

## INDEX TO PART 4

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## CPR1 ANNUAL MEETING OF THE FULL COUNCIL

### CPR1.1 Timing and business

In a year when there is an ordinary election of councillors, the annual meeting will take place within 21 days of the retirement of the outgoing councillors. In any other year, the annual meeting will take place in March, April or May. The annual meeting will commence at 2.00 p.m.

The annual meeting will:

- (i) elect a person to preside if the Lord Mayor is not present;
- (ii) elect the Lord Mayor;
- (iii) elect the deputy Lord Mayor;
- (iv) deal with any other civic business  
(for example appointment of honorary aldermen);
- (v) approve the minutes of the last meeting;
- (vi) receive any declarations of interest from **members of council**  
~~councillors~~;
- (vii) receive any announcements from the Lord Mayor and / or head of paid service;
- ~~(viii) elect the Leader of the Council~~
- (ix) receive a statement from **the Mayor** of the Council and a statement from each of the other group leaders and a final response from the **Mayor** of the Council;
- (x) appoint at least one overview and scrutiny committee, a ~~Standards Committee~~ and such other committees as the council considers appropriate to deal with matters which are neither reserved to the full Council nor are executive functions (as set out in part 3, of this constitution);
- (xi) agree the scheme of delegation (or such part of it) as the constitution determines it is for the full Council to agree (as set out in part 3 of this constitution);
- (xii) approve a programme of ordinary meetings of the full Council for the year including a meeting to determine the budget and policy framework; and

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

## **CPR1.2**

### **Selection of **members of council** councillors on committees and outside bodies**

At the annual meeting, the full Council will:

- (i) decide which committees to establish for the municipal year;
- (ii) decide the size and terms of reference for those committees;
- (iii) decide the allocation of seats [and substitutes] to political groups in accordance with the political balance rules; and
- (iv) receive nominations of **members of council** councillors to serve on each committee.

## **CPR2**

### **ORDINARY MEETINGS (including a meeting to determine the budget)**

#### **CPR2.1**

##### **Ordinary meetings**

- (1) Ordinary meetings of the full Council (including a meeting to determine the budget) will take place in accordance with a programme decided at the annual meeting.
- (2) Ordinary meetings (except the meeting to determine the budget) (total time limit four hours 30 minutes excluding time taken for refreshments) will:
  - (i) elect a person to preside if the Lord Mayor and deputy Lord Mayor are not present;
  - (ii) approve the minutes of the last meeting;
  - (iii) receive any declarations of interest from **members of council** councillors;
  - (iv) receive any announcements from the Lord Mayor, **Mayor**, members of the executive or the head of paid service;
  - (v) receive petitions, questions (and provide answers) and statements from members of the public;

**Time limit - 30 minutes**

- (vi) receive petitions, questions (and provide answers) and statements from **members of council** councillors.  
**Time limit - 30 minutes**
- (vii) receive any other business which the Lord Mayor accepts as urgent;
- (viii) receive reports from the executive;  
**Time limit - 1 hour 30 minutes**
- (ix) receive reports from council committees;  
**Time limit - 1 hour 30 minutes**
- (x) receive reports on the business of joint arrangements and external organisations;
- (xi) consider motions; and  
**Time limit - 30 minutes**
- (xii) consider any other business specified in the summons to the meeting.

## **CPR2.2**

### **Procedure for the budget fixing meeting**

- (1) A meeting of the full council will be held in February or March in each year (and there will be no time limit for the meeting):
  - (i) to approve the civic budget;
  - (ii) to pass the statutory resolutions in respect of the council tax including provision for collection of precepts, charges and other items included in the council tax or local taxation for the following financial year (i.e. the year commencing on 1 April after the budget fixing meeting).

#### **Publication of the civic budget:**

- (2) The civic budget prepared by the executive will be published not less than **fifteen** clear working days before the date of the budget fixing meeting.

**Notice Required - 15 clear working days**

#### **Procedure at the budget fixing meeting:**

- (3) The **Mayor** ~~Leader of the Council~~ will open the budget speech by moving:

*“that the proposed civic budget be approved”.*

### **Amendments to the proposed civic budget:**

- (4) Once the motion has been seconded, any **member of council councillor** may move an amendment to the motion that the proposed civic budget be approved provided that:
  - (i) the amendment has been fully costed, set out in detail and is internally consistent; and
  - (ii) written notice is given to the head of legal services by no later than **six clear** working days before the budget fixing meeting. Notice of amendments will be included with the agenda when the agenda for the budget fixing meeting are published.

#### **Notice Required - 6 clear working days**

- (5) The estimates of the individual departments within the civic budget will then be considered.
- (6) The Lord Mayor will call on the **Mayor or** respective executive member(s) holding the relevant portfolio, to move the approval of the relevant section of the estimates.
- (7) In the consideration of each departmental estimates, questions may be asked and amendments may be moved.
- (8) The debate on the estimates of each department will be closed when the relevant executive member has replied.
- (9) After all the estimates for departments within the civic budget have been approved, and without any further discussion, the Lord Mayor will invite the head of legal services to put the question on the motion that the civic budget (including any amendments carried) be approved.
- (10) On the approval of the civic budget, ~~the Leader of the Council~~ **the Mayor** will move the adoption of the statutory resolutions in respect of the levying of council tax or other local taxation for the ensuing year including the provision for the collection of precepts, charges and other items included in the council tax or other local taxation.
- (11) There will be no time limits on the length of the budget fixing meeting or the length of speeches.

## **CPR3 EXTRAORDINARY MEETINGS**

### **CPR3.1 Calling extraordinary meetings**

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

- (i) the full Council by resolution;
- (ii) the Lord Mayor;
- (iii) the proper officer; and
- (iv) any five **members of council** ~~councillors~~ if they have signed a requisition presented to the Lord Mayor and the Lord Mayor has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

### **CPR3.2 Business**

The agenda for an extraordinary meeting will specify the matters that the meeting will deal with. Petitions, questions and statements will be accepted only if they relate to the business for which the extraordinary meeting has been arranged.

## **CPR4 APPOINTMENT OF SUBSTITUTE MEMBERS OF COMMITTEES AND SUB-COMMITTEES (Including regulatory)**

### **CPR4.1 Allocation**

As well as allocating seats on committees and sub-committees, the full Council will allocate seats for substitute members.

### **CPR4.2 Number**

For each committee or sub-committee, the full Council will appoint the same number of substitutes in respect of each political group as that group holds ordinary seats on that committee or sub-committee.

### **CPR4.3**

#### **Powers and duties**

Substitute **members** ~~councillors~~ will have all the powers and duties of any ordinary member of the committee but will not be able to exercise any special powers or duties exercisable by the person they are substituting.

### **CPR4.4**

#### **Substitution**

Substitute **members** ~~councillors~~ may attend meetings in that capacity only:

- (i) to take the place of the ordinary **member** ~~councillor~~ for whom they are the designated substitute;
- (ii) where the ordinary **member** ~~councillor~~ will be absent for the whole of the meeting; and
- (iii) after notifying the proper officer by no later than **one hour** before the meeting of the intended substitution.

**Notice required 1 hour**

### **CPR5**

#### **TIME AND PLACE OF MEETINGS**

The time and place of meetings will be determined by the proper officer notified in the summons.

### **CPR6**

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

The proper officer will give notice to the public of the time and place of any meeting in accordance with the **Access to Information Rules** (APR). At least five clear working days before a meeting, the proper officer will send a summons signed by them by post to every **member of council** ~~councillor~~ or leave it at their usual place of residence. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

**Notice required - 5 clear working days**

### **CPR7**

#### **CHAIR OF MEETING**

The person presiding at the meeting may exercise any power or duty of the Lord Mayor. Where these rules apply to committee and sub-

committee meetings, references to the Lord Mayor also include the chair of committees and sub-committees.

## **CPR8 QUORUM**

The quorum for full Council is 18. During any meeting if the Lord Mayor counts the number of **members** ~~councillors~~ 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 Lord Mayor. If a date is not fixed, the remaining business will be considered at the next ordinary meeting.

## **CPR9 DURATION OF MEETING**

### **CPR9.1 Interruption of the meeting**

If the business of the meeting has not been concluded within four hours 30 minutes (excluding time taken for refreshments), a bell will be rung and the **member of council** ~~councillor~~ speaking must immediately sit down. The Lord Mayor must interrupt the meeting and call for the vote if appropriate immediately on the item under discussion. The vote will then be taken in the usual way without any further discussion.

### **CPR9.2 Motions and recommendations not dealt with**

If there are other motions or recommendations on the agenda that have not been dealt within four hours 30 minutes, they will be deemed to fall.

### **CPR9.3 Recorded vote**

If a recorded vote is called for during this process it will be taken immediately.

### **CPR9.4 Motions which may be moved**

During the process set out in CPR9.1, 9.2 and 9.3 above, the only other motions which may be moved are:

- that a matter be withdrawn; or
- that a matter be delegated or referred to an appropriate body or individual for decision or report.

## **CPR9.5**

### **Close of the meeting**

When the time limit for the meeting has been reached, the Lord Mayor will declare the meeting closed and any motions and recommendations which have not been dealt with will fall.

## **CPR10**

### **PETITIONS, QUESTIONS AND STATEMENTS**

*(This rule does not apply at a meeting to determine the budget)*

### **CPR10.1**

#### **General**

#### **Petitions and statements**

- (a) Members of the public and councillors, provided they give notice in writing or by electronic mail to the proper officer (and include their name and address and details of the wording of the petition, and in the case of a statement, a copy of the submission), by no later than 12 noon of the working day before a meeting, may present a petition or submit a statement at ordinary meetings of the full Council.

#### **Notice required - 12 noon of the working day before the meeting**

- (b) The total time allowed for dealing with petitions, statements (including questions under CPR 10.2 below) is thirty minutes.  
**Time limit - 30 minutes**
- (c) Persons presenting petitions will be required to read out the objectives of the petition.
- (d) Statements, provided they are of reasonable length, will be copied and circulated to all **members of council** ~~councillors~~ and will be made available to the public attending the meeting by not later than one hour before the meeting.  
**Time limit 1 hour before the meeting**
- (e) There will be no debate but after receiving the petition / statement the Lord Mayor will refer the petition / statement for further consideration to the relevant executive member, committee or officer of any other person he or she considers appropriate.

#### **Questions**

- (f) Questions by members of the public or **members of council** ~~councillors~~ may be asked of:



- (i) the ~~Leader of the Council~~ **Mayor** and executive members;
- (ii) chairs of committees;
- (iii) **members of council** ~~councillors~~ appointed to serve on outside bodies.

## **CPR10.2**

### **Order of questions**

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

## **CPR10.3**

### **Notice of questions**

- (a) A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the proper officer no later than six clear working days before the day of the meeting. Each question must give the name and address of the questioner and must identify the person to whom it is to be put. Questions will be included on the printed agenda.

**Notice required - 6 clear working days before th meeting**

- (b) Late urgent questions **may** be asked provided:
  - the question relates to urgent matters; and
  - the consent of the Lord Mayor has been obtained; and
  - the content of the question has been given to the proper officer by no later than **two hours** before the meeting on the day of the meeting.

**Notice required - 2 hours before the meeting**

## **CPR10.4**

### **Number of questions**

There will be no limit to the number of questions asked.

## **CPR10.5**

### **Scope of questions, statements and petitions**

The Lord Mayor in consultation with the proper officer may reject a question, statement or petition if it:

- is not about a matter for which the local authority has a responsibility or which affects the city;
- is defamatory, frivolous or offensive.

## **CPR10.6**

### **Record of questions**

The proper officer will enter each question in a book open to public inspection and will immediately send a copy of the question to the **member** ~~councillor~~ to whom it is to be put. Rejected questions will include reasons for rejection. Copies of all questions will be circulated to all **members** ~~councillors~~ and will be made available to the public attending the meeting, by not later than one hour before the meeting.

**Time limit 1 hour before the meeting**

## **CPR10.7**

### **Supplementary questions**

A questioner who has put a question in person may also put without notice, one supplementary question to the councillor who has replied to their original question. A supplementary question must arise directly out of the original question or the reply. The Lord Mayor may reject a supplementary question on any of the grounds in CPR10.5 (scope of questions) above.

## **CPR10.8 9**

### **Response**

- (1) Replies to questions (for which six clear working days' notice has been given) will be made available in the Council Chamber **one hour** before the council meeting. The questions and replies will be included in the minutes of the meeting.

**Time limit - 1 hour before the meeting**

- (2) Oral answers will be given to urgent questions asked under CPR10.3 (b) (notice of questions).

## **CPR11 MOTIONS ON NOTICE**

### **CPR11.1 Notice**

Except for motions which can be moved without notice under CPR11, written notice of every motion must be delivered to proper officer not later than **six clear working days** before the date of the meeting. These will be entered in a book open to public inspection.

**Notice required - 6 clear working days**

### **CPR11.2 Motion set out in agenda**

- (1) Motions for which notice has been given will be listed on the agenda in the order in which the notice was received, unless the **member** ~~councillor~~ giving notice states, in writing, that they propose to move it to a later meeting or withdraw it.
- (2) Where notice of motions has been given in accordance with the above rule, at the meeting, the Lord Mayor (at their discretion) may allow the motion to be moved by another **member** ~~councillor~~.

### **CPR11.3 Scope**

Motions must be about matters for which the council has a responsibility or which affect the city of Bristol.

## **CPR12 MOTIONS WITHOUT NOTICE**

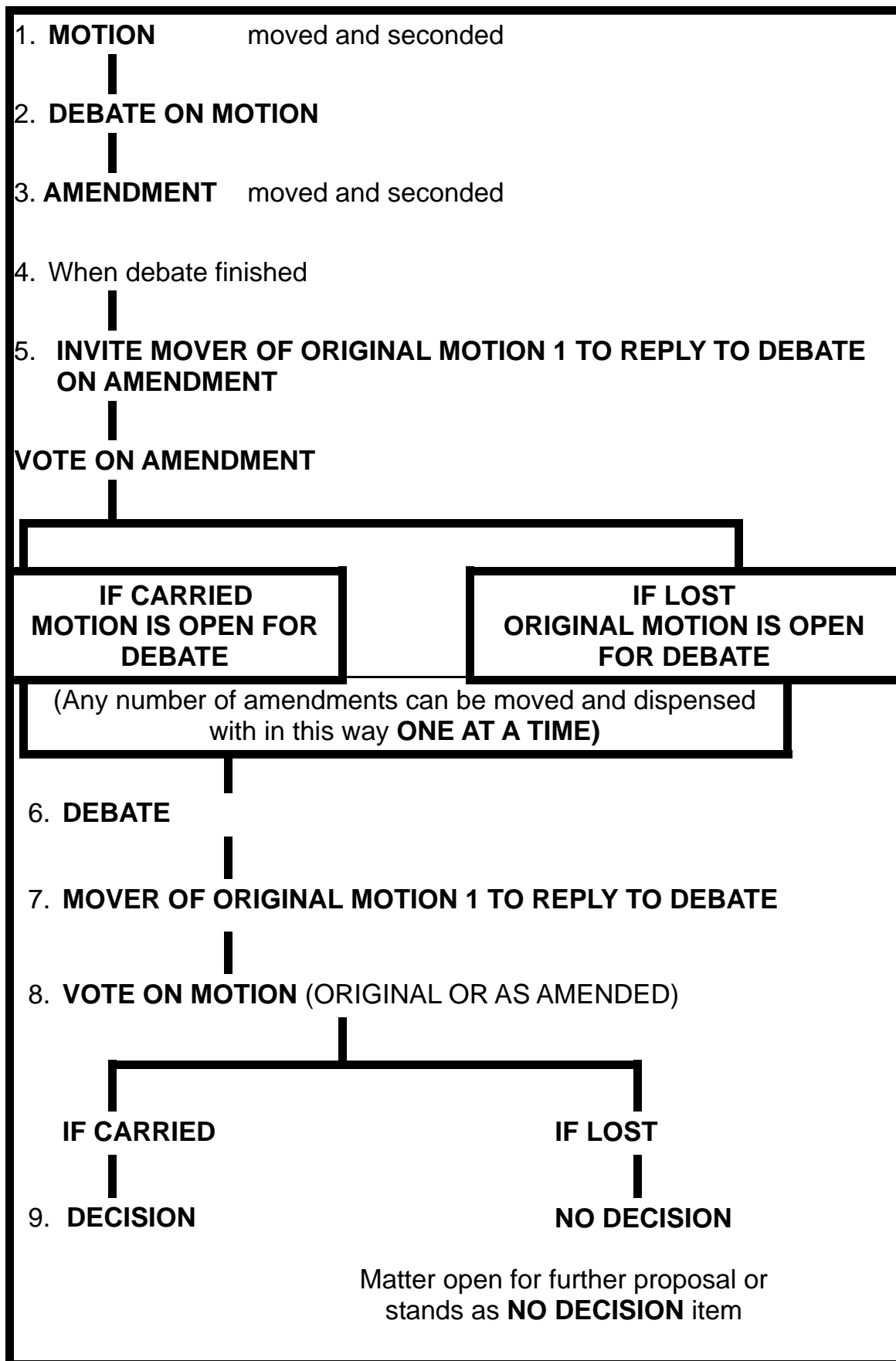
The following motions may be moved without notice:

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

- (g) to withdraw a motion;
- (h) to amend a motion;
- (i) to proceed to the next business;
- (j) that the question be now put;
- (k) to adjourn a debate;
- (l) to adjourn a meeting;
- (m) that the meeting continue beyond four hours 30 minutes in duration.
- (n) to suspend a particular **Council Procedure Rule** (CPR);
- (o) to exclude the public and press in accordance with the **Access to Information Rules** (APR);
- (p) to not hear further a councillor named under CPR 19.3 or to exclude them from the meeting under CPR 19.4; and
- (q) to give the consent of the council where its consent is required by this constitution.

**CPR13  
RULES OF DEBATE**

Simplified diagram showing how decisions might be reached



### **CPR13.1**

#### **No debate until motion or amendment is seconded**

A motion or an amendment may be debated only after it has been seconded by another **member of council** ~~councillor~~.

### **CPR13.2**

#### **Right to require motion or amendment in writing**

Unless notice of the motion or amendment has already been given, a signed copy of the motion must be put in writing and handed to the proper officer either before it is moved or immediately after it is moved. (See also CPR13.6 (g) re. amendments).

### **CPR13.3**

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

When seconding a motion or amendment, a **member of council** ~~councillor~~ may reserve their speech until later in the debate.

**Time limit - 5 minutes**

### **CPR13.4**

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

*(These time limits do not apply at a meeting to determine the budget)*

Speeches must be directed to the question under discussion or to a personal explanation or point of order. No speech moving a substantive motion may exceed **five minutes** and no other speech shall last more than **five minutes**.

**Time limit - 5 minutes for moving a motion**

**Time limit - 5 minutes for speeches**

### **CPR13.5**

#### **When a **member of council** ~~councillor~~ may speak again**

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

- (a) to speak once on an amendment moved by another 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 of reply;

- (e) on a point of order; and
- (f) by way of personal explanation (see CPR 13.13).

### **CPR13.6**

#### **Amendments to motions**

- (a) An amendment to a motion must be relevant to the motion and will either be:
  - (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
  - (ii) to leave out words;
  - (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) Any amendment must be read out, save for published amendments to the proposed civic budget (see CPR 2.2 (4)).
- (c) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.
- (d) If an amendment is not carried, other amendments to the original motion may be moved.
- (e) 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.
- (f) After an amendment has been carried, the Lord Mayor will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.
- (g) A signed copy of the amendment must be given to the proper officer either before it is moved or immediately after it has been moved.

