy**

- 4.1 The Council will maintain a Medium Term Financial Plan (the Medium Term Financial Strategy), covering at least five years which will act as the strategic framework within which the Council will operate its policy objectives in accordance with the Council Plan.

- 4.2 The Council's Senior Management Team will review the Medium Term Financial Strategy (MTFS) annually and submit to Council for approval. The MTFS will consider spend as maintained in the budget outlook, in addition to funding from Government Grants, Council Tax and other relevant sources of funding. This will be maintained in a format determined by the Chief Finance Officer.
- 4.3 As part of the Medium Term Financial Plan the Chief Finance Officer will maintain a Budget Outlook covering estimated net spend and which will cover the current year plus the following three years. The Budget Outlook will record financial decisions taken by Council to ensure that the Council's overall spending plans are in accordance with its Financial Strategy.

## **5.0 Annual Estimates – Revenue Budget**

- 5.1 Each year, in conjunction with the Chief Finance Officer, the appropriate Senior Officers shall prepare revenue estimates of their expenditure and income for the following financial year, for the Council's General Fund, Housing Revenue Account (HRA) and Collection Fund.
- 5.2 These annual estimates shall be in a form, and prepared within a timescale, approved by the Chief Finance Officer.
- 5.3 The estimates shall be prepared in accordance with the Council's Medium Term Financial Strategy and shall take into account any guidance given by the Council, Corporate Board or the Senior Management Team.
- 5.4 The Chief Finance Officer shall co-ordinate the preparation of the revenue estimates and discuss them with the appropriate Senior Officers.
- 5.5 The Chief Finance Officer shall submit an annual estimates report to the Corporate Board. In addition to the following financial year's estimates the report shall also show:-
- (a) the original estimate for the current financial year;
  - (b) the original estimate as amended by supplementary estimates and virements for the current financial year (the latest estimate); and
  - (c) the actual outturn for the previous financial year.
- 5.6 The Corporate Board shall examine the financial aspect of the estimates together with a report thereon by the Chief Finance Officer, and shall submit the estimates to the Council for approval with such recommendations as they deem necessary, which may include the views and recommendations of Scrutiny Committee.
- 5.7 The Chief Finance Officer shall further report on the robustness of these financial estimates and the adequacy of the Council's financial reserves and balances.
- 5.8 Senior Officers and Corporate Directors will prepare annual Service Plans with objectives and actions that align to the annual estimates in advance of the financial year.

5.9 Chief Officers and the appropriate Senior Officers shall have authority to incur revenue expenditure up to the level of the approved budget in accordance with the Service Plan and with the Contract Procedures (Part G) as applicable.

#### 5.10 **Supplementary Estimates**

- (a) Whenever it is proposed to seek the approval of the Council to the adoption of a new policy or extension of an existing policy not already sanctioned by the Council, the Corporate Board shall receive details of, and give due consideration to, the financial aspects of the proposal. If the proposal involves expenditure of more than £20,000 the Corporate Board shall seek approval of the Council to a supplementary estimate, and how it will be funded.
- (b) Before incurring any expenditure for which there is no approved estimate, or for which the estimate is insufficient (subject to a lower limit of £20,000), it shall be the duty of the appropriate Senior Officer to report on the proposals to the Corporate Board. If agreed, the Corporate Board shall then seek approval of the Council to a supplementary estimate, and how it will be funded.
- (c) If an appropriate Senior Officer fails to report a matter under section (b) above to the Corporate Board, the Chief Finance Officer shall report it.
- (d) The Chief Finance Officer may establish new expenditure budgets where such expenditure will be subsequently fully recovered from other users of the service (for example, training courses may be provided on behalf of others and then recovered from participants). Any request with an estimated cost in excess of £50,000 must obtain approval from the Council's Corporate Board.

#### 5.11 **Virement**

- (a) Notwithstanding Rule 5.10(a) – (d). (Supplementary Estimates) above, there may be instances where there is a need to transfer an amount of an approved revenue budget (as defined by budget headings in the Councils 'Budget Book') to another use (called virement). Such virements shall be subject to the following:-
  - (i) the items of the budget subject to this transfer are restricted to those of Employees, Premises, Transport, Transfer Payments, and Supplies and Services (excluding recharges) and Income (excluding recharges);
  - (ii) no item being covered by this financial regulation will create ongoing revenue expenditure in later years
- (b) Approval of virements shall be in accordance with the following financial parameters:-
  - (i) between £0 and £20,000 – Finance and Improvement Manager,
  - (ii) between £20,000 and £50,000 Corporate Directors and Finance and Improvement Manager
  - (iii) between £50,000 and £100,000 – Chief Finance Officer following a report by the Corporate Director

- (iv) Above £100,000 – Corporate Board following a report by the Corporate Director in consultation with the Chief Finance Officer.
- (c) In sub-section 5.11(b) above, the report shall include details of the approved budgets which are affected, the amount involved and the reason(s) for the virement.
- (d) There is no limit to the number of times virement may be used to increase a budget, but such use cannot increase a budget by more than £100,000 in total in a financial year without the prior approval of Corporate Board.
- (e) Any proposal for virement falling outside the conditions set out in Rule 5.11(a) above, shall require the approval of the Corporate Board and the Council.

### **5.12 Ordering of Goods, Services or Works**

- (a) All orders for goods or works shall be processed through the Council's general ledger system, and authorised by appropriate officers. When considering ordering goods, services or works Officers will follow the Council's Contract Procedure Rules, and guidance, as set out in the Procurement Manual.
- (b) All orders for goods, services or works shall be issued through the Council's central e-procurement system where available, or by using a procedure agreed by the Chief Finance Officer and details of the price and discount (if any) shall be inserted whenever known. Orders given verbally must be confirmed in writing the same day.
- (c) The Rule at 5.12(a) recognises that not all goods and services are supplied following the issue of a purchase order – for example, gas, electricity, water and telephone etc, but wherever possible, purchase orders should be used.
- (d) All accounts for payment to a value of over £500 or the limit required by the Local Government Transparency Code 2015, shall be published monthly on the Council's website.

### **5.13 Monitoring of Revenue Estimates**

- (a) The Chief Executive shall appoint relevant Senior Officers (known as budget managers) to be responsible for appropriate budgets.
- (b) It shall be the responsibility of these budget managers to monitor their budgets on at least a quarterly basis. The Finance and Improvement Section will assist in this process. The Finance and Improvement Manager will determine budgets that require monitoring more frequently than quarterly.
- (c) The Senior Management Team shall be responsible for monitoring progress against the approved estimates on at least a quarterly basis.
- (d) Quarterly reports on financial performance against the approved budgets shall be considered by the Council's appropriate Performance Review Meetings.

- (e) The Chief Finance Officer will subsequently submit quarterly reports to the Corporate Board identifying areas of potential or actual over or under spends, making recommendations as appropriate. The report will also assess the implications of the budget monitoring in terms of the Council's budget outlook and the financial strategy.
- (f) For the purpose of reporting and monitoring, the annual revenue estimates shall be controlled using each line in the Council's budget book.

#### **5.14 Reserves and Balances**

- (a) Each year Corporate Board shall receive a report reviewing the Council's Policy on Balances and Reserves. The Policy will, as a minimum, review the title, purpose and level of each reserve.
- (b) Where it is appropriate, Corporate Board shall maintain a long term programme of expenditure to be met from earmarked reserves. Before the beginning of each financial year Corporate Board shall receive a report identifying the detailed requirements on use of reserves for the forthcoming financial year and the following years.
- (c) Whenever it is proposed to embark upon any scheme requiring use of reserves, the appropriate Senior Officer concerned shall submit details to the Corporate Board and shall incorporate a value for money statement, in conjunction with the Chief Finance Officer, showing estimated cost and the probable initial and ultimate revenue charge.
- (d) The Council's Corporate Capital Group will be responsible for monitoring the use of reserves and capital receipts to fund capital expenditure and report to Senior Management Team on a quarterly basis, in advance of reporting as part of the quarterly performance management reports.
- (e) The Chief Finance Officer will subsequently submit quarterly reports to Corporate Board identifying areas of potential or actual over or under spends on revenue and capital proposals and funding, and make appropriate recommendations.

### **6.0 Income Spend/Outturn**

- 6.1 The Council's Chief Finance Officer shall, in compliance with Sections 25-28 of Part 2 of the Local Government Act 2003
- (a) submit a formal report to the Council when the Council Tax precept is being made regarding the robustness of the estimates included in the annual Budget and the adequacy of the reserves for which the Budget provides (section 5.29 – 5.33).
  - (b) submit a report about the adequacy of the reserves in accordance with the Section 27 requirements if the Secretary of State has set a minimum level of reserves for the Council under their Section 26 powers.

- (c) Ensure that the Council has adequate budget monitoring arrangements in place throughout the year that includes a regular review of the planned level of reserves incorporated in the annual Budget / Precept setting calculations.

## **7.0 Capital Expenditure**

- 7.1 The Corporate Board shall maintain a long term capital programme as defined by the Chief Finance Officer. Before the beginning of each financial year, Corporate Board shall receive a report identifying the detailed Capital Programme for the forthcoming financial year and an overview for the following years in the plan. The Programme shall cover both the General Fund and Housing Revenue Account schemes.
- 7.2 Whenever it is proposed to embark upon any scheme of a capital nature, the appropriate Senior Officer concerned shall submit details for approval to Corporate Board and shall incorporate a value for money statement, in conjunction with the Chief Finance Officer, showing estimated cost and the probable initial and ultimate revenue charge / and/or income, and how the costs are proposed to be funded. Any variations to the Capital Plan up to £50,000 to be subject to Senior Management Team approval.
- 7.3 Provision in the annual estimates for expenditure on a new project of this nature shall not be regarded as authority for the work to be put in hand without the procedure required by Rule 7.2.
- 7.4 If during the progress of the scheme it becomes apparent that the estimates originally submitted are likely to be exceeded by £50,000, the appropriate Senior Officer shall report the facts immediately to the Chief Finance Officer and prepare a 'Value for Money Statement' for consideration by Corporate Board.
- 7.5 The Council's Corporate Capital Group will be responsible for monitoring the progress of the Capital Programme, and report to Senior Management Team on a quarterly basis.
- 7.6 The Chief Finance Officer will subsequently submit quarterly reports to Corporate Board identifying areas of potential or actual over or underspends at the performance review meetings, and make appropriate recommendations.
- 7.7 The duties of an appropriate Senior Officer under this Procedure Rule may be exercised by any Architect, Engineer, Surveyor or professionally qualified consultant when engaged by the Council as a Consultant, where the circumstances require it.

## **7.8 Carry forwards of capital budget across Financial Years**

The Council's Senior Management Team may approve Senior Officers' requests to carry forward any planned year end budget surplus for future projects, up to a maximum limit of £25,000 per project. This transfer is only applicable if there is no wider corporate requirement for this funding and that both the overall Council financial position and specific Service finance position is in surplus equal to or in excess of the amount proposed.

- 7.9 All other requests over the £25,000 threshold are subject to approval from the Corporate Board.

## **8.0 Grants**

- 8.1 All applications for external grants and claims receivable made on the Council's behalf whether Capital or Revenue shall be approved by the Chief Finance Officer. For each grant claim appropriate supporting documents shall be kept by the relevant Senior Officer.
- 8.2 Details and conditions of grants receivable will be maintained on a grants register by the Finance and Improvement Section of the Council. This will be regularly reviewed and updated.

## **9.0 Income**

- 9.1 All arrangements for:-

- (a) the financial organisation, accounting and book keeping necessary to ensure the proper recording of all sums due to the Council; and
- (b) the collection, custody, control, disposal and prompt and proper accounting for all cash in all areas of the Council;

shall be subject to the approval of the Chief Finance Officer.

- 9.2 Any change to an existing arrangement referred to in Rule 9.1 above shall not be made without the prior approval of the Chief Finance Officer.
- 9.3 All monies, including petty cash received on behalf of the Council in any area of the Council shall be recorded and deposited promptly and intact with a Customer Services Officer or be banked in the Council's name.
- 9.4 It is the Council's policy not to issue official receipts unless under exceptional circumstances. All official receipts shall be in a form approved by the Chief Finance Officer and shall be ordered, controlled and issued to appropriate Officers by Business Support, and all receipts and issues thereof shall be properly recorded and acknowledged. Each Officer issued with receipts shall be responsible for their safe custody and proper use thereof.
- 9.5 Where possible work should not be carried out before payment is received. Where work has been (or will be) done, services rendered or goods supplied without payment, the responsible officer shall promptly notify Business Support with particulars so that an invoice can be raised to the debtor. All debtor invoices shall be raised via the Business Support section so that they can be properly recorded, accounted for in the finance system and appropriate recovery action taken where necessary. This is explained further in the Finance Manual.
- 9.6 Sums due to the Council shall not be written off in the books of account except with the consent of the Corporate Board or under authority delegated to an appropriate Senior Officer under the Scheme of Delegation (Part 3 of the Constitution) and the Finance Manual.

- 9.7 No new fees and charges or alterations to existing fees and charges shall be made unless approved by a report to Corporate Board. Fees and charges shall be reviewed at least annually by Corporate Board.
- 9.8 All invoices, claims and accounts not resulting from a purchase order shall be completely checked by the appropriate Officers, the detailed procedure is set out in the Finance Manual, and certified by or under the authority of the appropriate Senior Officer with delegated authority. The Chief Finance Officer shall maintain a list of authorised signatories. Only authorised signatories shall sign or authorise accounts. The detailed requirements are set out in the procurement / finance manual.
- 9.9 Apart from Petty Cash Accounts and Procurement Cards, the Chief Finance Officer will make all payments due from the Council by BACS, cheque or other instrument drawn on the Council's bank accounts.

#### 9.10 **Write Offs**

Subject to appropriate records being kept in a form approved by the Chief Finance Officer, Senior Officers may write off losses, excluding debts, up to the value of £1,000 in total in respect of:

- (a) Any loss or imbalance which is not recoverable from Insurance or other sources.
- (b) Any loss on the disposal of asset at prices less than the book value, at the time of disposal.

9.11 Senior Officers shall refer all losses between £1,000 and £5,000 for write off to the Finance and Improvement Manager, between £5,000 and £10,000 all irrecoverable debts to be written off by the Chief Finance Officer.

9.12 Irrecoverable debts in excess of £10,000 may only be written off by the Council's Senior Management Team. The details procedure is set out in the Finance Manual.

9.13 Senior Officers with the support of their Director may, in consultation with the Chief Finance Officer, arrange for the disposal of unrequired inventory items, up to a limit of £5,000 by competitive tenders / quotations or public auction.

9.14 The disposal of unrequired inventory items valued at above the £5,000 threshold shall require the approval of Senior Management Team.

#### 10.0 **Inventories and Stores**

10.1 Each appropriate Senior Officer shall be responsible for the proper custody of stocks and stores required for his/her area of responsibility and shall see that all stocks and stores received and issued are properly recorded. No items are to be issued or removed without proper authorisation.

10.2 For the purposes of this Rule, stocks and stores are regarded as having large numbers of items and/or a wide range of items and/or large value, as agreed by the Chief Finance Officer. The value of items issued is to be recharged. Examples of



stocks and stores would include such items as fuel, corporate stationery stores, wheeled bins, housing stores and items purchased for resale.

10.3 Detailed procedures for receipt of goods are set out in the finance manual / procurement manual.

10.4 The Chief Finance Officer in conjunction with the appropriate Senior Officer concerned shall make such arrangements for stock taking as she may deem necessary and in any event not less than once in any financial year.

10.5 Surpluses or deficiencies revealed in items of stocks at any time as may be appropriate shall be immediately reported to the appropriate Senior Officer concerned and the Chief Finance Officer. The Chief Finance Officer shall have authority to write off deficiencies or bring surpluses into charge, but if the amount is above £20,000 it shall be done in consultation with the appropriate Corporate Board spokesperson.

## **11.0 Miscellaneous Matters**

### **11.1 Petty Cash and Procurement Cards**

- (a) All Petty Cash accounts shall be issued by or approved by the Chief Finance Officer, who shall be authorised to operate such accounts as considered necessary. Their ongoing use will be reviewed periodically.
- (b) All Procurement Card arrangements shall be made by or approved by the Chief Finance Officer, who shall be authorised to operate such arrangements as considered necessary.

### **11.2 Salaries, Wages and Pensions**

- (a) These Rules shall be read in conjunction with such National and Local Schemes of Conditions of Service as are applicable to employees.
- (b) The payment of all salaries, wages, pension, compensation and other emoluments to all employees or former employees and/or Members of the Council shall be made by the appropriate Senior Officer under arrangements approved by the Chief Finance Officer.
- (c) The appropriate Senior Officer shall notify the Chief Finance Officer as soon as possible, in a prescribed format, of all matters affecting the payment of any such emoluments.
- (d) Detailed requirements relating to HR and Payroll are set out in the HR policies and procedures.

### **11.3 Travel and Subsistence**

All payments for travel and subsistence must comply with the Reimbursement of Expenses Policy for staff as available on the Intranet and the Member Allowance Scheme which all Members are provided with upon election as part of the Constitution.

## **12.0 Banking Arrangements**

12.1 Under authority delegated to him/her, the Chief Finance Officer shall arrange for such bank accounts to be kept as may be necessary from time to time and he/she shall determine the persons whose signatures are to be used in the operation of such accounts, having regard to the system of internal audit and separation of duties in force. All new bank accounts shall be opened only on the authority of the Chief Finance Officer and all new cheques/financial instruments shall be ordered only on the basis set out in the Finance Manual and the authority of the Chief Finance Officer.

## **13.0 Treasury Management**

13.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) (the Code).

13.2 Accordingly, the Council will create and maintain, as the cornerstones for effective Treasury Management:

- An Annual Treasury Management Strategy Statement, MRP Strategy and Annual Investment Strategy stating the policies and objectives of its Treasury Management activities.
- 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.

13.3 The content of the Strategy Statements and TMPs will follow the recommendations contained in the Code, subject only to amendment where necessary to reflect the particular circumstances of the Council. Such amendments will not result in the Council materially deviating from the Code's key recommendations.

13.4 The Corporate Board will receive reports on its Treasury Management activities in accordance with the Code of Practice recommendations. This will include as a minimum:

- An annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Strategy - for the year ahead;
- a Mid-year Review Report; and
- an Annual Outturn Report (stewardship report) covering activities during the previous year

13.5 The Council's Audit, Governance and Standards Committee will provide a scrutiny role for the Council's Treasury Management activities.

13.6 The Council delegates responsibility for the implementation and monitoring of its Treasury Management Policies and Practices to Corporate Board. The execution and administration of Treasury Management decisions is delegated to the Chief

Finance Officer, who will act in accordance with the Council's Policy Statements and TMPs and CIPFA's *Standard of Professional Practice and Treasury Management*.

13.7 The Chief Finance Officer is responsible for advising the Council on prudential indicators in accordance with the CIPFA Prudential Code for Capital Finance in Local Authorities (2011), which is deemed to part of these Rules.

13.8 All borrowings and investments shall be effected in the name of the Council.

#### **14.0 Asset Register**

14.1 Each appropriate Senior Officer is responsible for notifying the Chief Finance Officer of all assets, valued above £6,000, under their control, for inclusion in the Council's Asset Register. Assets are to include land, buildings, vehicles, plant and equipment. Items such as IT equipment purchased individually should be pooled when considering their value.

14.2 The value of assets when procured will be their cost price but thereafter an appropriate depreciation or appreciation charge will be applied each year. The Council employs external valuers to revalue land and buildings on a five year rolling programme. The results of these revaluations are reported to the Chief Finance Officer for inclusion in the Asset Register and the Council's financial accounts.

14.3 Each appropriate Senior Officer should ensure that contingency plans for the security of assets, information and the continuity of the service, in the event of a disaster, emergency or system failure, are in place.

#### **15.0 Asset Utilisation and Security**

15.1 Each appropriate Senior Officer shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc. under his/her control and the Chief Finance Officer for the efficient utilisation of those assets.

15.2 Maximum limits for cash holdings shall be agreed with the Chief Finance Officer in line with the Council's insurance policies and shall not be exceeded without his/her express permission.

15.3 The Chief Executive / Chief Finance Officer shall issue confidential instructions as to the custody of keys, where appropriate. The loss of any such keys must be reported to the appropriate Senior Officer and the Chief Executive / Chief Finance Officer.

15.4 The appropriate Senior Officers shall be responsible for maintaining proper security and privacy regarding information held in a computer or for its use and in particular to ensure compliance with the provisions of the Data Protection Act in line with the Council's Information Governance Policy.

#### **15.5 Leasing**

All arrangements for the leasing or other financing of goods and/or asset acquisitions shall be made by the Chief Finance Officer.

## 15.6 Vehicles

Each appropriate Senior Officer shall be responsible for the custody, security and proper and legal use, including compliance and documentation as required by the 'O' licence holder. Maintenance, licensing and testing, and operational compliance of vehicles belonging to the Council is the responsibility of the 'O' Licence holder. The appropriate Senior Officer will ensure that Council vehicles are not used for personal use/gain.

## 15.7 Estates and Property

The Council's Monitoring Officer will ensure the maintenance of a Terrier of all estates and properties owned by the Council.

- (a) The Council's Monitoring Officer shall be responsible for overseeing the safe custody of all documents relating to land or interests in land (other than insurance and investment contracts) exceeding £50,000 in value.
- (b) Contract of value under £50,000 are to be retained safely / securely by the Procurement Team.

## 15.8 Corporate Directors Responsibilities

A Corporate Director shall be responsible for:

- the procurement of all supplies, services and assets (but **not** Property) relating to the provision of services by his Directorate
- ensuring that supplies, services and assets ordered are received and are of the correct quality
- ensuring that supplies, services and assets are only procured by Budget Managers if there is approved budgetary provision to cover the associated costs (see **Rule 5.9**)
- ensuring adherence to the approved Procurement Strategy of the Council
- the certification of invoices in accordance with arrangements approved by the Chief Finance Officer

## 15.9 Disposal of Assets

- (a) Prior to the disposal of any asset, a Director must:-
  - (i) ensure that the asset is of no use to the Council;
  - (ii) for assets subject to a leasing agreement, consult the Chief Finance Officer
  - (iii) confirm whether the asset was purchased using grant funding, and if so, ensure the disposal and the allocation of proceeds complies with any grant conditions
  - (iv) notify the Chief Finance Officer of the intention to dispose of any item which might be regarded as capital.
- (b) If the disposal is subject to grant conditions (see **Rule 15.9(a)(iii)**), then those conditions will take precedence, otherwise all disposals must follow the rules set out below.

- (c) The procedures defined in the **Contract Procedure Rules** apply to the disposal of any assets of the Council.
- (d) A Director may dispose of any asset if its estimated disposal value is £20,000 or less.
- (e) If the estimated disposal value is greater than £20,000 then Corporate Board may authorise the disposal.
- (f) A Director may dispose of a number of assets simultaneously if their aggregate estimated disposal value is £20,000 or less. If the estimated aggregate disposal value exceeds £20,000 then the provisions of **Rule 15.9(e)** shall apply as appropriate.
- (g) For low value items valued at under £500, and to save the costs of disposal, to reduce the need to send items to landfill, and to maximise the use of Council resources, local arrangements can be made in line with the guidance included in of the Finance Manual.

#### 15.10 Financial Instruments

The Chief Finance Officer shall undertake the negotiation of terms and authorise the acquisition or disposal of any financial instrument which the Council requires within the context of its financial or service responsibility.