### **CPR13.7**

#### **Alteration of a motion**

- (a) A **member** ~~councillor~~ may alter a motion (of which they have given notice) with the consent of the meeting. The consent of the meeting will be signified without discussion.

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

### **CPR13.8**

#### **Withdrawal of motion**

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

### **CPR13.9**

#### **Right of reply**

- (1) 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.
- (2) 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.
- (3) The mover of the amendment has no right of reply to the debate on their amendment.

### **CPR13.10**

#### **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 amend a motion;
- (b) that the question be now put;
- (c) to adjourn a debate;
- (d) to adjourn a meeting;
- (e) that the meeting continue beyond four hours 30 minutes in duration;
- (f) to exclude the public and press in accordance with the **Access to Information Rules**; and



- (g) to not hear further a **member councillor** named under CPR19.3 or to exclude them from the meeting under CPR19.4.

### **CPR13.11**

#### **Closure motions**

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

### **CPR13.12**

#### **Point of order**

A **member councillor** may raise a point of order at any time. The Lord Mayor will hear them immediately. A point of order may only relate to an alleged breach of these **Council Rules of Procedure** (CPR) or the law. The **member councillor** must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Lord Mayor on the matter will be final.

### **CPR13.13**

#### **Personal explanation**

A **member councillor** may make a personal explanation at any time. A personal explanation should relate to an action or statement of the **member councillor** which may appear to have been misunderstood. The ruling of the Lord Mayor on the admissibility of a personal explanation will be final.

## **CPR14 STATE OF CITY DEBATE**

### **CPR14.1 Calling of debate**

The ~~Leader of the Council~~ **Mayor** may call a state of the city debate annually on a date and in a form to be agreed with the Lord Mayor.

### **CPR14.2 Form of debate**

The ~~Leader of the Council~~ **Mayor** will decide the form of the debate with the aim of enabling the widest possible public involvement and publicity. This may include holding workshops and other events prior to or during the state of the city debate.

### **CPR14.3 Chairing of debate**

The debate will be chaired by the Lord Mayor.

### **CPR14.4 Results of debate**

The results of the debate will be:

- (i) disseminated as widely as possible within the community and to agencies and organisations in the area; and
- (ii) considered by the Leader of the Council in proposing the budget and policy framework to the council for the coming year.

## **CPR15 PREVIOUS DECISIONS AND MOTIONS**

### **CPR15.1 Motion to rescind a previous decision**

A motion to rescind a decision (made at a meeting of the full Council within the past six months) cannot be moved unless:

- (a) written notice of the motion has been supplied to the proper officer before the rising of the meeting of the full Council at which the original motion has been passed; and
- (b) oral notice has been given to the Lord Mayor during the meeting of the full Council at which the original motion was passed (and then placed in writing to the proper officer within fifteen minutes of the end of the rising of that full Council meeting).

## Note required 15 minutes after meeting

### CPR15.2 Motion similar to one previously rejected

A motion in similar terms to one that has been rejected at a meeting of the full Council in the past six months cannot be moved unless the notice of motion is given in accordance with CPR15.1 (motion to rescind a minute) above. Once the motion is dealt with, no one can propose a similar motion for six months.

## CPR16 VOTING

### CPR16.1 Majority

A motion to adopt a Policy or the Budget shall be decided by a simple majority of those members present and voting.

An amendment to a Policy or the Budget shall be decided by a vote in favour of the amendment by a two thirds majority of the members present and voting.

All other motions (unless this constitution or the law provides otherwise) shall be decided by a simple majority of members present and voting.

~~Unless this constitution provides otherwise, any matter will be decided by a simple majority of those councillors voting and present at the time the question was put.~~

### CPR16.2 Lord Mayor's casting vote

If there are equal numbers of votes for and against, the Lord Mayor will have a second or casting vote.

### CPR16.3 Recorded vote

If four or more **members** ~~councillors~~ present at the meeting immediately demand it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

### CPR16.4 Right to require individual vote to be recorded *[This rule cannot be suspended]*

Where any **member** ~~councillor~~ requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether

they voted for or against the motion or abstained from voting.

## **CPR16.5**

### **Voting on appointments**

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

If there are two people nominated then there will be a vote and the person with the majority of votes will be elected.

## **CPR17**

### **MINUTES**

#### **CPR17.1**

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

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

#### **CPR17.2**

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

*[This rule cannot be suspended]*

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.

#### **CPR17.3**

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

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

## **CPR18**

### **EXCLUSION OF PUBLIC**

Members of the public and press may only be excluded either in accordance with the **Access to Information Rules** (APR) in part 4 of this constitution or CPR 20 (disturbance by public).

## **CPR19 MEMBERS' CONDUCT**

### **CPR19.1 Standing to speak**

When a **member of council** councillor speaks at the full Council they must stand and address the meeting through the Lord Mayor. If more than one councillor stands, the Lord Mayor will ask one to speak and the others must sit. Other **members** councillors must remain seated whilst a **member** councillor is speaking unless they wish to make a point of order or a point of personal explanation.

### **CPR19.2 Lord Mayor standing**

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

### **CPR19.3 Member not to be heard further**

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

### **CPR19.4 Member to leave the meeting**

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

### **CPR19.5 General disturbance**

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

## **CPR 20 DISTURBANCE BY PUBLIC**

### **CPR20.1 Removal of member of the public**

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

### **CPR20.2 Clearance of part of meeting room**

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

## **CPR21 SUSPENSION AND AMENDMENT OF COUNCIL PROCEDURE RULES**

### **CPR21.1 Suspension**

All of these **Council Rules of Procedure** (CPR) except CPR 16.4\* and 17.2\* may be suspended by motion on notice or without notice if at least **35** ~~one half of the whole number of~~ **members** ~~councillors~~ are present (i.e. ~~35 councillors~~). Suspension can only be for the duration of the meeting.

- \* CPR16.4 - *Right to require and individual vote to be recorded*
- CPR17.2 - *No agreement to sign minutes of previous meeting if extraordinary.*

### **CPR21.2 Amendment**

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

# ACCESS TO INFORMATION PROCEDURE RULES (APR)

## CONTENTS

<b>Rule</b>	<b>Reference</b>
Access to agenda and reports before the meeting	APR5 (see also APR9)
Access to minutes etc after the meeting	APR7
Additional rights of access for councillors	APR21
Additional rights to information	APR2
Application of rules to the executive	APR12
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Confidential information - requirement to exclude public	APR10.1
Contents of forward plan decisions	APR14.2
Exclusion of access by the public to reports	APR11
Exclusion of access by the public to meetings	APR10
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Executive meetings relating to matters which are not key	APR19
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Meaning of confidential information	APR10.3
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Scope	APR1
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Supply of Copies	APR6
When an overview and scrutiny committee can require a report	APR17.1

## **ACCESS TO INFORMATION PROCEDURE RULES (APR)**

### **APR1 SCOPE**

These rules apply to all meetings of the full Council, overview and scrutiny committees, area committees and forums (if any), ~~the Standards Committee~~, regulatory and statutory committees and formal meetings of the executive either meeting collectively as a cabinet, a committee of the cabinet, or formally taking decisions as an individual executive member (together called meetings).

### **APR2 ADDITIONAL RIGHTS TO INFORMATION**

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

### **APR3 RIGHTS TO ATTEND MEETINGS**

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

### **APR4 NOTICES OF MEETING**

The proper officer will give at least five clear working days notice of any meeting by posting details of the meeting at The Council House, College Green, Bristol BS1 5TR.

**Notice required - 5 clear working days**

### **APR5 ACCESS TO AGENDA AND REPORTS BEFORE THE MEETING (see also APR 9)**

- (1) The proper officer will make copies of the agenda and reports open to the public available for inspection at the offices of the Council - The Council House, College Green, Bristol not less than five clear working days before the meeting. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the proper officer shall make each such report available to the public as soon as the report is completed and sent to councillors) will be open to inspection for the time the item was added to the agenda.
- (2) The proper officer will provide copies of the agenda and reports to the chair and member of every relevant overview and scrutiny committee not less than five clear working days before the decision is taken.

**Notice required - 5 clear working days**



## **APR6 SUPPLY OF COPIES**

The council will supply copies of:

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

## **APR7 ACCESS TO MINUTES ETC AFTER THE MEETING**

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

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

**Time limit - 6 years**

## **APR8 BACKGROUND PAPERS**

### **APR8.1 List of background papers**

The proper officer will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in their opinion:

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

or confidential information (as defined in APR 10) and in respect of executive reports, the advice of a political advisor.

## **APR8.2**

### **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.

**Time limit - 4 years**

## **APR9**

### **SUMMARY OF THE RIGHTS OF THE PUBLIC**

A written summary of the rights of the public to attend meetings and to inspect and copy documents must be kept at and available to the public at The Council House, College Green, Bristol BS1 5TR.

## **APR10**

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

#### **APR10.1**

##### **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.

#### **APR10.2**

##### **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 of the Human Rights Act.

#### **APR10.3**

##### **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.

**APR10.4****Meaning of exempt information**

“Exempt information” means information for the time being defined in the Local Authorities (Access to Information) (Variation) Order 2006 which amends Part 1 Schedule 12A of the Local Government Act 1972. The categories of exempt information and relevant qualifications are set out in the table below.

	<b>Category</b>	<b>Qualifications</b>
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 this paragraph is not exempt information by virtue of this 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 Act 1965 to 1978 (e) the Building Societies Act 1986; or (f) the Charities Act 1993.
4	Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour matters relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.	
5	Information in respect of which a claim for legal professional privilege could be maintained in legal proceedings.	
6	Information which reveals that the authority proposes: (a) to give any enactment under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.	

	Category	Qualifications
7	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.	For the purposes of the Standards Committee information is exempt if <ol style="list-style-type: none"> <li>1. It is subject to an obligation of confidentiality</li> <li>2. Relates in any way to national security</li> <li>3. It relates to deliberations of the standards committee and they are considering reaching a finding on a matter referred to it under section 60(2) or (3), 64(2), 70(4) or (5) or 71(2) of the Local Government Act 2000.</li> </ol>
8		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 sections 1 to 7 above; and is not prevented from being exempt by virtue of the qualification in section 8 or the qualification to section 3 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.

## APR11

### EXCLUSION OF ACCESS BY THE PUBLIC TO REPORTS

If the proper officer thinks fit, the council may exclude access by the public to reports which in their opinion relate to items during which, in accordance with APR 10 ((exclusions of press and public to meetings), 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.

## APR12

### APPLICATION OF RULES TO THE EXECUTIVE

- (1) Rules APR 13 – 21 apply to the executive and executive committees. If the executive or its committees meet to take a key decision then it must also comply with APR 1 – 11 unless APR 15 (general exception) or APR 16 (special urgency) apply. **A key decision is as defined in Article 13.03 of this constitution.**

- (2) If the executive or its committees meet to discuss a key decision to be taken collectively, with an officer other than a political assistant present, within 28 days of the date according to the forward plan by which it is to be decided, then it must also comply with [APR 1 – 11](#) unless [APR 15](#) (general exception) or [APR 16](#) (special urgency) apply. **A key decision is as defined in Article 13.03 of this constitution.**
- (3) This requirement does not include meetings, whose sole purpose is for officers to brief councillors.

## **APR13 PROCEDURE BEFORE TAKING KEY DECISIONS**

Subject to APR15 (general exception) and APR16 (special urgency), a key decision may **not** be taken unless:

- (a) a notice (called here a forward plan) has been published in connection with the matter in question;
- (b) at least five clear working days have elapsed since the publication of the forward plan; and
- (c) where the decision is to be taken at a meeting of the executive or its committees, notice of the meeting has been given in accordance with APR 4 (notice of meetings).

## **APR14 THE FORWARD PLAN**

### **APR14.1 Period of forward plan**

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

**Notice required - 4 months**

### **APR14.2 Contents of forward plan**

- (1) The forward plan will contain matters which the ~~Leader of the Council~~ the Mayor has reason to believe will be subject of a key decision to be taken by the executive, a committee of the executive, individual members of the executive, officers, area committees or under joint arrangements in the course of the discharge of a executive function during the period covered by the plan. It will describe the following particulars in so far as the information is available or might reasonably be obtained:

- (a) the matter in respect of which a decision is to be made;
- (b) where the decision taker is an individual, their name and title, if any and where the decision taker is a body, its name and details of membership;
- (c) the date on which, or the period within which, the decision will be taken;
- (d) the identity of the principal groups whom the decision taker proposes to consult before taking the decision;
- (e) the means by which any such consultation is proposed to be undertaken;
- (f) the steps any person might take who wishes to make representations to the executive or decision taker about the matter in respect of which the decision is to be made, and the date by which those steps must be taken; and
- (g) a list of the documents submitted to the decision taker for consideration in relation to the matter. The forward plan must be published at least fourteen days before the start of the period covered.

**Notice required - 14 days**

- (2) The proper officer will publish once a year a notice in at least one newspaper circulating in the area, stating:
  - (a) that key decisions are to be taken on behalf of the full Council;
  - (b) that a forward plan containing particulars of the matters on which decisions are to be taken will be prepared on a monthly basis;
  - (c) that the plan will contain details of the key decisions to be made for the four month period following its publication;
  - (d) that each plan will be available for inspection at reasonable hours, free of charge at the council's offices and also on the council's web site: [www.bristol.gov.uk](http://www.bristol.gov.uk);
  - (e) that each plan will contain a list of the documents submitted to the decision takers for consideration in relation to the key decisions on the plan;
  - (f) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed in the forward plan is available;

- (g) that other documents may be submitted to decision takers;
  - (h) the procedure for requesting details of documents (if any) as they become available; and
  - (i) the dates on each month in the following year on which each forward plan will be published and available to the public at the council's offices.
- (3) Exempt information need not be included in a forward plan and confidential information cannot be included.

## **APR15 GENERAL EXCEPTION**

If a matter which is likely to be a key decision has not been included in the forward plan, then subject to APR 16 (special urgency), the decision may still be taken if:

- (a) the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- (b) the proper officer has given notice to the chair and members of a relevant overview and scrutiny committee in writing, of the matter to which the decision is to be made;
- (c) the proper officer has made copies of that notice available to the public at the offices of the council; and
- (d) at least five clear working days have elapsed since the proper officer complied with (a) and (b).

**Notice required - 5 clear working days**

All executive decisions will be taken in public, subject to the **Access to Information** (APR) provisions relating to exempt or confidential information.

## **APR16 SPECIAL URGENCY**

If by virtue of the date by which a decision must be taken APR 15 (general exception) cannot be followed, then the decision can only be taken if the decision taker (if an individual) or the chair of the body making the decision, obtains:

- (i) the agreement of the chair of a relevant overview and scrutiny committee that the taking of the decision cannot be reasonably deferred; or

- (ii) if there is no chair of a relevant overview and scrutiny committee (or if the chair of each relevant overview and scrutiny committee is unable to act) then the agreement of the Lord Mayor, in consultation with party whips, that the taking of the decision cannot be reasonably deferred.
- (iii) if the Lord Mayor is unavailable or unable to act, the deputy Lord Mayor can substitute.

## **APR17 REPORTS TO FULL COUNCIL**

### **APR17.1 When an overview and scrutiny committee can require a report**

If an overview and scrutiny committee thinks that a key decision has been taken which was not:

- (a) included in the forward plan; or
- (b) the subject of the general exception procedure; or
- (c) the subject of an agreement with a relevant overview and scrutiny committee chair, or the Lord Mayor / deputy Lord Mayor under APR16 (special urgency);

the committee may require the executive to submit a report to the full Council within such reasonable time as the committee specifies. The power to require a report rests with the committee, but is also delegated to the proper officer, who shall require such a report on behalf of the committee when so requested by (the chair or any five councillors). Alternatively the requirement may be raised by resolution passed at a meeting of the relevant overview and scrutiny committee.

### **APR17.2 Executive reports to full Council**

The executive will prepare a report required under APR 17.1 for submission to the next available meeting of the full Council. However, if the next meeting of the full Council is within seven days of receipt of the written notice, or the resolution of the committee, then the report may be submitted to the meeting after that. The report to the full Council will set out particulars of the decision, the individual or body making the decision, and if ~~the Leader of the Council~~[the Mayor](#) is of the opinion that it was not a key decision, the reasons for that opinion.



**APR17.3****Quarterly reports on special urgency decisions**

In any event ~~the Leader of the Council~~the Mayor will submit quarterly reports to the full Council on the executive decisions taken in the circumstances set out in APR16 (special urgency) in the preceding three months. The report will include the number of decisions so taken and a summary of the matters in respect of which those decisions were taken.

**APR18****RECORD OF DECISIONS**

After any meeting of the executive or any of its committees, the proper officer, will produce a record of every decision taken at that meeting and will publish that decision within two clear working days. The record will include a statement of the reasons for each decision and any alternative options considered and rejected at that meeting.

**Time limit- 2 clear working days**

**APR19****EXECUTIVE MEETINGS RELATING TO MATTERS WHICH ARE NOT KEY DECISIONS**

All formal meetings of the executive (including those which do not involve the taking of key decisions) will be open to the public unless they are considering exempt or confidential information.

**APR20****OVERVIEW AND SCRUTINY COMMITTEES  
ACCESS TO DOCUMENTS****APR20.1****Rights to copies**

Subject to APR20.2 (limit on rights) below, an overview and scrutiny committee (including its sub-committees) will be entitled to copies of any document which is in the possession or control of the executive or its committees and which contains material relating to:

- any business transacted at a meeting of the executive or its committees (which includes any formal decision taken by and individual executive member).

**APR20.2****Limit on rights**

An overview and scrutiny committee will **not** be entitled to:

- (a) any document that is in draft form;

- (b) any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision they are reviewing or scrutinising or intend to scrutinise; or
- (c) the advice of a political adviser.

## **APR21**

### **ADDITIONAL RIGHTS OF ACCESS FOR COUNCILLORS**

#### **APR21.1**

##### **Material relating to key decisions**

All councillors will be entitled to inspect any document (except those available only in draft form) in the possession or under the control of the executive or its committees which relates to any key decision unless it contains exempt information falling within paragraphs 1 to 6, 9, 11, 12 and 14 of the categories of exempt information.

#### **APR21.2**

##### **Nature of rights**

These rights of a councillor are additional to any other right they may have.

# **POLICY AND BUDGET FRAMEWORK PROCEDURE RULES (BPR)**

## **CONTENTS**

<b>Rule</b>	<b>Reference</b>
Call-in of decisions outside the policy or budget framework	BPR7
Decisions outside the policy & budget framework	BPR3
Framework for executive decisions	BPR1
In-year changes to policy framework	BPR6
Process for developing the framework	BPR2
Urgent decisions outside the Policy or budget framework	BPR4
Virement	BPR5

# POLICY AND BUDGET FRAMEWORK PROCEDURE RULES

## **BPR1**

### **The framework for executive decisions**

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

## **BPR2**

### **Process for developing the framework**

The process by which the Policy and Budget framework shall be developed is:

- (a) Not less than three months before each plan / strategy / budget needs to be adopted, the Mayor will publish initial proposals for that part of the Policy and Budget framework, having first canvassed the views of local stakeholders as appropriate and in a manner suitable to the matter under consideration. Details of the Mayor's consultation process shall be included in relation to each of these matters in the forward plan published at the council's main office and also available on the council's web page - [www.bristol.gov.uk](http://www.bristol.gov.uk).