#### 16.0 Insurance

16.1 An appropriate Senior Officer shall effect all insurances via external cover or self-insurance and shall be responsible for making and, where appropriate, negotiating all claims in consultation with other officers as necessary.

16.2 Prior to any major service changes or events taking place, which are likely to impact on insurance cover, Senior Officers shall notify the appropriate Corporate Director:-

- The terms of any indemnity which the Council is required to give
- Any new risks, properties, vehicles or other assets which might need to be insured
- Any changed circumstances affecting existing risks or insurance.

#### 17.0 Risk Management

17.1 The Accounts and Audit Regulations 2015 requires the Council to ensure that it has a sound system of internal control which includes effective arrangements for the management of risk. This requirement shall be fulfilled through the Chief Finance Officer who shall ensure that there is a sound system of risk management in place.

17.2 Each Senior Officer and Corporate Director is responsible for ensuring that an up to date list of risks is maintained and monitored for their service areas. It is the Senior Officer's responsibility to ensure that appropriate action plans to mitigate risks are drawn up, implemented and monitored.

17.3 The Chief Finance Officer will review the adequacy and effectiveness of the risk management process and report to the Audit, Governance and Standards Committee at least annually.

## **18.0 Internal Audit**

18.1 The Accounts and Audit Regulations 2015 require that the Council 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 and guidance.

18.2 The Regulations also require any Senior Officer or Member of the Council to:

- (a) make available such document systems which relate to its accounting and other records necessary for the purpose of the audit;
- (b) supply all information and explanations that are considered necessary; and
- (c) produce cash, stores or any other Council property under their control.

18.3 The Chief Finance Officer and the Council's Internal Auditor shall have access and authority, at any reasonable time, to apply any test or check to the accounts and records held.

18.4 In the exercise of his/her duties, the Chief Finance Officer and the Council's Internal Auditor shall have direct access to all Chief and other Senior Officers and, where appropriate, the Leader of the Council and the Audit, Governance & Standards Committee (and in particular the Chair of Audit, Governance & Standards Committee).

## **19.0 Counter Fraud/Roles and Responsibilities**

19.1 Corporate Directors and Senior Officers are responsible for maintaining appropriate systems of control to prevent and detect fraud and irregularities.

19.2 Where any Member or Officer has cause to suspect irregularity they shall immediately inform the Head of Internal Audit. The Head of Internal Audit is responsible for determining the nature of any investigation work required in respect of any allegation of wrongdoing, and any other action required and may refer matters to the police or other appropriate external body as he/she sees fit in consultation with the Chief Finance Officer.

19.3 The internal audit and counter fraud service is required to investigate all referrals of fraud at the direction of the Head of Internal Audit and Chief Finance Officer and in doing so shall have:

- (a) rights of access to all Council premises and property, all data, records, documents, and correspondence relating to any financial matter or any other activity of the Council;
- (b) the right to require any member of staff or Member to provide any information or explanation needed in the course of their investigations;

- (c) the right to refer investigations to the Police in consultation with the relevant Corporate Director(s) and the Chief Finance Officer.

19.4 Any case of fraud or loss or financial irregularity or bribery or corruption that is discovered or suspected to exist which involves the Council's interests will be dealt with in accordance with the Council's Disciplinary Policy and Procedures and Counter Fraud Policy.

19.5 Where criminal proceedings are not instituted for whatever reason, the Chief Executive shall decide whether or not to commence a civil suit and to be automatically authorised to incur any expenditure involved.

19.6 Counter Fraud / Money Laundering – the Proceeds of Crime Act (2002), the Money Laundering Regulations (2007) and the Terrorism Act (2000) place certain responsibilities on public authorities and the staff working for them. In addition, any member of staff may commit specific offences under money laundering legislation, particularly if they suspect money laundering is taking place and either become involved with it in some way and/or do nothing about it. The Council has therefore established an Anti-Money Laundering Policy and supporting Guidance Note designed to prevent the risk of the Council being involved in money laundering and to enable staff to report suspicions of money laundering activity to the Corporate Director (Strategy & Regulatory) and Monitoring Officer (as the Council's nominated Money Laundering Reporting Officer).

19.7 All staff should have regard to the Council's Anti-Money Laundering Policy and supporting Guidance. A member of staff should consider, in line with the Policy and Guidance, reporting any transaction which involves the receipt of £5,000 or more of cash to the Money Laundering Reporting Officer; notwithstanding such financial limit, any member of staff who has reasonable grounds to believe that money laundering is taking place (or is being attempted) in respect of a smaller amount of cash should report the matter to the Money Laundering Reporting Officer.

## **20.0 Partnerships**

20.1 The Council is responsible for approving delegations, including frameworks for partnerships.

20.2 Before entering into any partnership, joint venture or third party relationship, Senior Officers must obtain the Chief Finance Officer's approval to the financial arrangements for:-

- Funding
- Accounting and Financial Administration

20.3 Senior Officers must ensure that any agreement gives the Chief Finance Officer access to accounts, records and all other documentation and the entitlement to seek explanations from officers of the funded organisation, regarding the deployment of the Council's resources.

20.4 An annual review of partnerships is to be undertaken and reported to the Audit, Governance and Standards Committee.

## **21.0 External Funding**

- 21.1 Senior Officers will explore all opportunities for external funding, taking account of the Council's policy framework and any additional risks implied.
- 21.2 Prior to entering into agreements, Senior Officers must inform the Chief Finance Officer of any matched funding requirements and any accountable body responsibilities. This is to ensure that if funding is available and risks assessed, then all future revenue and capital implications are determined and that appropriate financial arrangements are in place.
- 21.3 The Chief Finance Officer will ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- 21.4 Senior Officers are responsible for ensuring claims for funds are made by the due date in accordance with instructions issued by the Chief Finance Officer.
- 21.5 Senior Officers must also inform the Chief Finance Officer of any subsequent changes to agreements so that the revenue and capital budget implications may be addressed.

## **22.0 Accountable Body Status**

- 22.1 Where it is intended that the Council should act as Accountable Body for a partnership and related funding, authorisation must be obtained before entering into such an arrangement.
- 22.2 The Corporate Director to whom the Accountable Body role is relevant, in consultation the Chief Finance Officer and the Monitoring Officer, will agree the terms and conditions of that Accountable Body role, and sign associated documentation on behalf of the Council.
- 22.3 Unless there is explicit agreement to the contrary, which must be documented fully in the Accountable Body agreement, the governance rules of the partnership will be expected to follow the Financial and Contract procedure rules agreed by the Council.
- 22.4 In all cases, where the partnership funding includes grants or other external funding, then the provisions of Rule 8 of these Financial Procedure Rules will apply, including the need to seek Member approval where required.

## **23.0 Voluntary Funds**

- 23.1 A voluntary fund is any fund which is held or controlled by the Council as trustee for the benefit of a third party and/or for a specified purpose. Such funds may be administered solely, or in part, by an officer by reason of his or her employment with the Council.
- 23.2 The Chief Finance Officer shall be informed of the purpose and nature of all voluntary funds maintained or managed by any Officer in the course of their duties with the Council.



- 23.3 Voluntary funds registered with the Charity Commissioners must comply with all requirements set by the Commission in respect of the format of accounts and the need for audit or independent examination by a competent person, and must meet the timescales set out for such reports. Although there is no requirement from the Charity Commission, it is a requirement that small registered charities with gross income (or total expenditure) of £25,000 or less will arrange for their accounts to be examined annually by a competent independent person. A copy of the accounts and the appropriate audit or independent examiners report shall be supplied to the Chief Finance Officer immediately after the meeting of the body. The Chief Finance Officer shall be entitled to verify that the reports have been made and to carry out such checks on the accounts as he considers appropriate.
- 23.4 Voluntary funds not registered with the Charity Commissioners shall have formal accounts prepared and examined annually by a competent person independent of the fund. A copy of the accounts and Independent Examiner's Statement shall be supplied to the Chief Finance Officer immediately after the examination who shall be entitled to verify that the reports have been made and to carry out such checks on the accounts as he/she considers appropriate.
- 23.5 Voluntary Funds, and any related bank accounts shall be operated in accordance with procedures set out in the Finance Manual.

#### **24.0 Revision of Financial Procedures Rules**

- 24.1 The Chief Finance Officer shall review these Financial Procedure Rules on an annual basis and report to the Audit, Governance and Standards Committee and/or Council, if appropriate.

## Definition of Terms

<b>A</b>		
<b>B</b>	Budget Manager	A <u>Budget Manager</u> is an officer nominated by the Chief Finance Officer as having responsibility for managing a budget.
	Budget Outlook	A <u>Budget Outlook</u> is a summary of the projected budget for the General Fund for the forthcoming three years.
<b>C</b>	Chief Finance Officer	The <u>Chief Finance Officer / s151 Officer</u> is defined in Part 3 of the Council's Constitution, under Scheme of Delegation.
	Corporate Director	A Corporate Director is a senior officer and director who is responsible for a group of services as set out in and approved by the Council's pay policy and structure.
	Counter Fraud Policy	The <u>Counter Fraud Policy</u> is a policy adopted by the Council setting out how it will address potential fraud and corruption.
<b>D</b>		
<b>E</b>		
<b>F</b>	Finance Manual	The <u>Finance Manual</u> is a set of procedures which support the Councils' Finance Procedure Rules. It explains how the Finance Procedure Rules should be implemented and complied with.
	Financial Instrument	<u>Financial Instrument</u> is a document such as a share, bond, bill of exchange, future or options contract that has a monetary value or evidences a legally enforceable agreement between two or more parties regarding a right to payment of money.
	Financial Procedure Rules	The <u>Financial Procedure Rules</u> are the procedures that the Council agrees Officers will comply with in relation to all financial transactions and budgeting.
<b>G</b>	General Fund	<u>General Fund</u> is the accounting record of all the Council's transactions other than the Housing Revenue Account.
<b>H</b>	Head of Internal Audit	<u>Head of Internal Audit</u> means the Head of Internal Audit for Veritau (the externally appointed Internal Audit service).
	HMRC	<u>HMRC</u> is Her Majesty's Revenue and Customs.
	Housing Revenue Account	The <u>Housing Revenue Account</u> is the accounting record of all the Council's transactions relating to its social housing service.
<b>I</b>		
<b>J</b>		
<b>K</b>		

<b>L</b>		
<b>M</b>	Money Laundering Reporting Officer	The <u>Money Laundering Reporting Officer</u> is the officer nominated by the Head of Internal Audit to address Money Laundering reported issues.
	Monitoring Officer	The <u>Monitoring Officer</u> is defined in Part 3 of the Council's Constitution, under Scheme of Delegation.
<b>N</b>		
<b>O</b>	'O' Licence Holder	The <u>'O' Licence</u> holder is the officer responsible for transport matters at the Council (the Waste and Street Scene Manager).
<b>P</b>	Performance Review Meetings	<u>Performance Review</u> meetings are held quarterly with Spokespersons and the Scrutiny Chair and Vice Chair to consider performance and finance issues prior to consideration at Corporate Board.
	Procurement Manual	The <u>Procurement Manual</u> is a set of procedures which support the Councils' Contract Procedure Rules. It explains how the contract Procedure Rules should be implemented/complied with.
<b>Q</b>		
<b>R</b>		
<b>S</b>	s151 Officer	The <u>s151 Officer / Chief Finance Officer</u> is defined in Part 3 of the Council's Constitution, under Scheme of Delegation.
	Senior Management Team	The <u>Senior Management Team (SMT)</u> comprises the Council's Chief Executive and Corporate Directors.
	Senior Officer	A <u>Senior Officer</u> is a Service Manager for the Council unless designated by a Corporate Director.
<b>T</b>	Terrier	A <u>terrier</u> is a register for recording the Council's land and property holdings.
<b>U</b>		
<b>V</b>	Virement	<u>Virement</u> is the transfer of an amount of an approved revenue budget (as defined by budget headings in the Council's 'Budget Book') to another.
<b>W</b>		
<b>X</b>		
<b>Y</b>		
<b>Z</b>		

## **Part G - Contract Procedure Rules**

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## **Part G - Contract Procedure Rules**

### **1.0 Introduction**

1.1 The purpose of Contract Procedure Rules (CPR) is to set clear rules, responsibilities and actions for the procurement of goods, works and services in respect of the Council. This will ensure a system of openness, integrity and accountability is in place, giving probity and transparency to the process of procurement.