#### **Notice required - 3 months**

Any representations made to the Mayor shall be taken into account in formulating the initial proposals, and shall be reflected in any report dealing with them. If the matter is one where an overview and scrutiny committee has carried out a review of policy, then the outcome of that review will be reported to the Mayor and considered in the preparation of initial proposals.

- (b) The Mayor may consider whether to refer their initial proposals to the relevant overview and scrutiny committee for further advice and consideration. The proposals will be referred by the proper officer who will forward them to the chair and members of the relevant overview and scrutiny committee. The overview and scrutiny committee shall canvass the views of local stakeholders if it considers it appropriate in accordance with the matter under consideration, and having particular regard not to duplicate any consultation carried out by the Mayor. The overview and scrutiny committee shall report to the Mayor on the outcome of its deliberations. The overview and scrutiny

committee shall have **not less than four weeks** to respond to the initial proposals of the Mayor unless the Mayor considers that there are special factors that make this timescale inappropriate. If they do, they will inform the overview and scrutiny committee of the time for response when the proposals are referred to it.

**Notice required - 4 weeks**

- (c) Having considered the report of the overview and scrutiny committee, the Mayor, if they consider it appropriate, may amend their proposals before submitting them to the full Council meeting for consideration. In that report the Mayor should reflect how they have taken into account the deliberations of the overview and scrutiny committee.
- (d) The full Council will consider the proposals of the Mayor and may adopt them or refer them back to the Mayor for further consideration. In considering the matter, the full Council shall have before it the Mayor's proposals and any report from any relevant overview and scrutiny committee. In respect of the annual financial budget, the full Council may reject the Mayor's proposal and adopt an alternative one subject to any amendment(CPR2.2) being supported by over two-thirds of the members attending the meeting and voting.
- (e) If the Council approve the proposals with amendments or approves alternative proposals, then the Mayor may resubmit the proposals or make fresh proposals and submit these to the Council. The Mayor may exercise this right by writing to the Monitoring Officer within five days of the Council decision. They may also waive this right by writing to the Monitoring Officer.
- (f) If the council rejects the proposals of the Mayor then the Mayor must resubmit their proposals or make fresh proposals.
- (g) If the Mayor submits or resubmits proposals under BPR2 e) or f) the Council shall consider these proposals. It shall make its final decision on the matter in that it may approve the proposals of the Mayor by a simple majority of votes cast at the meeting; or approve a different decision which does not accord with the recommendations of the Mayor by the moving of an amendment supported by two thirds majority of those voting.
- (h) The decision of the full Council will be publicised in accordance with Article 4 . The notice of decision shall be dated and shall state either that the decision shall be effective immediately or at a later date considered appropriate by the full Council.
- (i) The full Council shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made public in accordance with Article 4, and shall be implemented immediately.

(j)

Each year the Mayor shall make a recommendation to full Council as to the overall financial budget and level of Council Tax to be levied in order to provide sufficient resources to implement the Policy framework. The budget proposal should include appropriate performance & output measures against which the achievements of the council within that year can be measured and monitored

**BPR3****Decisions outside the budget or policy framework**

- (a) Subject to the provisions of paragraph BPR 5 (viement) the Mayor, , individual members of the executive and any officers, area committees or joint arrangements discharging Mayor functions may only take decisions which are in line with the Policy and Budget framework. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by the full Council, then that decision may only be taken by the full Council, subject to BPR 4 (urgent decisions) below.
- (b) If the Mayor, , individual members of the executive and any officers, area committees or joint arrangements discharging Mayor functions want to make such a decision, they shall take advice from the proper officer and chief finance officer as to whether the decision they want to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget. If the advice of either of those officers is that the decision would not be in line with the existing budget and / or policy framework, then the decision must be referred by that body or person to the full Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph BPR 4 (urgent decisions outside the Policy and Budget framework) shall apply.

**BPR4****Urgent decisions outside the budget or policy framework**

This procedure covers decisions contrary to the policy framework and contrary to or not wholly in accordance with the budget. Local authorities should ensure that the procedures for the latter case set out here reflect financial regulations.

- (a) The Mayor, , an individual member of the executive or officers, area committees or joint arrangements discharging executive functions may take a decision which is contrary to the full Council's policy framework or contrary to or not wholly in accordance with the financial budget approved by the full Council if the decision is a matter of urgency. However, the decision may only be taken:
  - i) if it is not practical to convene a quorate meeting of the full Council; and

- ii) the leaders of the political parties (or their deputies in their absence) covering over two-thirds of the 70 elected councillors agreed to it

The reasons why it is not practical to convene a quorate meeting of full Council must be noted on the record of the decision.

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

## **BPR5 Virement**

Steps taken by the Mayor, an individual member of the executive or officers, area committees or joint arrangements discharging Mayor functions to implement council policy shall not exceed those financial budgets allocated to each budget head. However, such bodies or individuals shall be entitled to vire across budget heads in accordance with the requirements set out in the council's **financial regulations**. . Beyond the limits set out in financial regulations, approval to any virement across budget heads shall require the approval of the full Council.

## **BPR6 In-year changes to policy framework**

The responsibility for agreeing the Policy and Budget framework lies with the full Council, and decisions by the Mayor, an individual member of the executive or officers, area committees or joint arrangements discharging executive functions must be in line with it. No changes to any policy and strategy which make up the policy framework may be made by those bodies or individuals except those changes:

- (a) which will result in the closure or discontinuance of a service or part of service to meet a financial budgetary constraint;
- (b) necessary to ensure compliance with the law, ministerial direction or government guidance;



- (c) in relation to the policy framework in respect of a policy which would normally be agreed annually by the full Council following consultation, but where the existing policy document is silent on the matter under consideration; and
- (d) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change.

## **BPR7**

### **Call-in of decisions outside the budget or policy framework**

- (a) Where an overview and scrutiny committee is of the opinion that a Mayoral decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the council's financial budget, then it shall seek advice from the proper officer and / or chief finance officer.
- (b) In respect of functions which are the responsibility of the Mayor, the monitoring officer's report and / or chief finance officer's report shall be to the Mayor with a copy to every councillor. Regardless of whether the decision is delegated or not, the Mayor must consider what action to take in respect of the monitoring officer's report and to prepare a report to the full Council in the event that the proper officer or the chief finance officer conclude that the decision was a departure. .
- (c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the proper officer and / or the chief finance officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the overview and scrutiny committee may refer the matter to the full Council. In such cases, no further action will be taken in respect of the decision or its implementation until the full Council has met and considered the matter. The full Council shall meet within 28 days of the request by the overview and scrutiny committee (if there is a forthcoming ordinary meeting of the full Council the matter will be automatically included on the agenda for that meeting). At the meeting it will receive a report of the decision or proposals and the advice of the proper officer and / or the chief finance officer. The full Council may either:
  - (i) endorse a decision or proposal of the Mayor's decision taker as falling within the existing Policy and Budget framework. In this case no further action is required, save that the decision of the council be minuted and circulated to all councillors in the normal way;

Or

- (ii) amend the council's policy concerned and/or financial regulations to encompass the decision or proposal of the body or individual responsible for that executive function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the council be minuted and circulated to all councillors in the normal way;

Or

- (iii) where the full Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, require the Mayor to reconsider the matter in accordance with the advice of either the monitoring officer / chief finance officer.

# EXECUTIVE PROCEDURE RULES (EPR)

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Rule	Reference
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## EXECUTIVE PROCEDURE RULES

***NB. These rules apply to formal meetings of the executive either meeting as a cabinet, as a committee, or formally taking decisions as an individual executive member.***

### EPR1

#### HOW DOES THE EXECUTIVE OPERATE?

##### EPR1.1

#### Who may make executive decisions?

The **Mayor** ~~Leader of the Council~~ will decide how executive functions are to be exercised. They may ~~Leader of the Council may provide for executive functions to be discharged by:~~

- (i) **the Mayor**
- (i) the executive as a whole (i.e. by the cabinet);
- (ii) a committee of the executive (i.e. a committee of the cabinet);
- (iii) an individual member of the executive;
- (iv) an officer;
- (v) an area committee;
- (vi) joint arrangements; or
- (vii) another local authority.

##### EPR1.2

#### Delegation by the **Mayor** ~~Leader of the Council~~

~~At the annual meeting, or the next ordinary meeting of the council, the Leader of the Council will present to the full Council a~~ **The Mayor will provide a** written scheme of delegations ~~made by the Leader of the Council for inclusion in the council's scheme of delegation at part 3 to this constitution. The document presented by the Leader of the Council will contain the following information about executive functions in relation to the coming year:~~

- (i) the names, addresses and wards of the people appointed to the executive;

- (ii) the extent of any authority delegated to executive members individually, including details of the limitation on their authority;
- (iii) the terms of reference and constitution of such executive committees as the ~~Leader of the Council~~ Mayor appoints;
- (iv) the nature and extent of any delegation of executive functions to area committees, any other authority or any joint arrangements and the names of those executive members appointed to any joint committee for the coming year; and
- (vi) the nature and extent of any delegation to officers with details of any limitation on that delegation, and the title of the officer to whom the delegation is made.

### EPR1.3

#### Sub-delegation of executive functions

- (a) Where the executive, a committee of the executive or an individual member of the executive is responsible for an executive function, they may delegate further to an area committee, joint arrangements or an officer.
- (b) Unless the full Council directs otherwise, if functions are delegated to the executive, then the executive may delegate further to a committee of the executive or to an officer.
- (c) Unless the ~~Leader of the Council~~ Mayor directs otherwise, a committee of the executive to whom functions have been delegated by the ~~Leader of the Council~~ may delegate further to an officer.
- (d) Even where executive functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated.

### EPR1.4

#### The Leader's ~~Mayors~~ Mayor scheme of delegation and executive functions

- (a) The ~~Leader's~~ Mayor scheme of delegation will contain the details required in Article 7 ~~5~~ (The ~~mayor and the~~ executive) and set out in part 3 of this constitution.
- (b) The ~~Leader of the Council~~ Mayor may amend the scheme of delegation relating to executive functions at any time during the year. To do so, the ~~Leader of the Council~~ they must give written

notice to the proper officer and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body, committee or the executive as a whole. The proper officer will present a report to the next ordinary meeting of the full Council setting out the changes made. ~~by the Leader of the Council.~~

- (c) ~~Where the Leader of the Council~~ Mayor seeks to withdraw delegation from a committee, notice will be deemed to be served on that committee when it has been served on its chair.

### EPR1.5 Conflicts of Interest

- (a) ~~Where the Mayor Leader of the Council has a conflict of interest this should be dealt with as set out in the council's Code of Conduct for Members in part 5 of this constitution.~~
- (b) ~~If every member of the executive has a conflict of interest this should be dealt with as set out in the council's Code of Conduct for Members in part 5 of this constitution.~~

If the exercise of an executive function has been delegated to ~~the~~ deputy mayor, an executive member, a committee of the executive, ~~an individual member or an officer,~~ and should a conflict of interest arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made. ~~All members should have regard to the principles and otherwise as set out in the council's Code of Conduct for Members in part 5 of this constitution.~~

### EPR1.6 Executive meetings – when and where?

The executive will meet at least four times per year at times to be agreed by the Mayor ~~Leader of the Council.~~ The executive shall meet ~~at the council's main offices or another location to be agreed by the Leader of the Council.~~

### EPR1.7 Public meetings of the executive?

All meetings of the executive will be held in public subject to the **Access to Information Rules (APR)** in part 4 of this constitution set out the requirements covering public meetings.

## EPR1.8 Quorum

The quorum for a meeting of the executive (meeting collectively as the cabinet), or a committee of it, shall be **either the Mayor plus one other or determined by the ordinary rules of quorum (CMR8)**.

## EPR1.9 How are decisions to be taken by the Executive?

- (a) Executive decisions which have been delegated to the executive as a whole will be taken at a meeting convened in accordance with the **Access to Information Rules** (APR) in part 4.
- (b) Where executive decisions are delegated to a committee of the executive or to an individual executive member formally taking a decision individually, the rules applying to executive decisions shall be the same as those applying to those taken by the executive as a whole.

## EPR2 HOW ARE EXECUTIVE MEETINGS CONDUCTED?

### EPR2.1 Who presides?

The ~~Leader of the Council~~ **Mayor** will preside at any meeting of the executive (meeting collectively as the cabinet) or its committees at which they are present, or may appoint another ~~person~~ **executive member** to do so or if no such appointment has been made, then the committee will elect one of its members to preside.

### EPR2.2 Who may attend?

Any member of the press and public can attend executive meetings as per the details set out in the **Access to Information Rules** (APR) in part 4 of this constitution.

### EPR2.3 What business?

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

- (i) public forum (see EPR5 below);
- (ii) declarations of interest, if any;
- (iii) matters referred to the executive (whether by an overview and scrutiny committee or by the full Council) for reconsideration by the executive in accordance with the provisions contained in the **Overview and Scrutiny Procedure Rules (OSR)** or the **Budget and Policy Framework Procedure Rules (BPR)** set out in part 4 of this constitution;
- (iv) consideration of reports from overview and scrutiny committees, the chair or their nominee has the right to speak to give the view of a committee when making a referral (without the need to give notice); and
- (v) matters set out in the agenda for the meeting, and which shall indicate which are key decisions and which are not in accordance with the **Access to Information Rules (APR)** set out in part 4 of this constitution.

### EPR2.4 Consultation

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

### EPR2.5 Who can put items on the executive agenda?

The ~~Leader of the Council~~ **Mayor** will decide upon the schedule for the meetings of the executive. They may put on the agenda of any executive meeting any matter which they wish, whether or not authority has been delegated to the executive, a committee of it or any member



or officer in respect of that matter. The proper officer will comply with requests by the ~~Leader of the Council~~ Mayor in this respect.

- (1) Any member of the executive may require the proper officer to make sure that an item is placed on the agenda of the next available meeting of the executive for consideration. If they receive such a request the proper officer will comply.
- (2) The proper officer will make sure that an item is placed on the agenda of the next available meeting of the executive where a relevant overview and scrutiny committee or the full Council have resolved that an item be considered by the executive. However, there may only be up to **three** such items on any one agenda.
- (3) The monitoring officer / proper officer and / or the chief finance officer may include an item for consideration on the agenda of a executive meeting and may require the proper officer to call such a meeting in pursuance of their statutory duties. In other circumstances, where any two of the head of paid service, chief finance officer and proper officer are of the opinion that a meeting of the executive needs to be called to consider a matter that requires a decision, they may jointly include an item on the agenda of a executive meeting. If there is no meeting of the executive soon enough to deal with the issue in question, then the person(s) entitled to include an item on the agenda may also require that a meeting be convened at which the matter will be considered.

### **EPR3**

#### **Public forum (including questions) at executive meetings**

- (1) At the beginning of a meeting of the executive, up to **one hour** will be allowed for questions and representations on matters on the agenda or, if applicable, matters within the portfolio of the executive member. (See EPR4 (public forum) and EPR5 (questions) below).

**Time limit - 1 hour**

- (2) The order of business for public forum will be as follows:
  - (i) public forum - notified by local residents in Bristol
  - (ii) questions by residents in Bristol
  - (iii) public forum - notified by councillors
  - (iv) questions by councillors.

## **EPR4 Public Forum (petitions and statements)**

- (1) Members of the public and **members of council** councillors, provided they give notice in writing or by electronic mail to the proper officer (and include their name and address and details of the wording of the petition, and in the case of a statement, a copy of the submission), by no later than 12 noon of the working day before a meeting may present a petition or submit a statement to the executive.

**Notice required - 12 noon of the working day before the meeting**

- (2) The time taken by the executive member in responding to each representation, and the nature of the response given will be at the discretion of the executive member.

## **EPR5 QUESTIONS FROM COUNCILLORS AND THE PUBLIC**

### **EPR5.1 General**

Questions may be asked of any member of the executive by a **member of council** councillor or a member of the public.

### **EPR5.2 Order of questions**

Questions will be placed in the order notice of the questions were received by the proper officer and subject to EPR 3 (public forum) above.

### **EPR5.3 Notice of questions**

- (a) A question may be asked if notice has been given by delivering it in writing or by electronic mail to the proper officer no later than three clear working days before the day of the meeting. Questions must give the name and address of the questioner and must identify the executive member to whom it is to be put. Questions will be included on the printed agenda.

**Notice required - 3 clear working days**

(b) Late urgent questions **may** be asked provided:

- the question relates to urgent matters; and
- the content of the question has been given to the proper officer by no later than **two hours** before the meeting.

**Notice required - 2 hours before the meeting**

#### **EPR5.4**

##### **Number of questions submitted**

There is no limit to the number of questions asked.

#### **EPR5.5**

##### **Response**

(a) Replies to questions (*for which three clear working days' notice has been given*) will be made available in the meeting room **one hour** before the executive meeting. The questions and replies will be retained in the decision record book.

**Time limit - 1 hour before the meeting**

(b) Oral answers will be given to urgent questions asked under CPR10.3 (notice of questions).

#### **EPR6**

##### **Scope of questions, statements and petitions**

The ~~Leader~~, **Mayor** in consultation with the proper officer, may reject a question, statement or petition if it:

- is not about a matter for which the local authority has responsibility or which affects the city;
- is defamatory, frivolous or offensive.

## OVERVIEW AND SCRUTINY PROCEDURE RULES (OSR)

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## Overview and Scrutiny Procedure Rules

In these procedure rules use of the title “overview and scrutiny committee” means any overview and scrutiny committee or sub-committee appointed by an overview and scrutiny committee that is not a joint scrutiny committee. Where “select committee” is used, the rule applies to select committees and other bodies appointed by an overview and scrutiny committee, including sub-committees.

### Legislative framework

- ~~Section 21 - 21D Local Government Act 2000  
The Local Authority (Overview and Scrutiny Committees Health Scrutiny Functions) Regulations 2002 (as amended)~~
- ~~Section 19 Police and Justice Act 2006 (as amended by 126 Local Government and Public Involvement Act 2007)~~
- ~~The Overview and Scrutiny (Reference by Councillors) (Excluded Matters) (England) Order 2008~~
- ~~Crime and Disorder (Overview and Scrutiny) Regulations 2009~~
- ~~Flood and Water Management Act 2010~~

### **Definitions In relation to the Councillor Call for Action Process (CcfA)**

~~“Co-operating person or body” means the local probation board and providers of probation services under s.3 Offender Management Act 2007 for the council's area.~~

~~“Responsible authority” means the chief of police, police authority, fire and rescue authority, primary care trust and local health board in the council's area.~~

~~“Local crime and disorder matter,” in relation to a member means a matter concerning --~~

- ~~(a) crime and disorder (including in particular forms of crime and disorder that involve anti-social behaviour or other behaviour adversely affecting the local environment); or~~
- ~~(b) the misuse of drugs, alcohol and other substances which affects all or part of the ward for which the member is elected or any person who lives or works in that ward.~~

~~“Local government matter” in relation to a member means a matter which relates to the discharge of any function of the authority and affects all or part of the ward for which the member is elected or any person who lives or works in that ward but excludes:~~

- ~~\_\_\_\_\_~~
- ~~\_\_\_\_\_ (a) a local crime and disorder matter as defined above;~~
- ~~\_\_\_\_\_ (b) any matter relating to a planning decision<sup>\*</sup>;~~

\* As defined in article 1(3) The Overview and Scrutiny (Reference by Councillors) (Excluded Matters)

- ~~— (c) any matter relating to a licensing decision\*;~~
  - ~~— (d) any matter relating to an individual or entity where that person has a statutory right to a review or right of appeal (other than a right to complain to the Ombudsman);~~
  - ~~— (e) any matter which is vexatious, discriminatory or not reasonable to be included in the agenda or discussed at an overview and scrutiny meeting; or~~
  - ~~— (f) any matter specified in an order made by the Secretary of State.~~
- ~~— A matter will not be excluded, even though it falls within (b), (c) or (d) above, if it consists of an allegation that a function for which the authority is responsible has not been discharged at all or that its discharge has failed or is failing on a systematic basis.~~

~~“Responsible authority” means the chief of police, police authority, fire and rescue authority, primary care trust and local health board in the council's area.~~

## OSR1

**This has been moved to Article 8**

~~**What will be the number and arrangements for overview and scrutiny committees**~~

- ~~(a) The full Council will appoint annually, such overview and scrutiny committees as it deems appropriate which will between them conduct overview and scrutiny of any action taken by the executive and of services which are received by the local community from other providers, where such overview and scrutiny committee considered necessary or where required to do so by statute.~~
- ~~(b) The terms of reference of the overview and scrutiny committees will be agreed by the full Council and set out in part 3 of the constitution.~~
- ~~(c) The overview and scrutiny arrangements will include:
  - ~~i) a committee with responsibility for the scrutiny of local health service provision in accordance with Section 7 of the Health and Social Care Act 2001 and the regulations made under that section or any superseding legislation;~~
  - ~~ii) a designated “crime and disorder committee” with overview and scrutiny responsibility as defined in Section 19 of the Police and Justice Act 2006 or any legislation that supersedes it;~~
  - ~~iii) a committee with responsibility for the scrutiny of the management of~~~~

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~~(England) Order 2008.~~

~~flood risk and coastal erosion in accordance with the Flood and Water Management Act 2010 or any legislation that supersedes it; and~~

~~iv) a call-in committee.~~

~~(d) The overview and scrutiny committees may also appoint scrutiny sub-committees and select committees which will be given a specific remit and, where appropriate, time scale for completing their work. Such committees may investigate provision of any council service or service that is delivered by an external provider, for the benefit of the people of Bristol with a view to supporting policy development and making recommendations for service improvements.~~

## **OSR2 1**

### **Who may sit on overview and scrutiny committees?**

All councillors except members of the executive may be members of an overview and scrutiny committee. However, no member may be involved in scrutinising a decision in which they have been directly involved, **other than by virtue of their involvement in a decision of Full Council**

## **OSR3 2**

### **Co-optees**

- (1) All overview and scrutiny committees shall be entitled to appoint a reasonable number of non-voting co-optees.
- (2) Co-optees shall be drawn from groups or organisations or represent service users who have an interest in services whose overview and scrutiny falls within a committee's specific remit.
- (3) Co-optees may be appointed either as standing co-optees, whose membership of a committee will be for the duration of the municipal year **(except for statutory parent governor co-optees for whom the term of office is 2 years )** or special interest co-optees - those appointed to assist a committee with its scrutiny of a particular matter.
- (4) All co-optees will be non-voting other than those identified in OSR 4-3 below.

## **OSR4 3**

### **Voting co-optees / representatives**

- (1) The relevant overview and scrutiny committee dealing with education matters shall include in its membership the following voting representatives:
  - (a) 1 Church of England diocese representative;

- (b) 1 Roman Catholic diocese representative; and
- (c) 2 parent governor representatives.

a relevant overview and scrutiny committee in this paragraph is a committee whose functions relate wholly or in part to any education functions. Where the overview and scrutiny committee deals with other matters, these representatives shall not vote on those other matters, though they may stay in the meeting and speak.

- (2) Co-optees to the designated crime and disorder committee may have voting rights as determined by that committee.

#### **OSR54**

##### **Meetings of overview and scrutiny committees**

- (1) Each overview and scrutiny committee, except for the call-in committee, will determine the number and frequency of its meetings per year.
- (2) There shall be at least one meeting of the designated crime and disorder committee per year.
- (3) An overview and scrutiny committee meeting may be called by the chair (in consultation with appropriate spokespersons of the other political groups represented) of the relevant overview and scrutiny committee, by any two members of the committee or by the proper officer if they consider it necessary or appropriate.

#### **OSR65**

##### **Quorum**

The quorum for an overview and scrutiny committee or select committee shall be as set out in the Committee Rules - CMR 8 in Part 4 of this constitution.

#### **OSR76**

##### **Who chairs overview and scrutiny committee meetings?**

- (1) The chairs ~~and vice-chairs~~ of overview and scrutiny committees will be determined by the Overview and Scrutiny Management Committee at its annual meeting for the ensuing municipal year.
- (2) Whilst there is no requirement that overview and scrutiny committees must be chaired by minority parties, when determining the chairs the committee will take into account the guidance to the Local Government Act 2000 concerning the chairing of such bodies. **What guidance ? Does it still stand?**

#### **OSR87**

##### **Work programme**

Date to be inserted



- (1) The overview and scrutiny committees will, set their own work programmes, and in doing so they shall take into account wishes of members on that committee who are not members of the largest political group on the council. They shall also have regard to content of the Leader's forward plan.
- (2) Within its terms of reference , a sub-committee or select committee will decide on the direction which its investigation takes and the evidence which it considers. Any proposal by the sub-committee or select committee to vary its terms of reference must be considered by the appointing overview and scrutiny committee.

### **OSR98**

#### **Entitlement to place items on Agenda**

- (1) Any member or co-optee of an overview and scrutiny committee shall be entitled to give notice to the proper officer that they wish an item relevant to the functions of the committee to be included on the agenda for the next available meeting.

#### **Referrals to Scrutiny Under the Councillor Call for Action Process (Local Government Act 2000 1A 9FC /D) rule (2) - (8) below**

- (2) Any member of the authority may refer to an overview and scrutiny committee of which they are not a member any Local government matter which is relevant to the functions of that committee by giving written notice to the proper officer.
- (3) Any member of the authority who is not a member of the designated crime and disorder committee may refer to that committee any local crime and disorder matter by giving notice in writing to the proper officer.
- (4) On receipt of a notice under rule 9(1), 9(2) or 9(3), the proper officer will include the matter on the next available agenda of the relevant scrutiny commission for consideration.
- (5) In considering whether to exercise the power in rule 9(2) or 9(3), the member must have regard to any guidance issued by the Secretary of State and any protocol issued by the council in connection with this power.
- (6) In considering whether or not to exercise any of its powers in relation to the matter referred under rule 9(2) or 9(3), the relevant overview and scrutiny committee may have regard to any representations made by the member as to why it would be appropriate to exercise any of its powers.

If the committee decides not to exercise any of those powers in relation to the matter, it must notify the member of the decision and the reasons for it.

- (7) Where an overview and scrutiny committee exercises its power to make a report or recommendations on any matter referred to it by a member under rule 9(2) or 9(3) the committee must provide the member with a copy of the report and recommendations (subject to rule 11B).
- (8) The determination of whether or not a matter is a local government matter or a local crime and disorder matter shall be made by the proper officer.
- (9) The relevant overview and scrutiny committee shall respond to requests from the full Council and (if it considers it appropriate) the executive, to review particular areas of council activity as soon as the work programme allows. Where they do so, they shall report their findings and any recommendations back to the executive and / or the full Council.

#### **OSR109**

##### **Policy review and development**

- (1) The role of the overview and scrutiny committees in relation to the development of the council's budget and policy framework is set out in detail in the Budget and Policy Framework Procedure Rules (BPR).
- (2) In relation to the development of the council's approach to other matters not forming part of its policy and budget framework, an overview and scrutiny committee may make proposals to the executive for developments in so far as they relate to matters within its terms of reference.
- (3) Overview and 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. Select committees and other bodies appointed by an overview and scrutiny committee may undertake such activity as necessary, to fully investigate the topic which they have been charged with reporting on.
- (4) Both may ask witnesses to attend to address them on any matter under consideration. Any advisers, assessors and witnesses may be paid a reasonable fee and expenses for doing so.

#### **OSR110**

## Reports from overview and scrutiny committees

### General

- (1) Where an overview and scrutiny committee makes a report or recommendations to full Council or the executive, except in relation to a Local crime and disorder matter, the following rules apply:

The proper officer will prepare a formal report which may be published. Depending on the nature of the subject matter, the report will be submitted to the appropriate tier of the authority for consideration (strategic director; executive member or cabinet; or full Council) along with a written notice requiring that full Council or the executive:

- consider the report or recommendations;
- respond to the overview and scrutiny committee indicating what (if any) action full Council or the executive propose to take;
- publish the response, if the overview and scrutiny committee has published its report or recommendations;
- provide a copy of the response to the member if the overview and scrutiny committee provided a copy of the report or recommendations to the member under rule OSR 9(7);
- do all of the above within two months of receiving the report / recommendations or (if later) the notice.

**Time limit - 2 months**

- (2) Where an overview and scrutiny committee's proposals would require a departure from or a change to the agreed budget and policy framework, then the matter will be considered by the full Council.
- (3) It is the duty of full Council or the executive to which a notice is given under rule 11(3) to comply with the requirements specified in the notice.

### Reports to NHS bodies

- (4) Where an overview and scrutiny committee makes a report relating to the planning, provision and operation of health services in its area, it may make a report and recommendations to a local NHS body, which body must respond in writing within 28 days of the request (or if this is not possible, as soon as reasonably practicable thereafter to a timescale agreed with the proper officer).

**Statutory time limit - 28 days**

### Local improvement targets ~~Reports to Partners~~

- (5) Where an overview and scrutiny committee makes a report—~~or recommendations to full Council or the executive~~ (that does not relate to

~~a local crime and disorder matter), and the report or any of the recommendations concern a local improvement target relating to a relevant partner authority (other than the police authority or Chief Constable~~ **or health service body**):

- (a) the overview and scrutiny committee may by notice in writing to the relevant partner authority (accompanied by the report / recommendations) require that the authority have regard to the report or recommendations in question in exercising their functions; and
- (b) the relevant partner must comply with the requirement in the notice to have regard to the report/recommendations.

### Reports relating to Crime and disorder matters

- (6) Where the designated crime and disorder committee makes a report or recommendations to a responsible authority (including any part of the council) or cooperating person or body the council must provide the responsible authority or cooperating person or body with a copy of the report or recommendations with a written notice requiring that they:
  - (a) consider the report and recommendations;
  - (b) respond in writing to the committee within 28 days of the date of the report or recommendations (or, if this is not possible, as soon as reasonably possible thereafter) indicating what (if any) action they propose to take;
  - (c) have regard to report or recommendations in exercising its functions.

**Statutory time limit - 1 month**

## **OSR 12 11**

### **Reports from select committees**

- (1) When a select committee has completed its final report:
  - (a) it will submit its report and recommendations to the appointing overview and scrutiny committee for consideration;
  - (b) where the report relates to a service which is provided directly by or is supported by the city council, the appropriate senior officer(s) will then be invited to comment on the recommendations. Where it relates to a service which is supplied by an external agency, then that agency will be invited to comment;

- (c) the appointing overview and scrutiny committee will then either:
  - (i) refer the report and any officer or external agency comments to the next appropriate meeting of the full Council for debate prior to referring it to the **Mayor** cabinet / executive, non-executive committee, external agency or decision maker; or
  - (ii) refer the matter directly to the **Mayor** cabinet / executive, non-executive committee, external agency or decision maker.
- (2) If an overview and scrutiny committee or select committee cannot agree on one single final report any councillor(s) may require that a note of dissent is included or a minority report is prepared and submit it for consideration by the full Council or cabinet / executive, non-executive committee, external agency or decision maker with the majority report.

### **OSR 13~~12~~**

#### **Publication of reports, recommendations and responses**

Where a report or recommendation of an overview and scrutiny committee or response of the full Council or the executive is published pursuant to OSR 11 or 12 and is provided to a member any confidential information or any relevant exempt information may be excluded in line with the provisions of section 21D of the Local Government Act 2000.

### **OSR14~~13~~**

#### **Making sure that the views of scrutiny are considered by the executive**

Every agenda for the cabinet / executive meetings shall include an item entitled '*Issues arising from overview and scrutiny*'. Any reference from an overview and scrutiny committee will either be reported via the appropriate reporting schedule or take the form of a detailed officer report which shall be included at this point in the agenda, within two months of the overview and scrutiny committee completing its report / recommendations.

*Select committee final reports will form a separate agenda item.*

**Time limit - 2 months**

### **OSR15~~14~~**

#### **Rights to information**

##### Information held by the council

- (1) In addition to their rights as councillors, members of overview and scrutiny committees have the additional right to documents held by the council, and to notice of council meetings as set out in the Access to Information Rules (APR) in part 4 of this constitution.

Information held by local NHS bodies

- (2) Where an overview and scrutiny committee is exercising its functions in relation to the planning, provision or operation of local health services, a local NHS body must provide it with any such information as the scrutiny commission may require in accordance with the Local Authority (Overview and Scrutiny Committees Health Scrutiny Functions) Regulations 2002 or any legislation that supersedes it.

Local improvement target – Provision of information by Partner Authorities

- (3) An overview and scrutiny committee may request that a partner authority provide it with information ~~relating to the performance of a local improvement target specified in the Local Area Agreement.~~

Crime and Disorder Matter

- (4) Where the designated crime and disorder committee makes a request in writing for information to a responsible body or co-operating person or body, that information must be provided in accordance with the Crime and Disorder (Overview and Scrutiny) Regulations 2009 or any legislation that supersedes it.

Flood Risk Management Authorities

- (5) A risk management authority must comply with a request made by an overview and scrutiny committee for information and have regard to reports and recommendations of an overview and scrutiny committee.

**OSR1615****Members and officers giving account**

- (1) Where an overview and scrutiny committee or select committee considers decisions or actions taken in connection with the discharge of any council function falling within its terms of reference, it may **require** any member of the executive, the head of paid service and / or any strategic director or ~~second tier officer~~ **service director** to attend before it to explain in relation to matters within their remit:
  - (a) any particular decision or series of decisions;
  - (b) the extent to which the actions taken implement council policy; and / or
  - (c) the performance of their duties;and it is the duty of those persons to attend if so required.
  
- (2) An overview and scrutiny committee chair or select committee chair, in consultation with the spokespersons of the other political groups represented will decide where any member or officer should be required to attend an overview and scrutiny committee or select committee under this provision, and the proper officer will be advised accordingly. The proper officer shall inform the executive member or officer in writing giving at least fifteen clear working days notice of the meeting at which they are required to attend. The notice will state the nature of the item on which they are required to attend to give account and whether any papers are required to be produced for the commission. 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.

**Notice required - at least 15 clear working days**
  
- (3) Where, in exceptional circumstances, the member or officer is unable to attend on the required date, then the overview and scrutiny committee or select committee shall in consultation with the member or officer arrange an alternative date for attendance to take place within a maximum of five days from the date of the original request. In setting the dates the proper officer will take into account exceptional circumstances, for example illness or planned holidays.

**OSR 1716****Attendance by others**

- (1) An overview and scrutiny committee or select committee may invite people other than those people referred to in OSR 16 (members and officers giving account) above to address it, discuss issues of local concern and / or answer questions. It may for example wish to hear from residents, stakeholders, councillors and officers in other parts of the public sector and shall invite such people to attend.

*Attendance is of course optional except as set out below.*

- (2) Where an overview and scrutiny committee is exercising its functions in relation to the planning, provision or operation of local health services, it may require an officer of a local NHS body to attend before the committee to answer such questions as appear to be necessary for discharging its functions. The officer must attend, provided he or she has been given reasonable notice of the date of the meeting.
- (3) The designated crime and disorder committee may require the attendance before it of an officer or employee of a responsible authority or a cooperating person or body in order to answer questions. The officer or employee must attend, provided he or she has been given reasonable notice of the date of the meeting.

**OSR1817****What is Call-in and how does it operate ?**

Where non-executive councillors have evidence which suggests that the executive did not take the decision in accordance with the principles set out in Article 13 (Decision Making) of part 2 of the constitution, they may ask the proper officer to “call in” the decision for scrutiny.

- (a) When a decision is made by the executive or a key decision is made by an officer with delegated authority from the executive, or under joint arrangements, the decision shall be published, including where possible by electronic means, and shall be available at the Council House normally within two clear working days of the decision being made. Chairs and members of the relevant overview and scrutiny committee will be sent copies of the records of all such decisions within two clear working days, by the proper officer responsible for publishing the decision.
- (b) That notice will bear the date on which it was published and will specify that the decision will come into force, and may then be implemented, on the expiry of five clear working days from the date the decision was taken, unless the decision is ‘called in’.



- (c) During that period, at least two non-executive members may ask the proper officer to *call-in* a decision for scrutiny using the appropriate '*call-in*' pro forma. The proper officer will first satisfy themselves that the following requirements have been met:
- (i) the *call-in* notice has been received within the prescribed time scales;
  - (ii) the decision taker's decision has been properly identified and described;
  - (iii) the members seeking the *call-in* have identified those principles of Article 13 of the constitution which they believe have been breached.
- (d) If the requirements are met the proper officer will *call-in* the item and within seven clear working days, give notice as to the date on which the *call-in* will be considered by a call-in committee.
- (e) The call-in committee will decide either:
- (i) to take no further action in relation to the *call-in*; or
  - (ii) to refer the decision back to the decision taker, setting out in writing, the nature of its concerns; or
  - (iii) to refer the matter for debate at full Council.
- (f) If the call-in committee:
- (i) meets on the date specified in the notice in (d) above but does not either refer the matter back to the decision maker or refer the matter to the full Council, then the decision will take effect on the date of the call-in committee's meeting; or
  - (ii) does not meet on the date specified in the notice in (d) above, then the decision will take effect on the first working day after that specified date.
- If it is agreed that the matter be referred back to the decision maker they shall then reconsider at their next scheduled meeting (or sooner in the event of urgency), amending the decision or not, before adopting a final decision.
- (g) If the matter is referred to the full Council and the full Council does not object to the decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the full Council does object, it has no locus to make decisions in respect of a executive decision unless it is contrary to the policy framework, or contrary to or not wholly consistent with the budget. Unless that is the case, the full Council will refer any decision to

which it objects back to the decision maker, together with the full Council's views on the decision. The decision maker shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by the executive member, the cabinet, or under joint arrangements, then within seven clear working days of the full Council request, notice must be given of the date of the meeting to reconsider the decision.

- (h) If the full Council does not meet, or if it does but does not refer the decision back to the decision making body or person, the decision will become effective on the date of the full Council meeting or expiry of the period in which the full Council meeting should have been held, whichever is the earlier.
- (i) Decisions taken by a Neighbourhood Committee shall not be subject to call-in.