### **2.0 Basic Principles and Compliance**

2.1 All procurement procedures and every contract entered into by the Council must:

- (a) Realise value for money by achieving the optimum combination of whole life costs and quality of outcome.
- (b) Be consistent with the highest standards of integrity.
- (c) Operate in a transparent manner, ensuring fairness in allocating public contracts.
- (d) Comply with all legal requirements including Public Contract Regulations and the European Union treaties.
- (e) Comply with the Council's Constitution, these CPRs and the Council's Financial Procedure Rules (FPRs).
- (f) Comply with the Council Plan and Procurement Strategy.
- (g) Comply with the Procurement Manual which should be read in conjunction with these CPRs.
- (h) Apply these CPRs to any partnership arrangements for which the Council is the accountable body unless the Council agrees otherwise; and
- (i) Enable effective contract management through clarity of performance needs.

2.2 Any dispute or difference as to the interpretation of the Contract Procedure Rules shall be resolved by the Chief Finance Officer.

2.3 Every Officer shall comply with these Rules and any unauthorised failure to do so may lead to disciplinary action.

2.4 Each Corporate Director shall take all such steps as are reasonably necessary to ensure that Officers within their Directorate are aware of, and comply with, these Rules, the Procurement Manual and Finance Manual.

2.5 The Chief Finance Officer shall be responsible for monitoring adherence to these Rules.

### 3.0 Background and Guidance

3.1 Section 5 below sets out the appropriate threshold levels and options available when procuring goods, works and/or services in respect of the Council. It provides direction to the relevant sections on the assumption that the user has appropriate budget allocation and responsibility, and permissions to spend that allocation.

### 3.2 Powers and key decisions

- (a) In consultation with the Monitoring Officer, the Responsible Officer should ensure that the Council has the legal power to enter into any contract and that, in respect of all Contracts regardless of whether they involve the procurement, shall ensure that no contract shall be entered into which is ultra vires.
- (b) The Responsible Officer shall ensure that a written record of the decision to procure a Contract is made in accordance with the Procurement Manual when the value is in excess of European Union (EU) thresholds.
- (c) The acceptance and authorisation limits are set out in Section 5 of these CPRs. It is the responsibility of the Responsible Officer to ensure these limits are complied with.

### 3.3 Officer Responsibilities

- (a) Responsible Officers will comply with these CPRs, the Council's Constitution and all UK and European Union (EU) legal requirements. Responsible Officers must also ensure that any agents, consultants and contractual partners acting on their behalf also comply with these requirements.
- (b) Corporate Directors are responsible for the production of a Forward Procurement Plan (FPP) for their Directorate, supported by the Procurement Team. This will be completed in such format as the Chief Finance Officer shall require and will include the following details:-
  - (i) Contracts for works, supplies and services worth £5,000 or more which the Directorate intends to award in the next financial year (and indicatively for the following two years); and
  - (ii) In respect of each contract to be awarded:
    - the Responsible Officer
    - The subject matter of the Contract
    - the date the procurement process is expected to start
    - the date the contract is expected to start
    - the duration of the contract
    - the contract's annual value
    - the procurement methodology to be adopted
- (c) The Procurement Team will maintain a Contract Register the purpose of which is to:-

- (i) record key details of all Contracts with an aggregate value of £5,001 or more; and
  - (ii) identify a Contract reference number; and
  - (iii) record the contracts, commencement and end date.
- (d) Corporate Directors shall ensure, with the support of the Procurement Team, that:
- (i) all relevant contracts are entered onto the Register and the appropriate contract number recorded;
  - (ii) the Register is maintained by entering new contracts onto it and removing expired contracts from it, in line with the Council's Records Retention and Destruction Policy; and
  - (iii) Original authenticated copies of contracts are to be lodged with the Procurement Team.

### 3.4 **Business Case**

When considering the needs to purchase goods or services, the Responsible Officer must prepare and obtain approval of a business case justifying the proposed approach; details are set out in the Procurement Manual. If the proposed way forward involves procurement, the Responsible Officer must follow the requirements set out below.

### 3.5 **Exclusions**

These rules do not apply to the seeking of offers in relation to a proposed contract, framework agreement or dynamic purchasing system arrangement in respect of the following:-

- The purchase or sale of land
- An interest in land
- The lending or borrowing of funds
- Contracts of employment of an Officer of the Council
- Contracts with statutory undertakings for work which only they can carry out
- Subscriptions to / Membership of professional bodies when only those bodies are suitable
- Contracts for the engagement of Counsel
- Grants awarded which fulfil specific criteria as set by the Constitution

### 3.6 **Training**

Where appropriate, all Officers involved in procurement activities shall have received a level of training commensurate with the nature of the procurement activity being undertaken.

### 3.7 **Prevention of corruption**

Rules and regulations relating to the prevention of corruption are outlined in the

Financial Procedure Rules, and Counter Fraud and Corruption Policy. These must be adhered to at all times.

#### 4.0 Specification

4.1 Responsible Officers must ensure a specification for the goods/services/works being procured is prepared in accordance with the Procurement Manual.

4.2 As part of the preparation of the specification, the Responsible Officer should determine the evaluation approach, for example, most economically advantageous tender (MEAT) – see 4.3 below.

#### 4.3 Most Economically Advantageous Tender (MEAT)

(a) Where both price and quality are to be factors (i.e. where MEAT applies), the quality criteria must be identified and weighting between price and quality established and recorded before bids are requested. The criteria should be stated in the request for bids sent to suppliers. Advice should be sought from the Chief Finance Officer on the design and operation of any evaluation model to be used as part of the selection process.

(b) Should a MEAT approach be used, price/quality bid evaluation models must be lodged with the Finance and Improvement Manager before closing dates/times have expired, to ensure a fair and transparent process. If:-

- (i) A bid other than the lowest of the MEAT (as the case may be) is to be accepted, or
- (ii) Fewer than three bids have been received; then:

the written approval of the Corporate Director (in consultation with the Chief Finance Officer or if the relevant Corporate Director is the Chief Finance Officer, in consultation with the Chief Executive) shall be sought and obtained before the quotation is accepted.

(c) A quotation for a price in excess of £50,000 may be accepted in the case where the estimated price was less than £50,000 if (and only if):

- (i) The price quoted does not exceed that original documented estimated price by more than 10% **and**
- (ii) The written approval of the Corporate Director (in consultation with the Chief Finance Officer) has been obtained.

If the conditions at (i) and (ii) are not met, the Corporate Director must seek tenders in accordance with these rules.

(d) Where a quotation/tender involves payment to the Council, the provisions above shall apply except that the word 'lowest' shall be replaced by the word 'highest' in these paragraphs.



#### 4.4 Pre-Tender Market Testing

Pre-tender market testing / enquiries may only be made following approval and guidance from the Monitoring Officer and s151 Officer, to ensure that procurement regulations are adhered to.

#### 4.5 The Transfer of Undertakings (Protection of Employment) Regulations 2006 ('TUPE')

As part of establishing the scope and specification of the goods/works/services required, it is necessary to establish if TUPE applies. The Responsible Officer must seek and take account of legal and HR advice from within the Council prior to proceeding with procurement, to verify if TUPE applies. If it is deemed that TUPE applies, the Responsible Officer will fully involve HR and Legal in the procurement.

#### 4.6 Key performance measures

Key performance measures must be included as part of the specification. The specification forms the basis of the future Contract agreed with the winning bidder. In order to effectively manage the contract, performance measures need to be established as part of the requirements set out in the specification. Guidance on the inclusion of key performance measures is available in the Procurement Manual.

#### 4.7 Specification of Goods, Materials and Workmanship

Where an appropriate British or European Standard Specification, British or European Standard Code of Practice or Government Departmental specification is current at the date of tender, every contract shall require that, as the case may be, all goods and materials used or supplied and all workmanship shall be at least in accordance with that standard or specification.

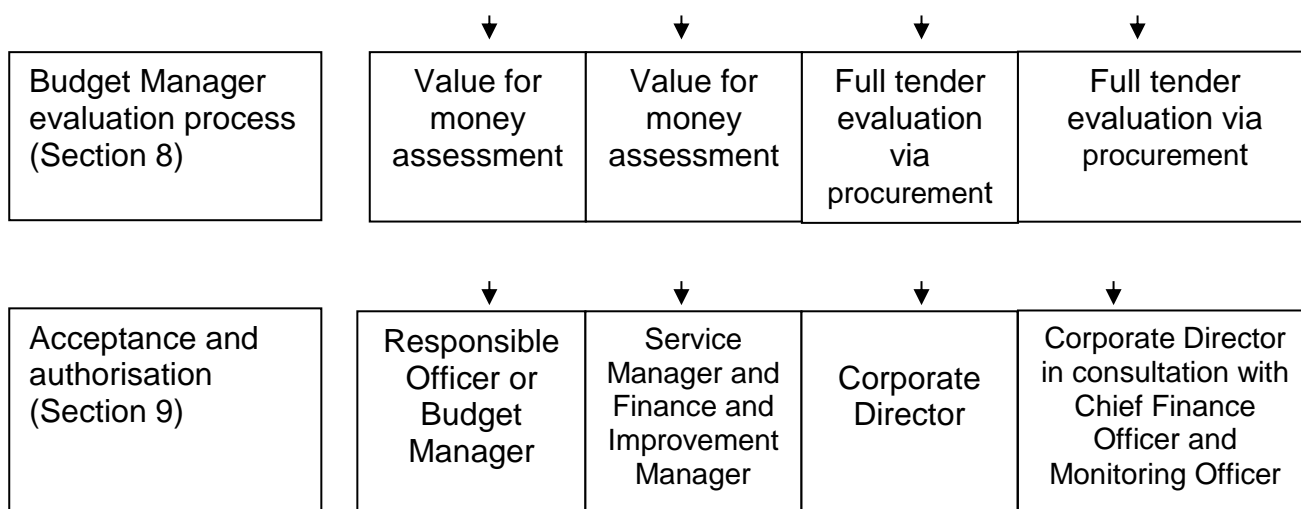
### 5.0 Selection of the Appropriate Procurement Procedure

5.1 The table below is a reference point to the agreed threshold levels and options required as a minimum to be followed when procuring goods, works and/or services in respect of the Council.

5.2 The table gives direction to the relevant sections of the CPRs on the assumption that the Responsible Officer has an available budget allocation and the appropriate responsibility and permissions to spend that allocation.