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

- (j) The *call-in* procedure set out above shall not apply where the decision being taken by the executive is urgent. A decision will be urgent if any delay likely to be caused by the *call-in* process would seriously prejudice the council's or the public's interests. The record of the decision, and notice by which it is made public shall state whether, in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to *call-in*. The head of paid service and the monitoring officer (in consultation with the ~~Leader of the Council~~ Mayor) must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. In the absence of the head of paid service, the consent of the chief financial officer shall be required, and in the absence of the monitoring officer, the consent of the deputy monitoring officer shall be required. Decisions taken as a matter of urgency must be reported by the relevant executive member to the next available meeting of the full Council, together with the reasons for urgency.
- (k) The operation of the provisions relating to *call-in* and urgency shall be monitored annually by the monitoring officer, and a report submitted to the full Council with proposals for review if necessary.

**OSR1918****The party whip****NB. Definition of the party whip:**

*“Any instruction given by or on behalf of a political group to any councillor who is a member of that group as to how that councillor shall speak or vote on any matter before the Council or any committee or sub-committee, or the application or threat to apply any sanction by the group in respect of that councillor should they speak or vote in any particular manner.”*

When considering any matter in respect of which a member of an overview and scrutiny committee or select committee is subject to a party whip the member must declare the existence of the whip, and the nature of it before the commencement of the committee’s deliberations on the matter. The declaration, and the detail of the whipping arrangements, shall be recorded in the minutes of the meeting.

**OSR2019****Procedure at overview and scrutiny committee meetings**

- (a) In addition to the standard committee business items described in the Committee Rules (CMR) 1.1 and 2.1, ordinary meetings of overview and scrutiny committees shall include the following items on their agenda;
  - (i) any items raised by a councillor (under OSR 9) or by scrutiny co-optees;
  - (ii) items remaining in the committee’s agreed work programme;
  - (iii) responses to reports of the overview and scrutiny committee; and
  - (iv) the business otherwise set out on the agenda for the meeting.
  
- (b) Where the overview and scrutiny committee or select committee conducts investigations (e.g. with a view to policy development), the committee may also ask people to attend to give evidence at meetings which are to be conducted in accordance with the following principles:
  - (i) that the investigation be conducted fairly and all members of the committee be given the opportunity to ask questions of attendees, and to contribute and speak;
  - (ii) that those assisting the committee by giving evidence be treated with respect and courtesy; and
  - (iii) that the investigation be conducted so as to maximise the efficiency of the investigation or analysis.

**OSR 2120**

**Matters within the remit of more than one overview and scrutiny committee**

Where a matter for consideration by an overview and scrutiny committee also falls within the remit of one or more other overview and scrutiny committee, the decision as to which overview and scrutiny committee will consider it will be resolved by the proper officer.

# OFFICER EMPLOYMENT PROCEDURE RULES (OER)

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# OFFICER EMPLOYMENT PROCEDURE RULES

## PART I

### OER1

#### Recruitment and appointment

(a) **Declarations**

- (i) The council will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing [member of council councillor](#) or officer of the council; or of the partner of such persons.
- (ii) No candidate so related to a [member of council councillor](#) or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by them.

(b) **Seeking support for appointment**

- (i) 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.
- (ii) No [member of council councillor](#) will seek support for any person for any appointment with the council.

### OER2

#### Recruitment of head of paid service and chief officers

Where the council proposes to appoint a chief officer and it is not proposed that the appointment be made exclusively from among their existing officers, the council will:

- (a) draw up a statement specifying:
  - (i) the duties of the officer concerned; and
  - (ii) any qualifications or qualities to be sought in the person to be appointed;
- (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and

- (c) make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.

### **OER3**

#### **Appointment of head of paid service**

*This process is subject to Part II of the Local Authorities (Standing Orders) (England) Regulations 2001.*

- (a) The full Council will approve the appointment of the head of paid service following the recommendation of such an appointment by a committee or sub-committee of the council. That committee or sub-committee must include at least one member of the executive; and
- (b) The full Council may only make or approve the appointment of the head of paid service where the procedure set out in Annex 1 to these rules has been completed.

### **OER4**

#### **Appointment of chief officers and deputy chief officers**

*This process is subject to Part II of the Local Authorities (Standing Orders) (England) Regulations 2001.*

- (a) A committee or sub-committee of the council will interview for the posts of chief officers and deputy chief officers. That committee must include at least one member of the executive.
- (b) An offer of employment as a chief officer or deputy chief officer shall only be made where the procedure set out in Annex 1 to these rules has been completed.
- (c) The committee will be responsible for the appointment of chief officers and deputy chief officers, except those officers designated as follows:
- Head of Paid Service
  - Monitoring Officer
  - Chief Finance Officer
  - Returning Officer for local elections
  - Electoral Registration Officer
- (d) In the case of those appointments designated in (c) above, the committee will recommend to full council accordingly.

## OER5

### Other appointments

(a) **Officers below deputy chief officer**

Appointment of officers below deputy chief officer (other than assistants to political groups) is the responsibility of the head of the paid service or their nominee, and may not be made by [the Mayor or members of council](#)~~councillors~~.

(b) **Assistants to political groups**

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

(c) [Mayor's assistant](#)

[Appointment of the Mayor's Assistant shall be undertaken by the Mayor, with appropriate officer support.](#)

(d) [Compliance with Equalities & Employment Legislation](#)

[Appointments of political advisors and Mayor's Assistant must comply with equalities and employment legislation.](#)

## OER6

### Disciplinary action

- (a) **No disciplinary action, except as described in OER 6(b) may be taken in respect of the** head of paid service, monitoring officer and chief finance officer 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.
- (b) The action mentioned in OER 6(a) above is the suspension of the officer on full pay for the purpose of investigating the alleged misconduct; any such suspension must terminate no later than the expiry of 2 months beginning on the day on which the suspension takes effect, unless the designated independent person directs that it may continue beyond that period.
- (c) [Neither the Mayor or members of council](#) ~~Councillors~~ will not be involved in the disciplinary action against any officer below deputy chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the council's



disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to members in respect of disciplinary action.

## **OER7 Dismissal**

- (a) Neither the Mayor or members of council Councillors will not be involved in the dismissal of any officer below deputy chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to members in respect of dismissals.
- (b) Where a committee or sub-committee of the council is discharging, on behalf of the council, the function the dismissal of the head of paid service, a chief officer or deputy chief officer, that committee or sub-committee must include at least one member of the executive.
- (c) Where a committee or sub-committee is discharging the function in relation to the dismissal of the head of paid service, that dismissal must be approved by full Council.
- (d) Notice of dismissal of the head of paid service, a chief officer or a deputy chief officer must not be given until the procedure set out in Annex 2 has been completed.

## Annex 1

### **Appointment of head of paid service, chief officers and deputy chief officers**

1. This procedure applies to the appointment of the head of paid service, chief officers and deputy chief officers (“relevant officers”) and has been incorporated into these Rules, as required by the Local Authorities (Standing Orders) (England) Regulations 2001.
2. In this procedure, “appointor” means, in relation to the appointment of a relevant officer, full Council, the committee, sub-committee or officer discharging the function of appointment.
3. An offer of an appointment as a relevant officer must not be made until -
  - (a) the appointor has notified the proper officer of the name of the person to whom the appointor wishes to make the offer and any other particulars which the appointor considers are relevant to the appointment;
  - (b) the proper officer has notified every member of the executive of:
    - (i) the name of the person to whom the appointor wishes to make the offer;
    - (ii) any other particulars relevant to the appointment which the appointor has notified to the proper officer; and
    - (iii) the period within which any objection to the making of the offer is to be made by the ~~executive leader~~ Mayor on behalf of the executive to the proper officer; and
  - (c) either:
    - (i) the ~~executive leader~~Mayor has, within the period specified in the notice under sub-paragraph (b)(iii), notified the appointor that neither s/he nor any member of the executive has any objection to the making of the offer;
    - (ii) the proper officer has notified the appointor that no objection was received by him/her within that period from the ~~executive leader~~Mayor; or
    - (iii) the appointor is satisfied that any objection received from the ~~executive leader~~Mayor within that period is not material or is not well-founded.

## Annex 2

### Dismissal of head of paid service, chief officers and deputy chief officers

1. This procedure applies to the dismissal of the head of paid service, chief officers and deputy chief officers (“relevant officers”) and has been incorporated into these Rules, as required by the Local Authorities (Standing Orders) (England) Regulations 2001.
2. In this procedure, “dismissor” means, in relation to the dismissal of a relevant officer, full Council, the committee, sub-committee or officer discharging the function of dismissal.
3. Notice of the dismissal of a relevant officer must not be given by the dismissor until -
  - (a) the dismissor has notified the proper officer of the name of the person who the dismissor wishes to dismiss and any other particulars which the dismissor considers are relevant to the dismissal;
  - (b) the proper officer has notified every member of the executive of:
    - (i) the name of the person who the dismissor wishes to dismiss;
    - (ii) any other particulars relevant to the dismissal which the dismissor has notified to the proper officer; and
    - (iii) the period within which any objection to the dismissal is to be made by the ~~executive leader~~Mayor on behalf of the executive to the proper officer; and
  - (c) either:
    - (i) the ~~executive leader~~Mayor has, within the period specified in the notice under sub-paragraph (b)(iii), notified the dismissor that neither s/he nor any other member of the executive has any objection to the dismissal;
    - (ii) the proper officer has notified the dismissor that no objection was received by him/her within that period from the ~~executive leader~~Mayor; or
    - (iii) the dismissor is satisfied that any objection received from the ~~executive leader~~Mayor within that period is not material or is not wellfounded.

# COMMITTEE PROCEDURE RULES (CMR)

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## **COMMITTEE PROCEDURE RULES (CMR)**

### **CMR1 ANNUAL MEETING OF COMMITTEES**

#### **CMR1.1 Timing and business**

The annual meeting will:

- (i) elect a person to chair the committee for the ensuing municipal year;
- (ii) elect a person to be vice-chair of the committee for the ensuing municipal year (if appropriate);
- (iii) establish any sub-committees considered necessary including:
  - determining the membership of the sub-committee; and
  - agreeing the terms of reference of the sub-committees;
- (v) approve the minutes of the last meeting;
- (vi) receive any declarations of interest from councillors;
- (vii) receive any announcements from the chair; and
- (viii) consider any business set out in the notice convening the meeting.

### **CMR2 ORDINARY MEETINGS**

#### **CMR2.1 Ordinary meetings**

- (1) Ordinary meetings will:
  - (i) elect a person to preside if the chair (and vice chair, if appointed) are not present;
  - (ii) approve the minutes of the last meeting;
  - (iii) receive any declarations of interest from members ;
  - (iv) receive any announcements from the chair;

- (v) receive petitions, questions (and provide answers) and statements from local residents;
- (vi) receive petitions, questions (and provide answers) and statements from members of council;
- (vii) receive reports on any matter which is within the committee's general remit; and
- (viii) consider any other business which the chair has agreed is urgent.
- (ix) receive whipping declarations (in accordance with OSR17).

### **CMR3 EXTRAORDINARY MEETINGS**

#### **CMR3.1 Calling extraordinary meetings**

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

- (i) the committee by resolution;
- (ii) the chair;
- (iii) the proper officer; and
- (iv) any two members of the relevant committee, if they have signed a requisition presented to the chair and the chair has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

#### **CMR3.2 Business**

The agenda for an extraordinary meeting will specify the matters that the meeting will deal with. Petitions, questions and statements will be accepted only if they relate to the business for which the extraordinary meeting has been arranged.

## **CMR4 APPOINTMENT OF SUBSTITUTE MEMBERS OF COMMITTEES**

### **CMR4.1**

In accordance with CPR4.1 the full Council will allocate seats for substitute members.

### **CMR4.2 Powers and duties**

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

### **CMR4.3 Substitution**

Substitute members may attend meetings in that capacity only:

- (i) to take the place of the ordinary councillor for whom they are the designated substitute;
- (ii) where the ordinary member of council will be absent for the whole of the meeting; and
- (iii) after notifying the proper officer by no later than **one hour** before the meeting of the intended substitution.

**Notice required 1 hour**

## **CMR5 TIME AND PLACE OF MEETINGS**

The time and place of meetings will be determined by the proper officer notified in the summons. The place and time of meetings can be varied by the proper officer in consultation with the Lord Mayor, the Mayor and Leaders of each of the Council's political groups.

## **CMR6 NOTICE OF AND SUMMONS TO MEETINGS**

The proper officer will give notice to the public of the time and place of any meeting in accordance with the **Access to Information Rules** (APR). At least five clear working days before a meeting, the proper officer will send a summons signed by them by post or email to every councillor or leave it at their usual place of residence. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.



**Notice required - 5 clear working days****CMR7  
CHAIR OF MEETING**

The person presiding at the meeting (where this is not the person appointed at the annual meeting as chair) may exercise any power or duty of the chair.

**CMR8  
QUORUM**

The quorum for meetings will be as indicated on the table below. During any meeting if the chair counts the number of councillors 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 chair. If a date is not fixed, the remaining business will be considered at the next ordinary meeting.

<b>Committee Size</b>	<b>Quorum</b>
25 - 30	8
21 - 24	7
16 - 20	6
13 - 15	5
10 - 12	4
7 - 9	3
3 - 6	2

**CMR9  
PETITIONS, QUESTIONS AND STATEMENTS****CMR9.1  
General****Petitions and statements**

- (a) Save for the exceptions in CMR9.10, members of the public and members of council, provided they give notice in writing or by electronic mail to the proper officer (and include their name and address and details of the wording of the petition, and in the case of a statement, a copy of the submission), by no later than 12 noon of the working day before the meeting, may present a petition or submit a statement at ordinary meetings of the committee. The petition or statement must relate to the terms of reference and role and responsibility of the committee in question.

**Notice required - 12 noon on the working day before the meeting**

- (b) Save for committees established to determine planning applications, the total time allowed for dealing with petitions, statements (including questions under CMR 9.2 below) is thirty minutes.

**Time limit - 30 minutes**

- (c) Persons presenting petitions may be required to read out the objectives of the petition.
- (d) Statements, provided they are of reasonable length, will be copied and circulated to all members and will be made available to the public attending the meeting by not later than one hour before the meeting.

**Time limit 1 hour before the meeting**

- (e) Save for committees established to determine planning applications, there will be no debate but after receiving the petition / statement the committee will resolve;

(1) *“that the petition / statement be noted”*; or

(2) if the content relates to a matter on the agenda for the meeting:

*“that the contents of the petition / statement be considered when the item is debated”*; or

(3) *“that the petition / statement be referred (as appropriate) to the:*

- *Mayor; or the*
- *relevant executive member*

*for appropriate action.”*

**Variations - committees established to determine planning applications (development control committees):**

- (f) Petitions / statements relating to planning applications to be determined at the meeting will be received at the time the item is determined. There will be no discussion on the submissions, but the committee will consider the issues as the item is debated.

**Questions**

- (g) Questions by members of the public or members of council may be asked of the chair of the committee.

## **CMR9.2**

### **Order of questions**

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

## **CMR9.3**

### **Notice of questions**

- (a) A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the proper officer no later than three clear working days before the day of the meeting. Each question must give the name and address of the questioner.

**Notice required - 3 clear working days before the meeting**

- (b) Late urgent questions **may** be asked of the chair of the committee provided:

- the question relates to urgent matters; and
- the consent of the chair has been obtained; and
- the content of the question has been given to the proper officer by no later than **two hours** before the meeting on the day of the meeting.

**Notice required - 2 hours before the meeting**

## **CMR9.4**

### **Number of questions**

There will be no limit to the number of questions asked.

## **CMR9.5**

### **Scope of questions, statements and petitions**

The chair in consultation with the proper officer may reject a question, statement or petition if it:

- is not about a matter for which the committee has a responsibility; or
- is defamatory, frivolous or offensive.

## CMR9.6 Record of questions

The proper officer will enter each question in a book open to public inspection and will immediately send a copy of the question to the chair of the relevant committee. Rejected questions will include reasons for rejection. Copies of all questions will be circulated to all members of the relevant committee and will be made available to the public attending the meeting, by not later than one hour before the meeting.

**Time limit - 1 hour before the meeting**

## CMR9.7 Supplementary questions

A questioner who has put a question in person may also put without notice, one supplementary question to the chair. A supplementary question must arise directly out of the original question or the reply. The chair may reject a supplementary question on any of the grounds in CMR9.5 (scope of questions) above.

## CMR9.9 Response

- (1) Replies to questions (*for which three clear working days' notice has been given*) will be made available in the committee room **one hour** before the meeting. The questions and replies will be included in the minutes of the meeting

**Time limit - 1 hour before the meeting**

- (2) Oral answers will be given to urgent questions asked under CMR9.3 (b) (notice of questions).

## CMR9.10 Exceptions

CMR9.1 - CMR9.9, will **not** apply to committees established to deal with:

- the appointment or dismissal of first and second tier officers;
- appeals; or
- business (referred to it by the full Council) which would normally be dealt with by the full Council, (e.g. the Outside Bodies Committee).

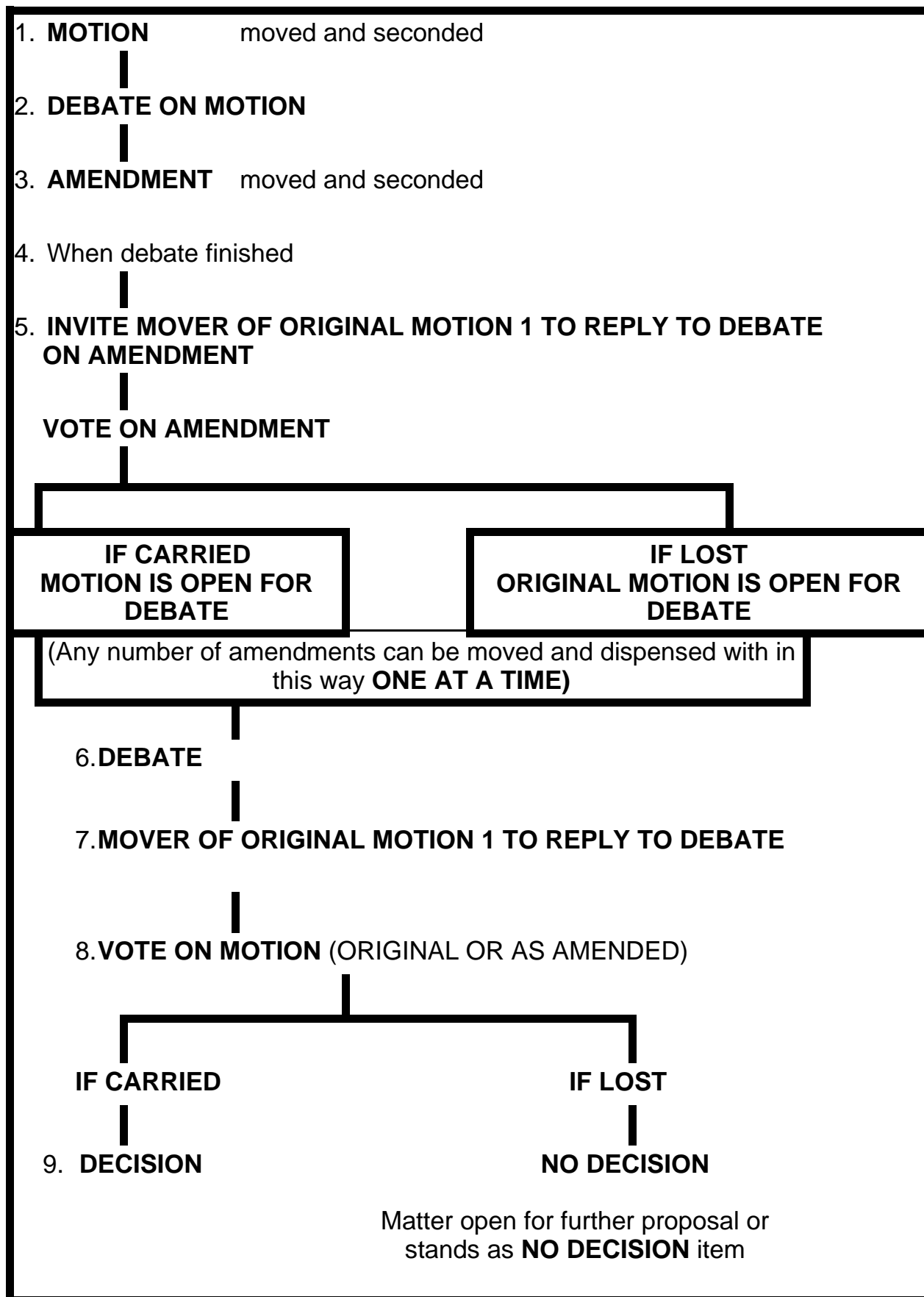
**CMR10**  
**MOTIONS WITHOUT NOTICE**

The following motions may be moved without notice:

- (a) to appoint a chair of the meeting at which the motion is moved;
- (b) in relation to the accuracy of the minutes;
- (c) to change the order of business in the agenda;
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a sub-committee or member arising from an item on the summons 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 amend a motion;
- (i) to proceed to the next business;
- (j) that the question be now put;
- (k) to adjourn a debate;
- (l) to adjourn a meeting;
- (m) to suspend a particular **Committee Procedure Rule (CMR)**;
- (n) to exclude the public and press in accordance with the **Access to Information Rules (APR)**;
- (o) to not hear further a member or co-optee named under CMR 16.3 or to exclude them from the meeting under CMR 16.4; and
- (p) to give the consent of the council where its consent is required by this constitution.

**CMR11  
RULES OF DEBATE**

Simplified diagram showing how decisions might be reached



### **CMR11.1**

#### **No debate until motion or amendment is seconded**

A motion or an amendment may be debated only after it has been seconded by another councillor.

### **CMR11.2**

#### **Right to require motion or amendment in writing**

Unless notice of the motion or amendment has already been given, a signed copy of the motion must be put in writing and handed to the proper officer either before it is moved or immediately after it is moved. (See also CMR11.6 (f) re. amendments).

### **CMR11.3**

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

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

### **CMR11.4**

#### **Content of speeches**

Speeches must be directed to the question under discussion or to a personal explanation or point of order.

### **CMR11.5**

#### **When a councillor 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 of reply;
- (e) on a point of order; and
- (f) by way of personal explanation.

### **CMR11.6**

#### **Amendments to motions**

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

will either be:

- (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
  - (ii) to leave out words;
  - (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 amendment may be moved until the amendment under discussion has been disposed of.
- (c) If an amendment is not carried, other amendments to the original motion may be moved.
- (d) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.
- (e) After an amendment has been carried, the chair will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.
- (f) A signed copy of the amendment must be given to the proper officer either before it is moved or immediately after it has been moved.

### **CMR11.7**

#### **Alteration of a motion**

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



### **CMR11.8**

#### **Withdrawal of motion**

A member may withdraw a motion (they have moved) with the consent of both the meeting and the seconder. The consent of the meeting 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.

### **CMR11.9**

#### **Right of reply**

- (1) 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.
- (2) 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.
- (3) The mover of the amendment has no right of reply to the debate on their amendment.

### **CMR11.10**

#### **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 amend a motion;
- (b) that the question be now put;
- (c) to adjourn a debate;
- (d) to adjourn a meeting;
- (e) to exclude the public and press in accordance with the **Access to Information Rules**; and
- (f) to not hear further a member or co-optee named under CMR 16.3 or to exclude them from the meeting under CMR 16.4.

### **CMR11.11**

#### **Closure motions**

- (a) A member may move, without comment, the following motions at the end of a speech of another member:
  - (i) that the question be now put;
  - (ii) to adjourn a debate; or
  - (iii) to adjourn a meeting;

- (b) if a motion *“that the question be now put”* is seconded and the chair considers the item has been sufficiently discussed, the procedural motion will be put to the vote. If it is passed the chair will give the mover of the original motion a right of reply before putting their motion to the vote; or
- (c) If a motion *“to adjourn the debate”* or *“to adjourn the meeting”* is seconded and the chair thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, the procedural motion will be put to the vote without giving the mover of the original motion the right of reply.

### **CMR11.12**

#### **Point of order**

A member may raise a point of order at any time. The chair will hear them immediately. A point of order may only relate to an alleged breach of these **Committee Procedure Rules (CMR)** or the law. The member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the chair on the matter will be final.

### **CMR11.13**

#### **Personal explanation**

A member may make a personal explanation at any time. A personal explanation should relate to an action or statement of the councillor which may appear to have been misunderstood. The ruling of the chair on the admissibility of a personal explanation will be final.

## **CMR12**

### **PREVIOUS DECISIONS AND MOTIONS**

#### **CMR12.1**

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

A motion to rescind a decision (made at a meeting of a committee within the past six months) cannot be moved unless:

- (a) written notice of the motion has been supplied to the proper officer before the rising of the meeting of the committee at which the original motion has been passed; and
- (b) oral notice has been given to the chair during the meeting of the committee at which the original motion was passed (and then placed in writing to the proper officer within fifteen minutes of the end of the rising of that committee meeting).

**Notice required 15 minutes**

## **CMR12.2**

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

A motion in similar terms to one that has been rejected at a meeting of the committee in the past six months cannot be moved unless the notice of motion is given in accordance with CMR 12.1 (motion to rescind a minute) above. Once the motion is dealt with, no one can propose a similar motion for six months.

## **CMR13**

### **VOTING**

#### **CMR13.1**

##### **Majority**

Any matter will be decided by a simple majority of those members voting and present \*at the time the question was put.

*\*see also - OSR 4- Education representatives*

#### **CMR13.2**

##### **Chair's casting vote**

If there are equal numbers of votes for and against, the chair will have a second or casting vote.

#### **CMR13.3**

##### **Recorded vote**

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

#### **CMR13.4**

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

*[This rule cannot be suspended]*

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.

#### **CMR13.5**

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

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

If there are two people nominated then there will be a vote and the person with the majority of votes will be elected.

## **CMR14 MINUTES**

### **CMR14.1 Signing of the minutes**

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

### **CMR14.2 No requirement to sign minutes of previous meeting at extraordinary meeting** *[This rule cannot be suspended]*

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.

### **CMR14.3 Form of minutes**

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

## **CMR15 EXCLUSION OF PUBLIC**

Members of the public and press may only be excluded either in accordance with the **Access to Information Rules** (APR) in part 4 of this constitution or CMR 17 (disturbance by public).

## **CMR16 MEMBERS' AND CO-OPTees' CONDUCT**

### **CMR16.1 Speaking at committees**

When a member or a co-optee speaks at the committee they must address the meeting through the chair. If more than one councillor or a co-optee seeks to speak, the chair will ask one to speak. Other members and co-optees must remain silent whilst a member is speaking unless they wish to make a point of order or a point of personal explanation.

### **CMR16.2 Chair's Ruling**

When the chair so requires during a debate, any member or co-optee speaking at the time must stop. The meeting must be silent.

### **CMR16.3 Member or Co-optee not to be heard further**

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

### **CMR16.4 Member or Co-optee to leave the meeting**

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

### **CMR16.5 General disturbance**

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

## **CMR 17 DISTURBANCE BY PUBLIC**

### **CMR17.1 Removal of member of the public**

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

### **CMR17.2 Clearance of part of meeting room**

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

## **CMR18 SUSPENSION AND AMENDMENT OF COMMITTEE PROCEDURES RULES**

### **CMR18.1 Suspension**

All of these **Committee Procedure Rules** (CMR) except CMR 13.4\* and 14.2\* may be suspended by motion on notice or without notice if at least one half of the whole number of members are present. Suspension can only be for the duration of the meeting.

\* *CMR 13.4 - Right to require and individual vote to be recorded*  
*CMR 14.2 - No agreement to sign minutes of previous meeting if extraordinary.*

### **CMR18.2 Amendment**

Any motion to add to, vary or revoke these **Committee Procedure Rules** (CMR) will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the committee.

# LICENSING COMMITTEE PROCEDURE RULES (LCR)

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Note: The Licensing Committee is a statutory committee, which must be appointed by the full Council. It is responsible for deciding and determining its own rules.



## LICENSING COMMITTEE PROCEDURE RULES (LCR)

### LCR1

#### TIMING AND BUSINESS

The first licensing committee meeting of the council's municipal year shall be its annual meeting. The annual meeting will:

- (i) elect a member to the office of chair of the licensing committee for the ensuing municipal year;
- (ii) elect a member to the office of vice-chair for the ensuing municipal year;
- (iii) establish a special purposes sub-committee comprising the chair of the licensing committee, its vice-chair and one other committee member whose terms of reference must enable it to deal with any matters of business which would ordinarily be referred to the next ordinary meeting of the licensing committee but which are, in the opinion of the licensing manager (in consultation with the chair) of such urgency that they cannot await the date of the next ordinary meeting;
- (iv) establish any other sub-committees considered necessary and in respect of each of them:
  - (a) agree the membership;
  - (b) agree the terms of reference;
- (v) approve the minutes of the last meeting;
- (vi) effect delegations to sub-committees and review / revise as appropriate existing delegations to officers;
- (vii) receive any declarations of interest from members;
- (viii) receive any announcements from the chair;
- (ix) receive a report concerning the city council's Statement of Licensing Policy and Guidance issued by the Secretary of State under Section 182 of the Licensing Act 2003;
- (x) consider any other business set out in the notice convening the meeting.

## **LCR2 ORDINARY MEETINGS**

Ordinary meetings will:

- (i) in the case of the licensing committee: elect a member to preside if the chair (and vice-chair, if appointed) are not present and in the case of a sub-committee: elect a member to preside as chair for that meeting subject to preference being given to those members who have completed an appropriate course of training as provided by the city council;
- (ii) approve the minutes of the last meeting;
- (iii) receive any declarations of interest from member;
- (iv) receive any announcements from the chair;
- (v) (other than in respect of business to be conducted in accordance with the hearings regulations) receive petitions, questions, (and provide answers) and statements made in accordance with the provisions of LCR9;
- (vi) receive reports on any matter which is within the committee's general or specific remit; and
- (vii) make reports on any matter as required by section 7 of the Licensing Act 2003 and in particular sub-sections (4), (6) and (8) of that section.

## **LCR3 EXTRAODINARY MEETINGS**

### **LCR3.1 Calling extraordinary meetings**

The head of legal services may call committee meetings in addition to ordinary meetings of his / her own volition and those listed below may request the head of legal services to do so:

- (i) the committee by resolution; or
- (ii) the chair; or
- (iii) any two members of the licensing committee if they have signed a requisition presented to the chair and the chair has refused to call for a meeting or has failed to call for a meeting within seven days of the presentation of the requisition.

### **LCR3.2 Business**

The agenda for an extraordinary meeting shall specify the matters that the meeting will deal with. Petitions, questions and statements will be accepted only if they relate to the business for which the extraordinary meeting has been arranged.

## **LCR4 SUBSTITUTE SUB-COMMITTEES**

### **LCR4.1**

Where a licensing sub-committee convened for the purpose of a hearing is unable to discharge any function delegated to it by the licensing committee because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it (whether that inability be due to their being absent from the meeting or having a declarable interest in the matter or any other cause) the head of legal services (or his representative) shall be entitled to substitute another sub-committee to deal with the matters on the agenda at the time and place notified. The substitute sub-committee may include one or more members of the sub-committee it is replacing.

### **LCR4.2**

Where a member of a licensing sub-committee convened for the purpose of a hearing is absent or unable to participate for whatever reason (but the sub-committee remains capable of meeting the quorum) and it is reasonably practicable to substitute a differently constituted sub-committee which includes the two remaining members then the head of legal services may convene a meeting of that other sub-committee. However, the head of legal services shall not take this step if unreasonable delay would thereby be caused to the completion of the sub-committee's business. In that event, the sub-committee would continue with a complement of two members.

## **LCR5 TIME AND PLACE OF MEETINGS**

The time and place of meetings will be determined by the head of legal services and notified in the summons.

## **LRC6 NOTICE OF AND SUMMONS TO MEETINGS**

Subject to the provisions of any enactment and where it is reasonably practicable to do so at least five clear working days before it occurs the head of legal services will give notice to the public of the time and place of any meeting. The summons so notifying the meeting will be signed by the head of legal services and sent by post or email to every member of the committee or subcommittee as appropriate or leave it at their usual place of residence. The summons should be posted at the council's principal office and contain the date, time and place of each meeting and will identify the business to be transacted.

## **LCR7 CHAIR OF MEETING**

The person presiding at the meeting (where this is not the person appointed at the annual meeting to the office of chair) may exercise any power or duty of the chair.

## **LCR8 QUORUM**

- (1) The quorum for meetings of the licensing committee will be five.
- (2) The quorum for meetings of a sub-committee shall be two.
- (3) During any meeting if the chair counts the number of councillors present and declares there is not a quorum, then the meeting will stand adjourned to a time and date fixed by the head of legal services. If the law requires the business to be transacted by a particular date ("*the deadline*") then the date so fixed must be prior to the deadline. In respect of sub-committees which stand adjourned for this reason, if it should not be reasonably practicable for the particular members to meet prior to the deadline, then the head of legal services will convene a meeting of a differently constituted sub-committee to deal with the remaining business. In all other cases, if a date is not fixed at the time of adjournment, the remaining business will be considered at the next ordinary meeting.

## **LCR9 PETITIONS, QUESTIONS AND STATEMENTS**

### **LCR9.1**

The following rules do not apply in respect of business to be conducted in accordance with the hearings regulations:

- (a) residents who are affected by the business of the committee and members, provided they give notice in writing or by electronic mail to the head of legal services (which notice must include:
  - their name;
  - their full address;
  - (in the case of a petition) the wording of the petition; or
  - (in the case of a statement) a copy of the submission)

by no later than 12 noon the working day before the day of the meeting may present a petition or submit a statement at ordinary meetings of the committee or sub-committee concerned. The petition or statement must relate to the terms of reference and role and responsibilities of the

committee or sub-committee concerned. Where the statement or petition concerns business governed by the hearings regulations, the head of legal services will return the statement or petition concerned and will inform the resident or member of the statutory provisions governing the making of representations including the restrictions upon who may make representations and the times within which they must be made;

- (b) individuals presenting petitions may be required to read out the objectives of the petitions;
- (c) statements, provided they are of reasonable length will be copied and circulated to all relevant members and will be made available to the public attending the meeting by not later than 1 hour before it is due to begin;
- (d) there will be no debate but after receiving the petition/statement the Committee will resolve:-
  - (1) *“that the petition / statement be noted”*; or
  - (2) if the content relates to a matter on the agenda to the meeting;
    - “that the contents of the petition / statement be considered when the item is debated”*; or
    - (3) *“that the petition / statement be referred (as appropriate) to the:*
      - *Mayor; or the*
      - *relevant executive member (if any); or the*
      - *chair of the relevant executive member (if any); or the*
      - *chair of the relevant council committee (if any); or the*
      - *appropriate scrutiny committee / overview and scrutiny management committee for appropriate action”*

## LCR9.2 Questions

Residents who are affected by the business of the licensing committee or members may submit questions to be answered by the chair of the licensing committee. Notice of such questions must be given in accordance with LCR9.3 below.

### **LCR9.3**

#### **Order of Questions**

Subject to the chair being entitled to group together similar questions, the chair shall respond to the questions in the order in which notice of them was received by the city council.

### **LCR9.4**

#### **Notice of questions**

- (a) Notice must be given by delivering the question in writing or by electronic mail to the head of legal services no later than six clear working days before the date fixed for the meeting. Each question must be accompanied by the name and full address of the questioner. The printed agenda will specify if any such questions have been received.
- (b) The chair of the committee may, in his/her absolute discretion, agree to receive questions notwithstanding a failure to comply with the notice provisions set out in paragraph (a) above, but where the chair does not so agree she/he must either:
  - (i) direct that the questions be answered at the next ordinary meeting of the licensing committee; or
  - (ii) indicate the date by which a written response will be provided.

In the event of the chair indicating a written response both the question and its answer will be published prior to the date fixed for the next ordinary meeting of the committee.

### **LCR9.5**

#### **Number of questions**

There will be no limit to the number of questions asked.

### **LCR9.6**

#### **Scope of questions**

The chair, in consultation with the head of legal services may reject a question if, in the opinion of the chair, it does not relate to a matter falling within the committee's terms of reference or it is defamatory, frivolous or offensive.

### **LCR9.7**

#### **Response**

- (1) Written replies to questions notified in accordance with LCR9.4 as above will be made available no later than one hour before the time fixed for the meeting to begin.

- (2) Where the chair agrees to respond to late questions he may do so either orally or in writing.

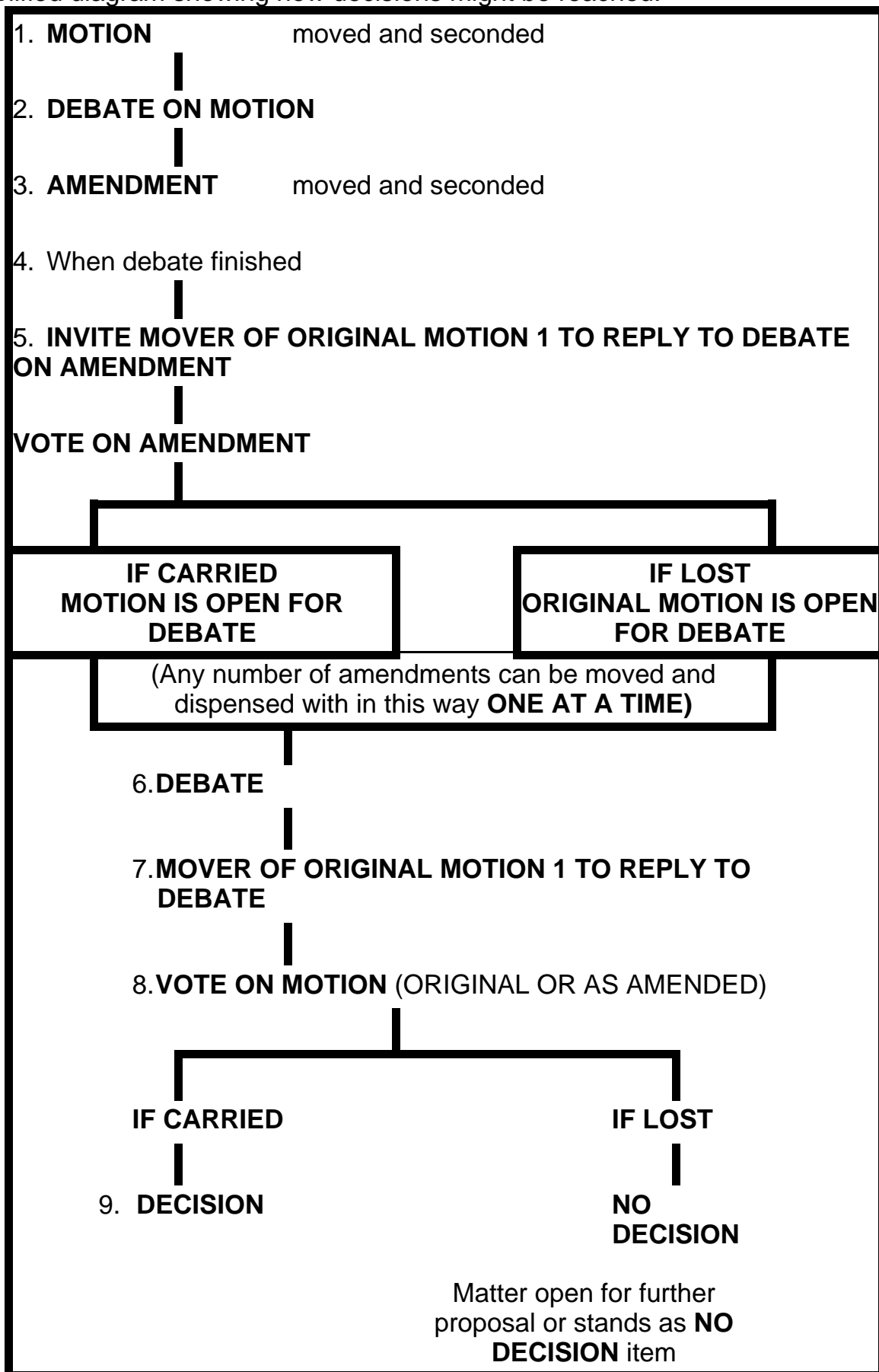
## **LCR10 MOTIONS WITHOUT NOTICE**

The following motions may be moved without notice:

- (a) to appoint a chair of the meeting at which the motion is moved;
- (b) in relation to the accuracy of the minutes;
- (c) to change the order of business in the agenda;
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a sub-committee or member arising from an item on the summons to the meeting;
- (f) to receive or make reports or to adopt recommendations of sub-committees or officers and any resolutions following from them;
- (g) to withdraw a motion;
- (h) to amend a motion;
- (i) to proceed to the next business;
- (j) that the question be now put;
- (k) to adjourn a debate;
- (l) to suspend a particular licensing committee procedure rule (LCR);
- (m) to exclude the public and press.