**Table 1**

Total value of the anticipated spend Over life of contract (Section 5.5)	Nil to £5,000	£5,001 to £50,000	£50,001 to the EU threshold	Above the EU threshold*
	↓	↓	↓	↓
Minimum requirement (Section 6)	Verbal quote(s) evidenced in writing and records maintained	Three written quotes	Full tender process	



\* The relevant threshold at January 2016 is £164,176 for services and £4,104,394 for works

5.3 All contracting arrangement should be procured by one of the following processes and/or methods: -

- A Central Purchasing Body (section 6.1)
- Framework Agreements (sections 6.2)
- Quotation Procedure (sections 6.3)
- The Tender Procedure (sections 6.4 – 6.5)
- Other Procurement routes (section 6.6)
- Electronic Auctions (sections 6.7)
- Partnership Arrangements (sections 6.8)
- Purchasing Cards (section 6.9)

5.4 If the above procurement procedures prove to be unsuitable or not applicable, it is then appropriate to utilise the three procedures as set out below: -

- The Competitive Dialogue Procedure (section 6.6)
- The Competitive Procedure with Negotiation (section 6.6)
- Innovation Partnership (section 6.6)

## 5.5 Thresholds

(a) The required procurement procedures are effective and operational based on a range of set financial thresholds. These relevant thresholds are as follows: -

- Verbal quotations, evidenced in writing – up to and including £5,000
- Formal written quotations – up to and including £50,000
- Tender process - £50,001 and above

(b) The European Union thresholds are established and reviewed every second calendar year in January. The following financial thresholds are effective from January 2016:

- Supplies Contracts (Goods) – £164,176
- Services Contracts - £164,176
- Works Contracts - £4,104,394

- (c) The effective EU threshold figure, referred to in Table 1 above, for both evaluation and acceptance and authorisation is the supplies and services threshold amount. (i.e. Works related tenders would need to be financially evaluated by Finance and authorised & accepted by the Senior Management Team when they exceed £164,176 rather than £4,104,394).
- (d) For the purposes of these financial thresholds, the estimated value of a contract shall be the value of the total consideration payable, net of value added tax (calculated in accordance with HMRC regulations), which the Council expects to be payable under the whole life of the contract.
- (e) Where the Council has a single requirement for goods, works and/or services and a number of contracts have been entered into or are to be entered into to fulfil that requirement, the estimated value for the total consideration payable is the sum that the Council expects to be payable under the total of all of those contracts.
- (f) Where the Council intends to provide any goods, for the purpose of carrying out that contract, to the successful contractor the value of the total consideration payable shall include an estimated value of those goods.
- (g) The estimated value of the total consideration payable in respect of a framework agreement or dynamic purchasing system arrangement is the sum of all the contracts, which could be entered into under the framework agreement or dynamic purchasing system arrangement, over the lifecycle of the contract.
- (h) Where a contract is being arranged through a partnership arrangement, the total cost in respect of all the partners, needs to be accounted for when calculating the total consideration payable.

## **6.0 Procurement Routes**

### **6.1 Central Purchasing Bodies**

- (a) A "Central Purchasing Body" means a body which: -
  - Acquires goods or services intended for one or more other bodies
  - Awards public contracts intended for one or more other bodies
  - Concludes Framework agreements for goods, works and/or services intended for one or more other bodies.

Central Purchasing Bodies are selected through accessing national framework contracts. Examples of central purchasing bodies are the 'Crown Commercial Services (CCS)' and 'Yorkshire Purchasing Organisation (YPO)'.

- (b) The Procurement Team shall approve the use of proposed central purchasing bodies. The records shall be reviewed and agreed by the Monitoring Officer / Chief Finance Officer on at least an annual basis. The Council may purchase goods, works and/or services from or through a Central Purchasing Body.
- (c) Where the Council makes purchases via a Central Purchasing Body, it shall be

deemed to have complied with the Contract Procedure Rules to the extent that the Central Purchasing Body has complied with them and/or similar rules.

- (d) To ascertain whether a Central Purchasing Body is suitable to use, Officers should contact the Procurement Team and refer to the Procurement Manual.

## 6.2 Framework Agreements

- (a) "Framework Agreement" means a general term for an agreement with suppliers which sets out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement.
- (b) To ascertain whether a Framework Agreement has been established or is available for the Council to use, Officers should contact the Procurement Team or refer to the Procurement Manual.
- (c) To establish a Framework Agreement, the following steps are required to be undertaken:

To follow one of the procedures as set out in sections 6.3a) to 6.5b) of these Contract Procedure Rules.

**AND**

Select suppliers to be party to a framework agreement in accordance with the criteria as set out in this section.

- (d) Where the Council awards a specific contract based on a framework agreement, it shall:

Comply with the procedures as set out in this section

**AND**

Apply those procedures only to the suppliers, which are party to the framework agreement.

- (e) When awarding a specific contract on the basis of a framework agreement a further competition must be undertaken between all capable suppliers in the category. Further specific details of awarding contracts through a framework agreement can be found in the Procurement Manual.
- (f) Identification of capable suppliers is at the discretion of the 'Responsible Officer'. All suppliers should be given the same information on which to quote and all proposals considered on a like for like basis. Neither the Council nor the supplier shall include in that specific contracts, terms that are amended from those terms as set out in the original framework agreement.
- (g) Where the Council concludes a framework agreement with only one supplier, it shall:

Award any specific contract within the limits of the terms as set out in the original framework agreement

## **AND**

In order to award a specific contract, the Council may consult in writing with the supplier, requesting that the supplier supplements its specific tender/quotation as appropriate.

- (h) The Council shall not conclude a framework agreement for a period that exceeds 48 months (four years), other than in exceptional circumstances and only after prior approval of the Council's Senior Management Team.

### **6.3 Quotation Procedure**

- (a) A "Quotation" means either a verbal or a written (email, letter, etc...) quotation, which clearly communicates or sets out all aspects of the contract, including its duration and total lifetime cost.
- (b) Where the estimated 'total consideration payable' of the contract is less than or equal to the verbal quotation threshold, then it is appropriate that 'value for money' is achieved.
- (c) There is no formal requirement to seek quotations in a written format, in respect of this verbal quotation threshold, but good practice would be to at least seek a range of verbal quotations. A record should be retained of all verbal quotations. The procedure to be followed is set out in the Procurement Manual.
- (d) The preferred verbal quotation should be confirmed in writing.
- (e) Where the estimated 'total consideration payable' of the contract is more than the verbal quotation threshold of £5,000 but less than or equal to the written quotation threshold of £50,000, then there is a minimum requirement to invite at least three written quotations. If the actual value of the quotation is more than £50,000, authority to proceed is required from the budget holder and the Finance and Improvement Manager.
- (f) If the number of quotations received is less than three, authority to accept a quotation is required from the Finance and Improvement Manager.
- (g) Where there is an acceptance of any quotation, other than the lowest, then this must be in line with pre-agreed criteria and recorded on standard schedules, and been communicated to the supplier in advance of their submissions.
- (h) All quotations and their assessments must be retained for the duration of the contract, or if in relation to a 'one off' arrangement, for a full 12 month period following the financial year in which they were procured.
- (i) All potential Contractors invited to submit quotations shall be provided in all instances with identical information and instructions, and at the same time. Where considered appropriate, Corporate Directors may permit potential Contractors who have been selected to submit quotations under this paragraph

to also submit variant quotations (i.e. quotations which do not comply with some or all of the requirements of the primary quotation). The same opportunity to submit variant quotations must be given to all potential Contractors. All quotations should be received electronically unless:

- (i) The specialised nature of the procurement would require specific tools, devices, file formats, software or specialised office equipment.
  - (ii) Where the procurement documents required for submission are physical or scale models.
  - (iii) The use of electronic means of communication would breach security or the material is of a particularly sensitive nature.
- (j) Each Corporate Director shall maintain electronic or written records of all quotations received in accordance with the Acceptable Use Policy and Information Security Policy and all returned proposals must be submitted to the Procurement Team which will retain a record on the Quotation Database.
- (i) **Procedure for Contracts with a value up to £5,000:** For contracts with a value up to £5,000 the only requirement is for Verbal Quotations to be sought and evidenced in writing.
  - (ii) **Procedure for Contracts with a value between £5,001 and £50,000:** For contracts with a value between £5,001 and £50,000, at least three written quotations shall be requested upon a Request for Quotation. Requests for Quotation should ideally be requested via the eProcurement Portal.
  - (iii) **Procedure for Contracts with a value between £50,000 and EU Procurement Levels:** Any contract with a value between £50,001 and EU Procurement Levels shall be procured upon an Invitation to Tender in accordance with Open or Restricted Procedures.

#### 6.4 Open Tenders

- (a) An "Open Tender" means a procedure leading to the award of a contract whereby anyone may tender for the contract.
- (b) If the estimated value is £50,000 or more, electronic tenders must be invited using the e-tendering system in accordance with the following provisions and in line with guidance set out in the Procurement Manual: The Monitoring Officer and Chief Finance Officer are to be advised before any tenders are invited.
- (c) Before Responsible Officers invite tenders, they must be recorded in writing whether the lowest price or the MEA tender is to be accepted. Where both price and quality are to be factors (i.e. where MEAT applies), the quality criteria must be identified and weighting between price and quality established and recorded before tenders are invited. The criteria, sub-criteria and weighting should be stated in the invitation to tender sent to all bidders. Advice should be sought from the Chief Finance Officer on the design and operation of any evaluation model to be used as part of the selection process.
- (d) All bidders invited to submit tenders shall be provided in all instances with identical information and instructions. Where considered appropriate a

Responsible Officer may, (in consultation with the Chief Finance Officer), permit bidders who have been selected to submit tender in accordance with this paragraph to also submit variant tenders (i.e. tenders which do not comply with some or all of the requirements of the primary tender). Where variants are authorised or required the Council will indicate this in the procurement document, listing the minimum requirements to be met and will ensure the chosen award criteria can be applied to variants as well as conforming tenders, that are not variants. The same opportunity to submit variant tenders must be given to all bidders.

- (e) A copy of the questionnaire and tender evaluation models used must be lodged with the Finance and Improvement Manager before any documents are opened.
- (f) If a Responsible Officer (in consultation with the Chief Finance Officer) considers it appropriate that any invitation to tender shall be made to all potential contractors, the following procedures shall apply:
  - (i) An invitation to tender notice must be given on the e-tendering system and, if appropriate, in a newspaper (which may be local, regional or national but must be appropriate for the subject matter of the tender) and/or in a suitable trade journal where appropriate. Consideration should be given to the subject matter and value of the contract when deciding which form of advertising to use. Where required, an OJEU contract Notice must also be placed. The notice must specify brief details of the subject matter of the contract, how documents may be obtained and the tender closing date.
  - (ii) The deadline date must be at least 35 days after the publication of the first advertisement for the invitation to tender notice, and where relevant, at least 15 days after the last invitation to tender notice is published. Where an OJEU Notice is required, the deadline date must be in accordance with the timescales set out in the Public Contracts Regulations 2015.
  - (iii) The selection and award criteria which are to be applied in evaluation tenders must be recorded in writing before the tenders are invited and must be stated in the document sent to suppliers. Evaluation models must be lodged with the Finance and Improvement Manager before tenders are opened.

## 6.5 Restricted Tenders

- (a) The “Restricted Procedure” means a procedure leading to the award of a contract whereby only interested suppliers selected by the Council may submit tenders for the contract. To select suppliers to be invited to tender, Officers must establish at the Prior Information Notice (PIN) stage whether suppliers are able to perform the contract. This selection must only be on the grounds of economic and financial standing and technical or professional ability directly related to the subject of the contract.
- (b) All Restricted procedure contracts shall be subject to the tendering requirements as set out below. Guidance is provided in the Procurement Manual and from the Procurement Team. Quotations are not acceptable.

- (i) A notice inviting expressions of interest must be given on the e-tendering system and, if appropriate, in a newspaper (which may be local, regional, or national but must be appropriate for the subject matter of the contract) and/or in a suitable trade journal where appropriate. Consideration should be given to the subject matter and value of the contract when deciding which form of advertising to use. When required an OJEU Contract Notice must also be placed. The notice must specify brief details of the subject matter of the contract and invite potential contractors
- (ii) The deadline date must be at least 30 days after the first advertisement for the contract is published and, where relevant, at least 15 days after the last advertisement is published. Where an OJEU Notice is required, the deadline date must be in accordance with the timescales set out in the Public Contract Regulations 2015.
- (iii) Interested parties will be invited to submit an expression of interest
- (iv) After evaluation, invitations to tender shall be sent to at least five bidders selected by the Responsible Officer in consultation with the Chief Finance Officer or, if less than five bidders applied or are considered suitable, such bidders as have been selected by the Responsible Officer in consultation with the Chief Finance Officer.
- (v) The award criteria which are to be applied in evaluating tenders must be recorded in writing before the tenders are invited and must be stated in the documents sent to suppliers. Evaluation models must be lodged with the Finance and Improvement Manager before tenders are opened.
- (vi) The acceptance and authorisation of contracts under the open / restricted / tender procedure must be done by the Officers named in table 1 of 5.2 above.

## 6.6 Other Procurement Routes

Where the Monitoring Officer and Chief Finance Officer agree that it is appropriate, the Competitive Dialogue Procedure, Competitive Procedure with Negotiation or Innovation Partnership may be used in accordance with the Public Contracts Regulations 2015. Acceptance and authorisation of contracts under any procurement route must comply with the requirements set out at table 1 of 5.2 above.

## 6.7 Electronic Auctions

- (a) An "electronic auction" means a repetitive electronic process for the presentation of prices to be revised downwards or of new and improved values of quantifiable elements of tenders, including price, which:
  - Takes place after the initial evaluation of tenders; and
  - Enables tenders to be ranked using automatic evaluation methods
- (b) The Council may only hold an electronic auction when the contract specification can be established with precision and when qualitative thresholds have been established. An electronic auction may use the following procedures:-



- The open tender procedure
  - The restricted tender procedure
  - The negotiated procedure
  - Further competition among the parties to a framework agreement
  - On the opening of competition for contracts to be awarded under a dynamic purchasing system.
  - An electronic auction can be undertaken by a third party on behalf of the Council with the prior approval of the Chief Finance Officer.
- (c) The processes set out above under Tenders should be complied with when undertaking Electronic Auctions. The detailed procedures are set out in the Procurement Manual.

## 6.8 Partnership Arrangements

- (a) The creation of partnership ventures should be set up to include an appropriate framework for their governance arrangements. These governance arrangements should specify and clarify the host body and whether that body's Contract Procedure Rules are effective for all procurement ventures of the partnership.
- (b) The satisfying of the host body's Contract Procedure Rules should be sufficient to comply with these Contract Procedure Rules, but must be checked with the Monitoring Officer and Chief Finance Officer.
- (c) Where no formal governance arrangements are in place for a partnership approach to a procurement venture, each body's Contract Procedure Rules will need to be followed independently.
- (d) The 'leading' partner should primarily follow their own Council's procedure rules, but cater for any differences in these rules across the partners involved.

## 6.9 Purchasing Cards

Where purchasing cards are issued by the Council, the following provisions shall apply:

- (a) Their use shall be subject to the procedures laid down by the Chief Finance Officer;
- (b) Cards shall only be issue to, and used by, Officers nominated by a Corporate Director (in consultation with the Chief Finance Officer); and
- (c) For the purpose of these regulations the payment invoice will constitute evidence in writing of the contract.

## 7.0 General Tender Requirements

7.1 A written tender may only be considered if:-

- (a) The tender has been received electronically through the e-tendering system

- (b) If a specific exception has been given to allow hard copies, the hard copy should be in a sealed envelope marked 'Tender' and indicating the subject matter of the tender, and the identity of the bidder cannot be ascertained from the tender envelope
- (c) The tender has been returned to the Monitoring Officer (or the Procurement Team as designated by the Monitoring Officer) before the tender closing date
- (d) It has been opened after the expiry of the deadline for submissions and at the same time as other tenders for the same subject matter in the presence of at least two Officers authorised to open tenders.

7.2 The Monitoring Officer (or a person designated by the Monitoring Officer) shall be responsible for the reception and safe custody of tenders until they are opened.

7.3 Tenders, whether electronic or hard copy must be opened at the same time and in the presence of the Monitoring Officer (or a person designated by the Monitoring Officer, generally a member of the Procurement Team) or where the Monitoring Officer is undertaking the procurement, the Chief Finance Officer (or an Officer designated by that person). Whoever opens the Tenders shall maintain a record of the identity of the Officer(s) present, the identities of bidders and the tendered sums (where readily ascertainable). A copy of the record shall be provided as soon as practicable to the Finance and Improvement Manager.

7.4 If a Tender is received after the specified tender closing date it may not be considered unless the Monitoring Officer is satisfied that the Tender was submitted electronically or posted or otherwise dispatched in sufficient time to be delivered before the specified time, but that delivery was prevented by an event beyond the control of the bidder and that other Tenders have not been opened.

## **8.0 Evaluation**

8.1 All bids must be evaluated in line with the evaluation criteria set out at the time of issue of the bid documents. It is for the Responsible Officer to determine the evaluation criteria with support from the Procurement Team in line with the Procurement Manual.

8.2 It is good practice to utilise the most economically advantageous tender (MEAT) in most circumstances but sometimes a price only evaluation will suffice. An overview is provided at 4.3 above.

8.3 The evaluation criteria must clearly link to the requirements in the specification and be transparent to all bidders. Further guidance is available in the Procurement Manual.

8.4 The aim of the evaluation process is to secure best value for money (the most economically advantageous tender - 'MEAT' - under EU law) and is defined as:

"The optimum combination of whole life costs and benefits to meet the customer's requirements".

8.5 A panel of at least two Officers should conduct all evaluations and all tenders received shall be subject to the tender evaluation process. The panel will be responsible for recording the details of evaluation process and they shall keep adequate records of the decisions being taken. Where tenders are to be evaluated on the basis of MEAT or price only the Corporate Director shall record the evaluation model to be used to score the selection and award criteria referred to above prior to the tenders being opened. The evaluation model should not be communicated to bidders without the approval of the Chief Finance Officer (in consultation with the Monitoring Officer).

8.6 Full evaluation models, marking guidance or model answers must not be communicated to bidders. If:-

- (a) A tender other than the lowest or the MEAT (as the case may be) is to be accepted, or
- (b) Fewer than three tenders have been received

the written approval of the Corporate Director (in consultation with the Chief Finance Officer or, if the relevant Corporate Director is the Chief Finance Officer, in consultation with the Chief Executive) must be obtained before a tender is accepted and a signed and dated record kept of the reasons for the action taken; however, no such approval can be given in respect of a) above where that contract is subject to the Public Contracts Regulations 2015 other than in exceptional circumstances agreed by the Monitoring Officer.

8.7 Each Corporate Director shall maintain an electronic or written record of all successful bidders in a form approved by the Chief Finance Officer in accordance with the Acceptable Use Policy and Information Security Policy. Where a tender involves payment **to** the Council, the rules above shall apply except that the word 'highest' shall be substituted for 'lowest' in those Rules.

#### 8.8 **Alteration to Tenders / Quotations and Post Tender Negotiations**

Tenders may not be altered by bidders after the tender closing date except:-

- (a) Where the Responsible Officer is satisfied that arithmetical errors having been inadvertently made by the Bidder, such errors can be corrected (see 8.12); or
- (b) Where post tender negotiation is undertaken in accordance with 6.7 above (electronic auctions)

8.9 Post tender negotiations may not be undertaken where the value of the contract exceeds the threshold under the Public Contracts Regulations 2015 (where an OJEU Notice is required). Where post tender negotiations are permitted, post tender negotiations with selected bidders must be in accordance with the following conditions:-

- (a) That the Responsible Officer (in consultation with the Chief Finance Officer) consider that added value may be obtained
- (b) That post tender negotiations are permitted by law

- (c) That post tender negotiations are conducted by a team of suitably experienced Officers approved by the Corporate Director and trained in post tender negotiations
- (d) That a record of the negotiations is kept by the Council
- (e) That a clear record of the added value obtained by the post tender negotiations is incorporated into the contract with the successful bidder.

8.10 The above shall also apply to alterations to quotations and shall not operate to prevent clarification of any tender or quotation to the extent permitted by law and where such clarifications are sought the provisions of the above shall apply except the word 'clarification' shall be substituted for the word 'negotiation' in these Rules.

#### **8.11 Withdrawals of Tenders / Re-tendering**

A bidder may withdraw a tender at any time prior to formal contract being signed or sealed by the Council and the successful bidder. When a bid has been accepted by the Council and the successful bidder then withdraws the bid, the remaining bids may be reconsidered and the next MEAT / lowest bid accepted, provided that Senior Management Team agrees.

#### **8.12 Errors in Bids**

Where evaluation of the bids identifies arithmetical errors in the documents submitted, the Responsible Officer shall amend the bid provided this has no impact on the overall price and clarify the position with the bidder in writing.

#### **8.13 Financial Evaluation**

For tenders, a financial appraisal shall form part of the evaluation and be verified by the Finance Section. This shall be completed in line with the guidance in the Procurement Manual for contracts with estimated values more than £50,000.

#### **8.14 Shortlisting**

Provided the evaluation methodology shared with bidders allows, the Responsible Officer may undertake a two stage process. This will involve shortlisting based on initial evaluation in line with the Procurement Manual. The second stage will identify the winning bidder.

### **9.0 Contract Awarded**

- 9.1 The Council has its own agreed terms and conditions relating to orders/ contracts with the Council. These terms and conditions must be applied to all contractual arrangements unless authorisation from the Monitoring Officer (and legal advisors if required by the Monitoring Officer) and Chief Finance Officer is obtained.
- 9.2 Acceptance and authorisation of contracts to be awarded is to be undertaken in line with the officers named in table 1 of paragraph 5.2.

#### **9.3 Form of Contract**

- (a) A contract for goods or services shall provide that if the contractor fails to deliver part or all of the goods or services within the time(s) specified, the Council may determine that the contract is either wholly or in part incomplete and purchase other goods and/or services of the same or similar description:
- To make good such default; or
  - In the event of the contract being wholly determined as incomplete, to then acquire those goods and/or services remaining to be delivered.
- (b) The contract shall also provide that the additional amount of these other goods and/or services exceeds the original contracted amount, shall be recoverable directly from the original contractor.
- (c) A contract for the execution of works shall provide for liquidated damages to be paid by the contractor in case the terms of the contract are not duly performed or not performed to the agreed standard and quality.
- (d) Every contract for the carrying out of works shall require the contractor to indemnify the Council against any claim which may be made in respect of:-
- Personal injury to any person unless due to the negligence of the Council
  - Against any claim for damage to property of third parties due to the negligence of the contractor.
- (e) The value of the indemnity shall be at least £5 million or to a value specified by the Chief Finance Officer.
- (f) The Responsible Officer shall satisfy him/herself that the indemnity is covered by adequate insurance throughout the period of the contract.
- (g) All variations resulting in a change in contract value shall be supported by adequate documentation and counter signed by the Monitoring Officer. The documentation shall specify the description of the variations, quantities, sizes/volumes/requirements, pound values, relevant dates etc.
- (h) Corporate Directors shall ensure that every consultant engaged holds a Professional Indemnity Insurance Policy to a value of at least £2 million. The terms of engagement must be such that the fees and expenses payable are clearly defined and these should act as an incentive to minimise the cost of works etc.
- (i) In contracts with an estimated total value of more than £500,000, each contractor shall be required to give security for the due performance of the contract by means of a bond of an approved assurance or guarantee company or bank.
- (j) The bond should be for an amount equal to 10% of the total sum of the tender, which is the subject matter of such contract.

#### 9.4 **Signing and Sealing of Contracts**

- (a) Officers with the appropriate delegated authority (see Article 13) only shall sign contracts. For the purpose of these procedure rules a contract can range from an official order with a value of a few pounds to a more formal contract worth several million pounds.
- (b) A contract should only be signed following the appropriate award of that contract in line with these Contract Procedure Rules.
- (c) Officers are empowered to sign contracts to various limits. The following limits will apply unless covered by other specific authorisation or delegation: -
  - Senior Management Team to Council budget limit
  - Corporate Directors to the EU threshold of £164,176 or budget limit, whichever is the lower
  - Service Manager to £50,000 or their budget limit, whichever is the lower.
  - All other staff to the value specified on their delegated authority forms (to a maximum of £5,000).
- (d) Contracts involving leasing, hire or quasi finance arrangements may only be signed by the Chief Finance Officer.
- (e) Refer to Article 13 of the Constitution, which sets out circumstances where contracts must be sealed.