**LCR 11  
RULES OF DEBATE**

Simplified diagram showing how decisions might be reached.





**LCR11.1****No debate until motion or amendment is seconded**

A motion or an amendment may be debated only after it has been seconded by another member.

**LCR11.2****Right to require motion or amendment in writing**

Unless notice of the motion or amendment has already been given, a signed copy of the motion must be put in writing and handed to the proper officer before it is moved or immediately after it is moved (see also LCR11.6 (f) concerning amendments).

**LCR11.3****Secunder's speech**

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

**LCR11.4****Content of speeches**

Speeches must be directed to the business under discussion or to a personal explanation or point of order.

**LCR11.5****When a councillor 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 s/he 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 or she spoke was carried);
- (d) in exercise of a right of reply;
- (e) on a point of order; and
- (f) by way of personal explanation.

**LCR11.6****Amendments to motions**

- (a) An amendment to a motion must be relevant to the motion and with either be:
  - (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
  - (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) – (iv) is not to negate the motion.
- (b) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.
- (c) If an amendment is not carried, other amendments to the original motion may be moved.
- (d) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.
- (e) After an amendment has been carried, the chair will read out the amended motion before accepting any further amendments or if there are none, push it to the vote.
- (f) A signed copy of the amendment must be given to the proper officer either before it is moved or immediately after it has been moved.

**LCR11.7****Alteration of a motion**

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

### **LCR11.8**

#### **Withdrawal of a motion**

A member may withdraw his / her motion with the consent of both the meeting and the seconder. The consent of the meeting 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.

### **LCR11.9**

#### **Right to reply**

- (1) The mover of a motion has a right of reply at the end of the debate on the motion immediately before it is put to the vote.
- (2) 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.
- (3) The mover of the amendment has no right of reply to the debate on their amendment.

### **LCR11.10**

#### **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 amend a motion;
- (b) that the question being as put;
- (c) to adjourn a debate;
- (d) to adjourn a meeting;
- (e) to exclude the public and press; and
- (f) to not hear further a member named under LCR16.3 or to exclude them from the meeting under LCR16.4

### **LCR11.11**

#### **Closure motions**

- (a) A member may move, without comment, the following motions at the end of a speech of another member:
  - (i) that the question be now put;
  - (ii) to adjourn a debate; or
  - (iii) to adjourn a meeting.
- (b) If a motion "*that the question be now put*" is seconded and the chair considers the item has been sufficiently discussed, the procedural motion will be put to the vote. If it is passed the chair will give the mover of the original motion a right of reply before putting their motion to the vote; or

- (c) If a motion “*to adjourn the debate*” or “*to adjourn the meeting*” is seconded and the chair thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, the procedural motion will be put to the vote without giving the mover of the original motion the right of reply.

### **LCR11.12**

#### **Point of order**

A member may raise a point of order at any time. The chair will hear the member immediately. A point of order may only relate to an alleged breach of the licensing committee procedure rules (LCR) or the law. The member must indicate the rule or law and the way in which they consider it has been breached. The ruling of the chair on the matter will be final.

### **LCR11.13**

#### **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 chair on the admissibility of a personal explanation will be final.

### **LCR12**

#### **RULING TO CHAIR TO BE FINAL**

The chair’s ruling on any matter of procedure arising out of these rules shall be final.

### **LCR13**

#### **VOTING**

#### **LCR13.1**

##### **Majority**

Subject to the provisions of any enactment and / or as the case may be of any procedures specific to the conduct of and preparation for hearings, any question coming or arising before the licensing committee (or any of its sub-committees) shall be decided by the majority of the members present and voting thereon at a meeting.

#### **LCR13.2**

##### **Chair’s casting vote**

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

### **LCR13.3**

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

### **LCR13.4**

#### **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.

### **LCR13.5**

#### **Voting on appointments**

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

## **LCR14**

### **MINUTES**

#### **LCR14.1**

For the avoidance of doubt the provisions of paragraphs 40, 41, 43 and 44 of the Twelfth Schedule to the Local Government Act 1972 (as amended) shall apply to the minutes of the licensing committee and its sub-committees.

#### **LCR14.2**

For the purpose of signing the minutes in accordance with the provisions referred to in LCR14.1 above, the next suitable meeting will be either:

- (i) in respect of minutes of the licensing committee: the next ordinary meeting of the licensing committee or its annual meeting; or
- (ii) in respect of the minutes of a sub-committee of the licensing committee: either the next ordinary meeting of that particularly constituted sub-committee or the next ordinary meeting of the licensing committee whichever of those two bodies shall meet soonest following the minutes being ready for approval, save that where approved minutes are required prior to either of those two bodies being scheduled to meet then the next suitable meeting will be a meeting of the licensing (special purposes) sub-committee.

### **LCR14.3**

#### **Form of minutes**

The minutes will contain all motions and amendments in the exact form and order the chair put them.

### **LCR15**

#### **EXCLUSION OF THE PUBLIC**

Subject to any provisions to the contrary in any relevant enactment (and in particular in the hearings regulations) members of the public and press may only be excluded from a meeting in accordance with the Access to Information Rules (APR) in Part 4 of the city council's constitution (which rules are for the avoidance of doubt hereby incorporated into these procedure rules in so far as they do not conflict with them) or LCR 17 (disturbance by public).

### **LCR16**

#### **MEMBERS' CONDUCT**

#### **LCR16.1**

##### **Speaking at committees**

When a member speaks at the committee they must address the meeting through the chair. If more than one member seeks to speak, the chair will ask one to speak. Other members must remain silent whilst the member is speaking unless they wish to make a point of order or a point of personal explanation.

#### **LCR16.2**

##### **Chair's ruling**

When the chair so requires during a debate, any member speaking at the time must stop. The meeting must be silent.

#### **LCR16.3**

##### **Councillor not to be heard further**

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

#### **LCR16.4**

##### **Councillor to leave the meeting**

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

**LCR16.5**  
**General disturbance**

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

**LCR17**  
**DISTURBANCE BY PUBLIC**

**LCR17.1**  
**Removal of member of the public**

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

**LCR17.2**  
**Clearance of part of meeting room**

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

**LCR18**  
**SUSPENSION AND AMENDMENT OF LICENSING COMMITTEE**  
**PROCEDURE RULES**

**LCR18.1**  
**Suspension**

All of these licensing committee procedure rules (LCR) except LCR13.4, 14.2 and 20.1, may be suspended by motion on notice or without notice if at least one half of the whole number of members are present. Suspension can only be for the duration of the meeting.

**LCR19**  
**FINANCE AND CONTRACTS**

For the avoidance of doubt it is hereby confirmed that:

**LCR19.1**  
**Financial management**

The management of the licensing committee's financial affairs will be conducted in accordance with the financial procedure rules (FPR) set out in part 4 of the city council's constitution.

## **LCR19.2 Contracts**

Every contract made by or on behalf of the licensing authority acting through its statutory licensing committee and those subcommittees and officers delegated thereunder shall comply with the contracts procedure rules (CON) set out in part 4 of the city council's constitution.

## **LCR20 RULES SPECIFIC TO THE CONDUCT OF HEARINGS HELD BY THE LICENSING AUTHORITY UNDER THE LICENSING ACT 2003**

### **LCR20.1**

The provisions of the Licensing Act 2003 (Hearings) Regulations 2005 (as amended) will be observed in connection with the conduct of hearings and where the regulations apply all licensing procedure rules will be construed and applied in a manner which does not offend those provisions.

*NB This rule may not be suspended in any circumstances.*

### **LCR20.2 Questions, statements and petitions**

The rules concerning questions, statements and petitions do not apply to any business of the licensing authority in respect of which it is required to conduct a hearing at any time prior to the decision being notified following conclusion of the hearing concerned.

### **LCR20.3 Hearings – preliminary steps**

- (a) Whenever it appears to the licensing manager (or any authorised member of his / her team) that the authority's obligation to hold a hearing has arisen then, as soon as is reasonably practicable, s/he will take steps to refer the application and any representations to a duly authorised sub-committee or, exceptionally, following consultation with the chair, to the licensing committee itself.
- (b) The licensing manager will take instructions from that subcommittee with regard to the following preliminary matters (where relevant):
  - whether any member considers themselves unable to hear the matter by virtue of prejudicial interest / appearance of bias;
  - the procedure to be followed at the particular hearing;
  - any particular points on which the sub-committee considers that it will want clarification at the hearing from a party;
  - whether there are any representations from interested



- parties which will be determined not to be relevant representations by virtue of their being, in the opinion of the sub-committee, frivolous or vexatious;
  - time estimate for the hearing;
  - a time and date when all members can convene to conduct the hearing;
  - a provisional indication regarding which of their number will chair the meeting.
- (c) Where any member indicates that they consider themselves to be disqualified from hearing the matter then the Licensing Manager shall take steps to refer the matter to a differently constituted committee which shall not include the member who is so disqualified but may include the remaining members of the originally selected sub-committee.

## **LCR20.4**

### **Procedure following conclusion of the hearing**

- (a) At the conclusion of the hearing the members of the subcommittee will withdraw to consider the determination of the relevant application / revocation / review / decision to give counter-notice as appropriate.
- (b) The parties shall not be entitled to accompany the members who will generally deliberate in private. Deliberation can take place at a time to be decided by the sub-committee provided it will be completed so as to ensure the city council can meet any statutory deadline for determination and notification.
- (c) The members may be accompanied by appropriate officers for the purpose of receipt of advice and / or guidance and / or administrative support; in particular the sub-committees administrator and its legal and policy advisers.
- (d) The strict rules of debate (such as those concerning the proposing and seconding of motions and imposing limits on the ability of councillors to participate in debate) shall not automatically apply to the deliberations referred to in this rule. The chair will lead a discussion of his / her colleagues with a view to ascertaining if the meeting can reach consensus on the merits of the application or other matter before it and any matters flowing from that (such as the imposition of conditions where appropriate). If it appears that a consensus view will not be reached within a reasonable time the chair will direct the manner in which deliberations will continue. Once a consensus appears to have been reached (or a proposal is before the meeting in accordance with any directions made by the chair) the matter will be put to the meeting and a determination made by a majority of the members present and voting thereon. The sub-committee shall direct its officers as to the completion of a

decision record, which should include the determination, together with a summary of relevant findings and reasons supporting the decision made. The determination will be notified in accordance with the statutory rules and the decision record published following its being certified by signature of the chair as being correct.



**Bristol City Council**

## **Financial Regulations**

**July 2012**

**Peter Robinson  
Service Director Finance  
(Section 151 Officer)**

**Graham Friday  
Service Manager - Corporate Finance  
(Deputy Section 151 Officer)**

Please note that this document contains links to documents held on Bristol City Council internal systems. These links will not work if you do not have the appropriate access rights.

**Information Classification: Level 0 Unclassified Information**

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# 1. Introduction

1. The Service Director Finance has **OVERALL** responsibility, for the administration of the financial affairs of the Council and the supervision of the Council's:
  - a. arrangements for capital, revenue and financial planning and control;
  - b. systems for capital and revenue financial monitoring and budgetary control;
  - c. financial management and administration, including:
    - Financial Planning
    - Financial Standing
    - Internal Control and Fraud
    - Risk Management
    - Value For Money
    - Banking
    - Treasury Management
    - Exchequer functions eg Debtors, Creditors, Payroll and Local Taxation
    - Taxesbut some of the transactional processes are the operational responsibility of Shared Transactional Services (STS).
2. The objectives of these regulations are to ensure that public accountability and high standards of financial integrity are exercised in the use of public funds. These regulations are to be operated in accordance with procedures laid down by the Service Director Finance, so as to enable them to fulfil their responsibility as the officer charged with administering the Council's financial affairs under Section 151 of the Local Government Act 1972.
3. These Financial Regulations have been drafted for the guidance of Members, Strategic Directors and employees. It is in their own interest to ensure that they are complied with and that accountability to the public is demonstrated.
4. **It is the duty and responsibility of all Strategic Directors to ensure that these Regulations are brought to the attention of, and followed by, employees in their Directorate.** The Regulations are included in the Council intranet "Must knows" ([intranet link](#)) Section. Managers in the directorate are expected to communicate the requirements and location of these regulations to all staff whose duties require compliance.
5. The procedures set out in these Regulations are intended to apply throughout the Council with the exception of schools with delegated budgets under the Scheme for Financing Schools who have their own Regulations. Any queries should be directed to Internal Audit, or to the appropriate section of Corporate Services.
6. All amounts shown within these Regulations are exclusive of VAT and other taxes, unless otherwise specified.

## Compliance

7. **Failure to comply with Financial Regulations, or the instructions issued under them, may constitute gross misconduct. Breaches of Financial Regulations should be reported to Internal Audit, who will be responsible for investigating the circumstances and recommending the further action(s) to be taken.**

## Combating Fraud

8. The City Council has adopted the following policy on fraud:-
9. "The City Council acknowledges the responsibility it has for the administration of public funds, and wishes to emphasise to both the public and its employees the importance it places upon probity, financial control and honest administration. The Council's arrangements for the prevention and detection of fraud and corruption will be kept under constant review, and suspected irregularities will be vigorously pursued and all appropriate action taken."
10. To reinforce its policy on fraud, the Council has adopted an Anti Fraud, Bribery and Corruption Strategy and Policy. This document, re-affirms the Council's commitment to probity in the administration of its affairs, and can be found on the Council's intranet at the "Must knows" Section ([intranet link](#)).

## **Review**

11. These Regulations are published on the Source. The Service Director Finance is responsible for ensuring that they are kept up to date as the need arises, and for an annual check that this has been done. Users are asked to advise [Internal Audit](#) of any changes that they notice are needed. The Service Director Finance is responsible for approving any variations to these Regulations.

## 2. Statutory Requirements

### Section 151 Local Government Act 1972

1. The Service Director Finance is, for the purposes of Section 151 of the Local Government Act 1972, responsible for the proper administration of the Council's financial affairs.

### Section 114 Local Government Finance Act 1988

2. Section 114 of the Local Government Finance Act 1988 imposes certain duties on the Service Director Finance. They shall make a report under this Section if the Council, Executive, Officer or a Joint Committee on which the Council is represented:
  - a. has made or is about to make a decision which involves or which 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.
3. The Service Director Finance shall make a report under this Section if it appears that the expenditure of the Council incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
4. In making a report under this Section, the Service Director Finance shall consult, as far as is practicable, with the Chief Executive and the Monitoring Officer. **(See 27 (i) below)**.
5. Where the Service Director Finance makes a report under this Section it shall be sent to:
  - the external auditor
  - each Member of the Council.
6. The Council shall consider the report within 21 days of issue and is prohibited from taking the course of action which is the subject of the report. The external auditor shall be informed of the date of the meeting and of any decisions made at the meeting.

### Section 5 Local Government and Housing Act 1989

7. Section 5 of the Local Government and Housing Act 1989 requires every Authority to designate an officer as the Monitoring Officer. The Monitoring Officer appointed by this Council is the Service Director Legal Services in the Corporate Services Directorate.
8. It is the duty of the Monitoring Officer to report to the Council if it appears to them that any proposal, decision or omission by the Council (or by any Committee, Sub-Committee or Officer of the Council) has given rise to, or is likely to, or would give rise to:-
  - a. a contravention by the Council (or Committee, Sub-Committee or Officer) of any enactment or rule of law or any Code of Practice made, or approved under any enactment, or
  - b. any such maladministration or injustice as is mentioned in Part 3 of the Local Government Act 1974.

9. In preparing such a report, the Monitoring Officer shall consult, so far as practicable, with the Chief Executive and with the Service Director Finance, and will send a copy of the report to each Member of the Council.

### **External Auditors' Annual Audit and Inspection Letter**

10. The Audit Committee shall be responsible for receiving the External Auditor's Annual Audit and Inspection Letter on the Council's accounts, and co-ordinating consideration by the Scrutiny Commissions. The Service Director Finance will be responsible for formally responding to the external auditor on behalf of the Council.

### **Accounts and Audit Regulations**

11. The Service Director Finance is responsible for determining the accounting procedures and records for the Council.

### **The Statutory Statement of Accounts**

12. The Service Director, Finance is responsible for ensuring that the Statutory Statement of Accounts is prepared annually in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom*: published by CIPFA. The Audit Committee is responsible for approving the Statement of Accounts and receiving the External Auditor's governance report.

### **The Annual Governance Statement**

13. The Service Director Finance is responsible, with Internal Audit, for ensuring that the Annual Governance Statement, required by the Accounts and Audit Regulations 2011, Part 2, Para. 4, is prepared and included in the Statutory Statement of Accounts. This will include both in-year and year-end reviews.



## 3. The Statutory Officers

### Head of Paid Service

1. The Chief Executive, as the Head of Paid Service, is responsible for the corporate and overall strategic management of the Council as a whole. They must report to, and provide information for, the Executive, the full Council, the Overview and Scrutiny Management Committee and other committees. They are responsible for establishing a framework for management direction, style and standards, and for monitoring the performance of the organisation. The Chief Executive is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the full Council's decisions (see below).

### Monitoring Officer (Service Director Legal Services)

#### Maintaining the Constitution

2. The Monitoring Officer will maintain an up to date version of the Constitution and will ensure that it is widely available for consultation by Members, staff and the public.