#### 9.5 **Contract Payments – On Account and Final**

- (a) The Chief Finance Officer shall be informed as soon as possible of all contracts, agreements, awards or other instruments involving the payment or receipt of money on behalf of the Council.
- (b) Payment to contractors on account shall be authorised only on a certificate signed by the Service Manager or other duly authorised officer, showing the total amount of the contract, the value of work executed to date, retention of money, amount paid to date, VAT and tax and the amount now certified.
- (c) Every variation on a contract for building or construction works shall be authorised in writing by the appropriate Service Manager or other Responsible Officer nominated by him in writing for that purpose. A copy of the variation shall be forwarded to the Chief Finance Officer promptly.
- (d) When variations result in an overall increase in the amount of an accepted tender or estimate by 10% or £50,000 whichever is the lower, this shall be reported to the Senior Management Team as soon as possible with an estimate of the probable new total cost.
- (e) Senior Management Team may require a report on the contract pressure to be made to the next Corporate Board.
- (f) The final certificate on a contract or accepted estimate shall not be issued by the appropriate officer identified in 9.4c) until they have produced a detailed

statement of account together with such documents as the Chief Finance Officer may require relating to prime cost items and particulars of additions and omissions.

- (g) The duties of an officer identified in 9.4c) under this Regulation may be exercised by any Architect, Engineer or Surveyor, when employed by the Council as a Consultant, where the circumstances require it.

## **9.6 Nominated and Named Sub-Contractors**

- (a) In these Contract Procedure Rules any reference to a contract shall, where appropriate, also be taken to include a sub-contract.
- (b) The appropriate Officer identified in 9.4c), regardless of the value of the sub-contract, be authorised to nominate to the main contractor, acceptance of the tender or quotation that most satisfactorily provides for the most economically advantageous outcome.
- (c) The terms of the above invitation shall require an undertaking by the bidder that if they be willing to enter into a contract with the main contractor on terms which indemnify the main contractor against their own obligations under the main contract in relation to the work or goods included in the sub-contract.

## **9.7 External Supervising Officers**

- (a) It shall be a condition of the employment by the Council of any person (not being an Officer of the Council) to supervise a contract that in relation to such contract they shall comply with these Procedure Rules as if she/he were an employee of the Council. It is the role of the Responsible Officer undertaking the procurement to ensure this is communicated to external supervising officers.
- (b) Responsible Officers (in consultation with the Chief Finance Officer) shall consider whether to include provision for the payment of liquidated damages by a Contractor for breach of contract in all contracts which exceed £50,000 in value.
- (c) When considered appropriate by a Responsible Officer (in consultation with the Chief Finance Officer) the Contractor will be required to provide a performance bond to secure the performance of the contract. Such performance bonds should provide for a sum of not less than 10% of the total value of the contract or such other sum as the Chief Finance Officer considers appropriate.

## **9.8 Performance Management**

All contracts must include key performance measures to ensure the effective management of the contract awarded. Guidance on performance measures and management is found in the Procurement Manual.

## **10.0 Contract Monitoring**

- 10.1 The Responsible Officer shall take all such steps as are necessary to monitor and review the performance of the Contract, having regard to its value, nature,

duration and subject matter. As part of the monitoring and review process the Responsible Officer shall maintain adequate records of contract performance and details of review meetings with the Contractor. Such record and details shall be made available to Internal Audit and the Procurement Team whenever required.

## 10.2 Cancellation of Contracts

- (a) The Council must ensure its rights for none or poor performance of a contract. Any Responsible Officer of the Council has the power to terminate a contract based on assessed performance against those specified rights. All contracts must include an appropriate clause to that effect.
- (b) The Responsible Officer must ensure that the reporting of the use of these arrangements are communicated in line with the Council's Scheme of Delegations.
- (c) The following clause shall be inserted into every written Council contract:

"The Council may terminate this contract and recover all of its loss if the contractor, its employees or anyone acting on the contractor's behalf do any of the following:-

- Offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the contractor does not know what has been done) or
- Commit an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972 or
- Commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council Members, contractors or employees".

- (d) Any clause limiting the contractors' liability shall not apply to this clause.

## 11.0 Exceptions to Contract Procedure Rules

11.1 A Responsible Officer does not need to invite quotations or tenders in the following circumstances:

- (a) Purchases via framework agreements which have been established by other public sector bodies or consortia and where such framework agreements are lawfully accessible to the Council, or
- (b) Purchases at public auctions, or
- (c) the purchase of supplies, work or services which are of such a specialised nature as to be obtainable from one contractor only, except where the value of the contract exceeds the relevant threshold of the Public Contracts Regulations 2006; or
- (d) The instruction of Counsel by the Monitoring Officer; or



- (e) Repairs to or the supply of parts for existing proprietary machinery or plant except where the value of the contract exceeds the relevant threshold of the Public Contracts Regulations 2015.

This shall be referred to as a request for an 'exception'.

11.2 Contracts where the Monitoring Officer and the Chief Finance Officer agree that for reasons of extreme urgency brought about by unforeseeable events not attributable to the Council, the timescales for obtaining quotations or tenders cannot be met.

11.3 Specific exceptions to Contract Procedure Rules are permitted in such other circumstances as the Monitoring Officer and the Chief Finance Officer may agree.

11.4 A request for an 'exception' shall be made using a form prescribed by the Monitoring Officer and the Chief Finance Officer which shall specify the reasons for the request and include a completed risk assessment of the proposal.

11.5 The Monitoring Officer shall ensure the maintenance of a register of all requests made under this paragraph and the responses given to them, normally this will be retained by the Procurement Team.

11.6 A written record shall be signed and dated by the Corporate Director, whenever rules 11.1 – 11.5 apply.

#### **11.7 Breaches of Contract Procedure Rules**

Breaches of CPRs are extremely serious matters and will be fully investigated and reported to Senior Management Team and the Audit, Governance and Standards Committee as the Chief Finance Officer / Monitoring Officer deem appropriate.

#### **12.0 Declaration of Interests**

12.1 If it comes to the knowledge of a Member, Responsible Officer or other Officer that a Contract in which he has an interest (determined in accordance with the Members' and/or Officers' Code of Conduct as appropriate) has been or is proposed to be entered into by the Council, he/she shall immediately give written notice to the Monitoring Officer.

#### **13.0 Procurement Manual**

13.1 All those involved in conducting procurements on behalf of the Council shall have regard to the guidance in any Procurement Manual current at the time in respect of any procurement process.

#### **14.0 Revision of Contract Procedures Rules**

14.1 The Chief Finance Officer shall review these Contract Procedures Rules on an annual basis and report to the Audit, Governance and Standards Committee and / or Council if appropriate.

## Definition of Terms

<b>A</b>		
<b>B</b>	Bid	A <u>bid</u> is a submission of a quotation or a tender setting out the basis on how a potential supplier will contract with the Council.
	Bidder	A <u>bidder</u> is the person or organisation that has submitted a quotation or tender setting out the basis on how a potential supplier will contract with the Council.
	Budget Manager	<u>Budget Manager</u> is a nominated person who has responsibility for managing a budget in line with the Finance Manual and Finance Procedure Rules.
<b>C</b>	Call off	A <u>Call Off</u> is an individual contract awarded under a framework agreement for the provision of particular services, goods or works. There are two ways to award call-offs under a framework agreement, either Direct Award if the terms given in the framework agreement are sufficient enough to cover a particular requirement, or by Mini-Competition. A mini competition or mini tender can take place between all suppliers/contractors appointed on the framework who are able to meet the particular needs. In conducting a Mini-Competition the basic terms of the framework cannot be re-negotiated, nor can the main specification be substantially changed.
	Central Purchasing Body	A <u>Central Purchasing Body</u> means an organisation which:- <ul style="list-style-type: none"> <li>• Acquires goods or services intended for one or more other bodies</li> <li>• Awards public contracts intended for one or more other bodies</li> <li>• Concludes Framework Agreements for goods, works and/or services intended for one or more other bodies</li> <li>• Central Purchasing Bodies are selected through accessing national framework contracts</li> </ul>
	Chief Finance Officer	The <u>Chief Finance Officer / s151 Officer</u> is defined in Part 3 of the Council's Constitution, under Scheme of Delegation.
	Competitive Dialogue	<u>Competitive Dialogue Procedure</u> is a prescribed form of procurement involving ongoing dialogue throughout the process. It is explained in the Public Contract Regulations.
	Competitive Dialogue with Negotiation	<u>Competitive Procedure with Negotiation</u> is a prescribed form of procurement whereby economic operators may submit a request to participate in a call for competition.
	Contract Register	The <u>Contract Register</u> is a register of all contracts with a total value over £5,000 held by the Council. This is retained by the procurement section.
	Corporate Director	A <u>Corporate Director</u> is a senior officer and director who is responsible for a group of services as set out in and approved by the Council's pay policy and structure.
Council Plan	The <u>Council Plan</u> is the plan the Council has adopted which sets out its approach to the delivery of services and objectives for the Council for a fixed period of time.	

	Counter Fraud Policy	The <u>Counter Fraud Policy</u> is a policy adopted by the Council setting out how it will address potential fraud and corruption.
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<b>E</b>	Electronic Auction	An " <u>Electronic Auction</u> " means a repetitive electronic process for the presentation of prices to be revised downwards or of new and improved values of quantifiable elements of tenders, including price, which: <ul style="list-style-type: none"> <li>• Takes place after the initial evaluation of tenders; and</li> <li>• Enables tenders to be ranked using automatic evaluation methods</li> </ul>
	EU Thresholds	The <u>European Union thresholds</u> are set out in the European public contracts directive (2014/24/EU) and apply to public authorities including, amongst others, government departments, local authorities and NHS Authorities and Trusts. They are set out at paragraph 5.6.
	EU Treaties	The <u>EU Treaties</u> are the Treaties of the European Union (EU) between its member states, setting out the Constitutional basis of the Union. They establish the various EU institutions together with their remit, procedures and objectives. Thresholds are net of VAT.
	Exception	An <u>exception</u> is when the Responsible Officer is granted authority not to comply with Contract Procedure Rules in line with section 11 of the rules set out above.
	Expression of Interest	An <u>Expression of interest</u> is the process of seeking an indication of interest from potential service providers who are capable of undertaking specific work.

<b>F</b>	Finance Manual	The <u>Finance Manual</u> is a set of procedures which support the Councils' Finance Procedure Rules. It explains how the Finance Procedure Rules should be implemented and complied with.
	Financial Procedure Rules	The <u>Financial Procedure Rules</u> are the procedures that the Council agrees Officers will comply with in relation to all financial transactions and budgeting.
	Forward Procurement Plan	The <u>Forward Procurement Plan</u> is a schedule of procurements that are required to be undertaken over the forthcoming 3 years, showing timescales for planning and implementing identified contracts following procurement
	Framework Agreement	A <u>Framework Agreement</u> means a general term for an agreement with suppliers, which sets out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement.

<b>G</b>	Goods	<u>Goods</u> refer to a physical commodity – see also 'Works' and 'Services'.
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<b>H</b>	HMRC	Her Majesty's Revenues and Custom
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<b>I</b>	Innovation Partnership	<u>Innovation partnership</u> is a prescribed form of procurement involving selecting a partnership at the outset of a procurement process. It is explained in the Public Contract Regulations.
	Invitation to Tender	The term <u>Invitation to Tender</u> is a special procedure for generating competing offers from different bidders looking to obtain an award of business activity in works, supply, or service contracts. It is important that the Invitation to Tender contains all the information and detail needed to enable a bidder to compile a fully formed tender for the requirement.
<b>J</b>		
<b>K</b>		
<b>L</b>		
<b>M</b>	MEAT	The <u>Most Economically Advantageous Tender</u> criteria enables the contracting authorities to take account of criteria that reflect quality, technical and sustainable aspects of the tender submission as well as price when reaching an award decision.
	Monitoring Officer	The <u>Monitoring Officer</u> is defined in Part 3 of the Council's Constitution, under Scheme of Delegation.
<b>N</b>	Negotiated Procedure	<u>Negotiated Procedure</u> is a prescribed form of procurement involving negotiation throughout the process. It is explained in the Public Contract Regulations.
<b>O</b>	OJEU	<u>OJEU</u> is the 'Official Journal of the European Union'
	Open Tender	An <u>Open Tender</u> means a procedure leading to the award of a contract whereby anyone may tender for the contract.
<b>P</b>	Performance Bond	A <u>Performance Bond</u> is a deposit paid by the supplier as a way of guaranteeing its performance. Failure to perform could result in the deposit not being returned to the supplier.
	Prior Information Notice (PIN)	A <u>Prior Information Notice</u> is used as a means of calling for competition in place of a contract notice (Regulation 28) and can also be used in place of a Pre-Qualification Questionnaire stage with selected suppliers being taken straight to the tendering stage. It can also be used as a call to competition but it must contain the information outlined in Annex V Part B I and II in the 2014 Procurement Directive.
	Procurement Manual	The <u>Procurement Manual</u> is a set of procedures which support the Council's Contract Procedure Rules. It explains how the Contract Procedure Rules should be implemented and complied with.
	Procurement Strategy	The <u>Procurement Strategy</u> is the Council's agreed approach to ensure it is fully compliant with regulations and obtains value for money for the Council when undertaking all procurements.
	Public Contract Regulations	The <u>Public Contract Regulations 2015</u> set out the legal framework for public procurement which will apply when contracting authorities seek to acquire supplies, services or work.

<b>Q</b>	Quotation	A <u>Quotation</u> means either a verbal or a written (email, letter, etc.) quotation, which clearly communicates or sets out all aspects of the contract, including its duration and total lifetime cost.
	Verbal quotation	See 'V'
	Written quotation	See 'W'

<b>R</b>	Records, Retention and Destruction Policy	The Council's <u>Records, Retention and Destruction Policy</u> is part of a suite of Information Governance policies and procedures setting out how long records should be retained and when they should be destroyed. This covers electronic records and hard copy documents.
	Restricted Procedure	The " <u>Restricted Procedure</u> " means a procedure leading to the award of a contract whereby only interested suppliers selected by the Council may submit tenders for the contract.
	Responsible Officer	A <u>Responsible Officer</u> is the Officer responsible for procuring and contracting specific goods and services for the Council. The Responsible Officer will be designated by the relevant Corporate Director and would normally be the Service Manager, unless the Corporate Director decides otherwise.

<b>S</b>	S151 Officer	The <u>s151 Officer / Chief Finance Officer</u> is defined in Part 3 of the Council's Constitution, under Scheme of Delegation
	Senior Management Team	The <u>Senior Management Team (SMT)</u> comprises the Council's Chief Executive and Corporate Directors
	Services	<u>Services</u> are the delivery of a resource which provides an outcome – see also 'Goods' and 'Works'
	Service Manager	<u>Service Manager</u> is a manager of a service for the Council
	Specification	A <u>Specification</u> is a written explanation of the goods / services the Council wishes to purchase / acquire

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<b>U</b>	Ultra vires	The Council is acting ' <u>ultra vires</u> ' (Latin for 'beyond the powers') if it undertakes decisions / actions that it does not have the power to do.
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<b>V</b>	Verbal quotation	A <u>verbal quotation</u> means a quotation that is not confirmed in writing which is compliant with the specification requirements of the goods / services to be provided. It will be provided in advance of ordering of works and is subsequently substantiated by an order and invoice.
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<b>W</b>	Written quotation	A <u>written quotation</u> means a quotation confirmed in writing which is compliant with the specification requirements of the goods / services to be provided.
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	Works	<u>Works</u> relate to the activity and materials associated with the accomplishment of a physical task – see also ‘Goods’ and ‘Services’
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<b>X</b>		
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<b>Y</b>		
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<b>Z</b>		
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## **Part H - Officer Employment Procedure Rules**

(Note: for the purposes of these employment procedure rules a “Chief Officer” is either the Chief Executive or Corporate Director; the “Council” includes a Committee, Sub-Committee or officer to whom appropriate powers have been delegated)

### **1.0 Determining the Staffing Establishment**

- 1.1 The Council shall from time to time, after consultation with the person holding the statutory office of Head of Paid Service and with the Chair and Vice-Chair of any Committee primarily concerned, determine the staffing establishment of the Council. No new post shall be created nor any person be employed in addition to that establishment, except with the agreement of the Council.
- 1.2 Where a vacancy occurs in any existing office of Chief Officer, the Council shall obtain the views of the person holding the statutory office of Head of Paid Service and decide, in the case of an office which the Council is not required by statute to fill, whether the office is necessary; and in any case what shall be the terms and conditions of the office; and no steps shall be taken to fill the post until these decisions have been taken.

### **2.0 Declarations**

- 2.1 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. Failure to disclose that relationship shall disqualify.
- 2.2 No candidate who is 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.

### **3.0 Seeking Support for Appointment**

- 3.1 Subject to paragraph 3.3, the Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.
- 3.2 Subject to paragraph 3.3, no Councillor will seek support for any person for any appointment with the Council.
- 3.3 Nothing in paragraphs 3.1 and 3.2 will preclude a Councillor from giving a written reference for a candidate for submission with an application for appointment.

### **4.0 Recruitment**

- 4.1 Where the Council proposes to appoint a Chief Officer and it is not proposed that the appointment be made exclusively from among their existing officers, the Council will:
  - a) draw up a statement specifying the duties of the officer concerned and any qualifications or qualities to be sought in the person to be appointed;

- b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it;
- c) make arrangements for a copy of the statement mentioned in paragraph a) to be sent to any person on request;
- d) consider the response to advertising the post and interview all qualified candidates or those on a shortlist the Council shall select. If there are no qualified candidates the post shall be re-advertised.

4.2 All vacancies to be filled in offices under the Council shall be publicly advertised except:

- a) posts to be filled by promotion or transfer;
- b) where within six months of the filling of a vacancy which has been publicly advertised, a similar vacancy occurs in an office in the appointment of the Council, a former applicant may be appointed;
- c) where the Council otherwise determines.

## **5.0 Appointments**

5.1 The full Council will approve the appointment of the Head of Paid Service following the recommendation of the Corporate Board or a sub-committee of Council.

5.2 Every appointment of a Corporate Director shall be made by the Corporate Board which may delegate their powers of appointment to a Sub-Committee.

5.3 The Council may, if it thinks fit, appoint and fix the remuneration of some person to carry on temporarily the duties of a Chief Officer until a successor is appointed.

5.4 Appointment of officers below Chief Officer (other than assistants to political groups) is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Councillors.

5.5 Appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

## **6.0 Disciplinary Action – Statutory Officers**

6.1 The Head of Paid Service, Monitoring Officer and Chief Finance Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and last no longer than two months, beginning on the day the suspension takes effect, unless directed otherwise by the relevant Committee, Sub-Committee, Panel or officer.

6.2 No disciplinary action may be taken in respect of any of those officers except in accordance with a recommendation in a report made by a designated independent person under Regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001, and the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 (“The 2015 Regulations”).



6.3 The Head of Paid Service, Monitoring Officer and Chief Finance Officer (“relevant officers”) may not be dismissed by the Council unless the following procedure is complied with:-

- (a) The Council must invite relevant independent persons to be considered for appointment to a Panel, with a view to appointing at least two such persons to the Panel.
- (b) Relevant independent persons means any independent person who has been appointed by the Council, or where there are fewer than two such persons, such independent persons as have been appointed by another authority or authorities as the Council considers appropriate.
- (c) Independent person means a person appointed under Section 28(7) of the Localism Act 2011 who are not Elected Members.
- (d) A Panel means a committee appointed by the Council under Section 102(4) of the Local Government Act 1972 for the purpose of advising the Council on matters relating to the dismissal of relevant officers of the Council.
- (e) The Council is not required to appoint more than two relevant independent persons in accordance with the preceding paragraph, but may do so.
- (f) The Council must appoint a Panel at least 20 working days before a meeting (“the relevant meeting”) of the Council to consider whether or not to approve a proposal to dismiss a relevant officer of the Council.
- (g) Before taking a vote at the relevant meeting on whether or not to approve such a dismissal the Council must take into account, in particular:-
  - (i) Any advice, views or recommendations of the Panel;
  - (ii) The conclusions of any investigation into the proposed dismissal; and
  - (iii) Any representations from the relevant officer.

6.5 The Head of Paid Service, the Monitoring Officer and the Chief Finance Officer shall not be dismissed other than in accordance with a resolution of Full Council.

## **7.0 Disciplinary Action – Other Officers**

7.1 Councillors will not be involved in the disciplinary action against any officer, other than the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council’s disciplinary, capability and related procedures, which may allow a right of appeal to Members in respect of disciplinary action.

## **8.0 Dismissal**

8.1 Councillors will not be involved in the dismissal of any officer other than the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer except where such

involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, which may allow a right of appeal to Members in respect of dismissals.

## **Part I - Substitution Procedure Rules**

### **1.0 General**

- 1.1 Substitute Members may attend, speak and vote at meetings of Committees and Sub-Committees of the Council. In the case of Overview and Scrutiny Committees, and Audit, Governance and Standards Committee such substitute Members may not be Members of the Corporate Board. (DC88, 28/04/09)

### **2.0 Eligibility**

- 2.1 A Substitute shall belong to the same political group (as defined in the Local Government and Housing Act 1989) as the Member for whom he is a substitute.

### **3.0 Procedure**

- 3.1 Notification of substitution arrangements shall be delivered to the Democratic Services Manager prior to the commencement of the meeting at which the substitution is to apply. Notification may be in written or in oral form.
- 3.2 Once notification of a Substitute Member has been received (unless it is withdrawn prior to the commencement of the meeting) the appointed Member of the relevant Committee shall not be entitled to attend the relevant meeting except in the role of an observer.
- 3.3 Any substitution shall apply for the entire meeting including where the meeting is reconvened after adjournment.
- 3.4 The identifying of any Substitute Member attending a meeting shall be recorded in the minutes of the meeting.

### **4.0 Substitute Members of Planning And Licensing Committee**

- 4.1 Any Member shall be eligible to be a Substitute Member of the Planning or Licensing Committee, providing they have received the minimum level of training in relation to Development Control or licensing under the continuing programme arranged by the Council. (Two out of three relevant training sessions over a rolling 12 month period). In an election year or following the Annual meeting new committee members must attend the initial training session and then two out of three training sessions during their first year).
- 4.2 Appropriate training taken at the Yorkshire Dales National Park Authority may be taken into account if the member in question has undertaken initial Richmondshire District Council planning training.

### **5.0 Substitute Members of Licensing Hearings Panel**

- 5.1 Substitute for Members of Licensing Panels shall be made from the appointed membership of the Licensing Committee. Such Substitute need not be a Member of the same political group and the provisions of paragraph two above shall not apply.
- 5.2 The Democratic Services Manager will if needed, appoint a substitute from amongst the appointed membership of the Licensing Committee (in consultation with the

Chairman) who should have received training in relation to Licensing under a continuing programme arranged by the Council.

- 5.3 The Democratic Services Manager will ensure a fourth Member drawn from amongst the appointed membership of a Licensing Committee, is available to attend every meeting of the Licensing Hearings Panel. Such Member shall act as a Member of the Hearings Panel in the event that one of the three Hearings Panel Members becomes unable to act due to e.g. illness, conflict of interest.