#### Ensuring lawfulness and fairness of decisions

3. After consulting with the Chief Executive and Service Director Finance, the Monitoring Officer will report to the full Council or to the Executive in relation to an executive function if they consider that any proposal, decision or omission would give rise to unlawfulness, or decision or omission would give rise to maladministration. Such a report would have the effect of stopping the proposal or decision being implemented until the report has been considered.

#### Supporting the Standards Committee

4. The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Standards Committee.

#### Receiving Reports

5. The Monitoring Officer will receive and act on reports made by an Investigating Officer / Ethical Standards Officer and decisions of case tribunals.

#### Conducting Investigations

6. The Monitoring Officer will conduct investigations into matters referred by an Investigating Officer / Ethical Standards Officer and make reports or recommendations in respect of them to the Standards Committee / Standards (Hearings) Sub Committee who consider and determine any allegations against Councillors of breach of the Members' Code of Conduct or other codes / protocols approved by the Council.

#### Proper Officer for Access to Information

7. The Monitoring Officer will ensure that Executive decisions, together with the reasons for those decisions and relevant officer reports and background papers are made publicly available as soon as possible.

#### Advising whether Executive Decisions are within the Policy and Budget Framework.

8. The Monitoring Officer will advise whether decisions of the Executive are in accordance with the

policy and budget framework.

## **Providing Advice**

9. The Monitoring Officer will provide advice on the scope and powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all Councillors.

## **Section 151 Officer (Service Director Finance)**

10. The Service Director Finance has statutory duties as Chief Financial Officer in relation to the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. The statutory duties arise from:

- Section 151 of the Local Government Act 1972
- The Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Accounts and Audit Regulations 2011.

11. The Service Director Finance is responsible for:

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

12. **Section 114** of the Local Government Finance Act 1988 requires the Service Director Finance to report to the full Council, Executive and External Auditor if the Council or one of its officers:

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

**Section 114** of the 1988 Act also requires:

- the Service Director Finance to nominate a properly qualified member of staff to deputise should they be unable to perform the duties under Section 114 personally. The Chief Internal Auditor has been nominated to undertake this deputising role.
- the Council to provide the Service Director Finance with sufficient staff, accommodation and other resources - including legal advice where necessary - to carry out the duties under Section 114.

## 4. Committees of the Council with Financial Authority

For full details of committees and sub-committees, see Part 2 of the Constitution. The Commissions/Committees listed below have specific finance related responsibilities.

### The Executive

1. The Executive (Cabinet) is responsible for proposing the policy framework and budget to the full Council, and for discharging executive functions in relation to these once approved.
2. Executive decisions can be delegated to the Executive, a committee of the Executive, an individual Executive Member, an officer, an area committee, a joint committee or another Local Authority. **Key decisions can only be made by the Executive.** Key decisions are those over £500,000 or which have a significant effect on communities living in one or more wards.

### Resources Scrutiny Commission

3. The Resources Scrutiny Commission is established by the Overview and Scrutiny Management Committee. It maintains an overview of the Council's service and financial performance, and considers the Council's arrangements for the efficient and effective use of financial, personnel and property resources, making recommendations to the Executive and officers as appropriate. It maintains an overview of the policy and budget review process, ensuring key issues are subject to rigorous challenge, and advises other Scrutiny Commissions on under-performing areas or topics for closer investigation in line with their terms of reference.

### Standards Committee

4. The Standards Committee is a statutory committee and is responsible for promoting and maintaining high standards of conduct amongst Councillors. In particular, it is responsible for advising the Council on the adoption and revision of the Members' Code of Conduct, monitoring the operation of the code and considering and determining alleged breaches of the code. The Standards Committee can request Internal Audit to investigate financial irregularities.

### Audit Committee

5. The Audit Committee is established by full Council to provide independent assurance to the Council in relation to:
  - (i) The effectiveness of the Council's governance arrangements, risk management framework and internal control environment including overseeing:
    - Risk management strategies
    - Anti-Fraud arrangements
    - Whistle-blowing strategies
    - Internal and External Audit activity
  - (ii) The effectiveness of the Council's financial and non-financial performance to the extent it affects exposure to risk and poor internal control;
  - (iii) the Annual Governance Statement;
  - (iv) the review and approval of the annual statement of accounts, confirming the appropriate

accounting policies have been followed, including the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

## 5. Financial Roles and Responsibilities

### Introduction

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

### Full Council

2. The full Council is responsible for adopting and developing the Council's Constitution and agreeing the policy framework and budget, which will be proposed by the Executive.
3. The framework is set out in the Constitution. The full Council is also responsible for monitoring compliance with the agreed policy and related executive decisions
4. The Executive (Cabinet) is responsible for establishing protocols to ensure that relevant officers consult with Executive members before taking a decision within their delegated authority. In doing so, the officers must take account of legal and financial liabilities, and risk management issues that may arise from the decision.

### Directorate Section 151 Responsibilities

5. The Section 151 role is exercised in directorates through the Finance Business Partners. They are required to bring the Service Director Finance's (Section 151 Officer) attention to any issue they are unable to resolve.

### Main Financial Responsibilities - First to Fourth Tier Officers

6. The main financial responsibilities pertaining to officers at first to fourth tier can be summarised as follows:

#### Strategic Directors

- i. Strategic Directors' responsibilities are to:
  - Formulate and recommend financial strategy for the directorate to the Executive.
  - Ensure that financial systems are in place to ensure the effective management of the directorate in accordance with Best Value.
  - Ensure that the directorate meets its and the Council's financial objectives.
  - Make timely reports to the appropriate Executive and/or Cabinet in accordance with the Council's Financial Regulations and timetable.
  - Ensure Financial Regulations are adhered to throughout the directorate.
  - Ensure that the Directorate Scheme of Delegation is properly developed, having due regard to the corporate scheme of delegation template [LINK](#) and that the scheme is regularly reviewed and updated.
- ii. It is the responsibility of Strategic Directors to consult with the Service Director Finance and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.
- iii. Strategic directors with their Finance Business Partners should make clear recommendations on how a decision can be financed and whether other areas of a lesser priority will need to be stopped to progress the issue. The Cabinet are not in a position to agree additional funding for

anything outside the agreed budgeting process and expect that a rigorous option appraisal has taken place of all additional costs and that this is reflected in the report.

- iv. It is a constitutional requirement that advice is sought from legal and financial officers (save in very rare cases) in preparing reports. This advice should be sought in sufficient time for the adviser to be able to explore the issues. If either the Service Director Finance or the Monitoring Officer are not satisfied with a report then they can withdraw it.
- v. It is the responsibility of report authors to project plan the need for professional advice into the preparation of the report, including contributions to the main body of the report. In some cases legal and finance officers may need to be involved at the very start.

### **Service Directors (second tier) - financial responsibilities**

- i. Consider and recommend strategic priorities for the service area to meet the Council's medium term strategy and ensure that statutory functions are discharged effectively.
- ii. On an annual basis, determine and agree the budget for each service area with the Strategic Director.
- iii. Allocate resources to priorities in accordance with directorate objectives.
- iv. Ensure that third tier managers achieve their agreed financial objectives.
- v. Report significant budget variations to the Strategic Director on a regular basis.
- vi. Resolve any budget pressures within service area.

### **Third Tier Managers - financial responsibilities**

- i. Plan and agree budget and corresponding service provision with Service Director on an annual basis.
- ii. Ensure that financial objectives within area of responsibility are achieved and Best Value secured.
- iii. Report adverse variances to budget and to agree remedial actions with Service Director.
- iv. Vire between cost centres/budgets in areas of responsibility, subject to Financial Regulations and the Directorate Scheme of Delegation.

### **Fourth Tier Managers - financial responsibilities**

- i. Agree with line manager overall budget and areas of specific expenditure.
- ii. Ensure that financial objectives within area of responsibility are achieved and Best Value secured.
- iii. Report adverse variances/proposed virements to line manager and agree remedial action in accordance with the Directorate Scheme of Delegation.

## 6. Accounting and Financial Controls

### Why is it important?

It is important to ensure that sound systems of accounting and financial control are in place throughout the Council in order that its assets and interests are effectively safeguarded against loss, and a high level of public confidence in the integrity of its financial administration is maintained.

### Key Controls

#### The key controls for accounting and financial control are:

- That all changes to existing or new systems of accounting are subject to approval by the Service Director Finance.
- **That proper segregation of duties be observed in the allocation of accounting duties**
- **That the main accounting system provides complete and accurate data for production of the annual accounts and financial returns**
- **That system functions, interfaces and control procedures are fully documented**

### Responsibilities of the Service Director Finance

- i. The Service Director Finance is responsible for approving and authorising changes to the Council's accounting and financial systems.
- ii. The Service Director Finance is responsible for the extent to which the Council's assets and interests are accounted for.
- iii. To assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

### Responsibilities of Strategic Directors.

- i. It is the responsibility of Strategic Directors to ensure that systems are properly maintained in accordance with these Financial Regulations.
- ii. To manage processes, to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- iii. To review existing controls in the light of changes affecting the Council and to establish and implement new controls in line with guidance from the Service Director Finance. Strategic Directors should also be responsible for removing controls that are unnecessary or not cost or risk effective – for example, because of duplication.
- iv. To ensure staff have a clear understanding of the consequences of lack of control.

### Detailed Requirements

1. All systems of accounting are subject to approval by the Service Director Finance. Approval must also be sought for all changes to financial and accounting systems which includes confirmation that they do not prejudice the Council's proper accounting for all taxes. These requirements apply irrespective of whether the accounting systems concerned rely on

automatic or on manual recording and processing methods.

2. Strategic Directors are responsible for ensuring that records and systems are properly maintained and shall carry out independent checking of financial transactions at establishments and other accounting units.
3. Internal Audit will monitor the adequacy of the checks to ensure that they comply with these Financial Regulations.
4. It should be stressed that the Service Director Finance is ultimately responsible and accountable for the funds of the Council and for the extent to which the Council's assets and interests are accounted for and safeguarded against loss. Strategic Directors and their employees are asked to recognise this fact in any arrangements made for accounting and financial control within their directorates.
5. The following principles should be observed in the allocation of accounting duties:
  - i. The duties of providing information regarding the sums due to, or from, the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them.
  - ii. Employees charged with the duty of examining or checking the accounts of cash transactions shall not themselves be engaged in any of those transactions.
6. Financial records should normally be retained for two complete financial years plus the current financial year, except in the case of VAT where records should be retained for six years plus the current year, or for certain Payroll matters, particularly relating to tax and pensions, where retention should be for ten years. Further guidance on such matters can be found in the Record Retention Guidance ([intranet link](#)).



## 7. Role of Internal Audit

### Why is this important?

The Accounts and Audit Regulations 2011, Part 2, Section 6, (Statutory Instrument 817) require that a “relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control”. These Regulations cover the requirements of Section 151 of the Local Government Act 1972, which states that authorities must “make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for administration of those affairs.”

Accordingly, Internal Audit is an assurance function that provides an independent and objective opinion to the Council on the control environment, by evaluating its effectiveness in achieving the Council's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

### Key controls

#### The key controls for Internal Audit are:

- that it is independent in its planning and operation
- the Chief Internal Auditor has direct access to the Chief Executive, Service Director Finance, all levels of management and to elected Members
- Internal Audit complies with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Internal Audit in Local Government in the United Kingdom 2006

#### Responsibilities of the Service Director Finance

- To ensure that Internal Audit has the authority to:
  - access all Council premises at all times
  - access all assets, records, documents, correspondence and control systems
  - receive any information and explanation considered necessary concerning any matter under consideration
  - require any employee of the Council to account for cash, stores or any other Council asset under their control
  - access records belonging to third parties, such as contractors, when required
  - directly access the Chief Executive and the Executive.
- to approve the audit plans prepared by the Chief Internal Auditor which take account of the characteristics and relative risks of the activities involved.

#### Responsibilities of Strategic Directors

- To ensure that Internal Audit is given access at all times to premises, personnel, documents and assets that it considers necessary for the purposes of its work.
- To ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- To consider and respond promptly to recommendations in Internal Audit reports.
- To ensure that any agreed actions arising from Internal Audit recommendations are carried out in a timely and efficient fashion.
- To ensure that new systems for maintaining financial records, or records of assets, or changes

to such systems, are discussed with, and agreed by, Internal Audit prior to implementation.

## **Detailed Requirements**

1. In accordance with Part 2, Section 6, of the Accounts and Audit Regulations 2011 a local authority must undertake an adequate and effective internal audit of its accounting records and of its system of internal control . The Service Director Finance has been given this responsibility by the Council, and shall be responsible for maintaining a continuous internal audit inter alia of the Council's accounting and financial transactions including any operations affecting the financial arrangements or finances of the Council. In discharging these responsibilities on the Service Director Finance's behalf, Internal Audit will comply with the current, CIPFA Code of Practice for Internal Audit in undertaking its functions.
2. The responsibility of Internal Audit is to review, appraise and report upon:
  - i. the soundness, adequacy and application of financial and other management controls;
  - ii. the extent of compliance with, and relevance and financial effect of, established policies, plans and procedures;
  - iii. the extent to which the Council's assets and interests are accounted for and safeguarded from losses of all kinds arising from:
    - a. fraud and other offences,
    - b. waste, extravagance and inefficient administration, poor value for money or other cause;
  - iv. the suitability and reliability of financial and other management data developed within the Council.
3. The Internal Audit Section of the Corporate Services Directorate is also responsible for pursuing cost savings and undertaking efficiency seeking exercises throughout the City Council. This role is an extension of the conventional auditing and accountancy functions and as such, is accorded similar rights of access as given in Detailed Requirements Paragraph 1 of the Preventing and Fraud and Corruption section. Areas for investigation will be identified by the Service Director Finance. However, Strategic Directors are invited to make use of the Section by discussing possible areas for VFM or cost reduction exercises with the Chief Internal Auditor.
4. The Chief Internal Auditor has direct access and the right to report to the Service Director Finance, the Chief Executive, the Monitoring Officer, the Audit Committee, the Executive, and the Leader of the Council should they feel it necessary.

## 8. Risk Management

This section should be read in conjunction with the Council's Risk Management Policy Statement ([intranet link](#)).

### Why is this important?

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for. The purpose of an effective risk management process is to help discharge this responsibility by providing an explicit framework to support a planned and systematic approach to the identification, evaluation, prioritisation and control of risk to the City Council's objectives .

In accordance with principles of good governance the Council is required (by the Accounts and Audit Regulations 2011, Part 2, Section 4), to approve an annual Annual Governance Statement (AGS). Consequently, the Council is responsible for demonstrating that there is a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.

### Key Controls

- (a) **procedures are in place and operating effectively to identify, assess, prevent or contain all significant risks.**
- (b) **a continuous monitoring process is in place to review regularly the effectiveness of risk identification and the controls in place to mitigate risk.**
- (c) **managers are trained, and aware of their responsibilities for managing relevant risks.**
- (d) **the Council has prepared and tested both its emergency plans for implementation in the event of a disaster, and its business continuity plans for identified critical services**
- (e) **acceptable levels of risk are determined, and appropriate levels of risk mitigation identified.**
- (f) **risk assessment is an essential component of documentation prepared in respect of:**
  - **executive decision making**
  - **Service Delivery Plans**
  - **project initiatives**
  - **partnerships with stakeholders**
- (g) **risk management arrangements are regularly reviewed for continuing effectiveness**

### Responsibilities of the Service Director Finance

- i. To co-ordinate and agree the annual Annual Governance Statement for final signature by the Leader of the Council, the Chief Executive, and themselves as the S151 Officer. To include in the Statement a comprehensive reference to risk management arrangements in place and their significance within the overall internal control environment.
- ii. To have overall responsibility for implementation of the Risk Management Policy, delegating responsibility to the Chief Internal Auditor for development of the risk management framework

within directorates.

- iii. To identify and monitor key revenue budget and capital programme risks, and provide assurances regarding overall financial risk management.

### **Responsibilities of Strategic Directors**

- i. To implement the risk management policy in the directorates, particularly to:
  - nominate a “Risk Champion” at a senior level to oversee and develop a framework for ongoing identification, assessment, action and monitoring of risks within their directorate
  - provide an annual statement of assurance on risk management in the directorate
  - maintain an up to date directorate Key Risk Register, and confer regularly with the Executive Member
  - ensure compliance with corporate risk management strategies
  - ensure there are adequate contingency and business continuity plans for critical services
  - mainstream partnership risk into organisational risk management reviews and report on this regularly

### **Detailed Requirements**

1. A corporately agreed Risk Management Policy Statement will be reviewed annually, which clearly sets out the aims, the key management objectives, responsibilities, and the procedural requirements.
2. Corporate and directorate risk registers will be maintained of the key strategic and operational risks and standard risk register formats will be used to document these. Risk registers will be submitted for quarterly review at Management Team meetings, and for quarterly review and endorsement by the Executive Member.
3. Written risk assessments will support:
  - reports to Cabinet and to Strategic Directors requiring decisions
  - projects and change management programmes
  - service delivery plans
  - partnership working
  - contingency and business continuity plans
  - revenue budget and capital programmes
4. The Efficiency and Value for Money Executive Member and the Strategic Director for Corporate Services will 'champion' risk management.
5. A Risk Management Group will meet regularly to consider risks of a cross cutting nature and to provide opportunities for shared learning on risk management.
6. The Deputy Chief Executive will lead periodic reviews of the Corporate Risk Register with

the Strategic Leadership Team and the Cabinet.

7. The Audit Committee will continually review the effectiveness of risk management arrangements and provide independent assurance to the Council on this.
8. A training facility will be provided which promotes the development of risk management skills in all managers, to be delivered via :
  - the Bristol Manager
  - 'specialist' teams established to provide advice and guidance in specific areas of risk, including service delivery planning, health and safety, contingency planning and business continuity management, insurance and environmental risk management
  - the Internal Audit Risk Management intranet site

## 9. Preventing Fraud and Corruption

### Why is this important?

1. The Council will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Council. The Council's expectation of propriety and accountability is that Members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
2. The Council also expects that individuals and organisations (eg suppliers, contractors, service providers) with whom it comes into contact will act towards the Council with integrity and without thought or actions involving fraud and corruption. In accordance with these Financial Regulations and the Anti Fraud, Bribery and Corruption Strategy and Policy, all potential frauds should be referred to Internal Audit in the first instance. Where Internal Audit considers it appropriate Directorates can undertake their own investigations. The Directorate must then report back on the outcome of their investigation to Internal Audit.
3. The Council also has a legal duty under the Money Laundering Regulations 2007 to report any suspected money laundering activity. Please refer to the Anti-Money Laundering Policy and Guidance Note ([intranet link](#)) for the reporting procedure and guidance on recognising potential money laundering activity.

### Key controls

The key controls regarding the prevention of financial irregularities are that:

- the Council has an effective Anti fraud, Bribery and Corruption Strategy and Policy and maintains a culture that will not tolerate fraud or corruption
- all Members and staff act with integrity and lead by example
- Internal Audit in conjunction with senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Council or who are corrupt
- whistle blowing procedures are in place and operate effectively
- legislation including the Public Interest Disclosure Act 1998 is adhered to

### Responsibilities of the Service Director Finance

- i. To ensure that effective procedures are in place to investigate promptly any suspected fraud or irregularity.

### Responsibilities of Strategic Directors

- i. To notify the Service Director Finance immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources. Pending investigation and reporting, the Strategic Director should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.

### Detailed Requirements

1. The rights which are accorded to the Service Director Finance and his authorised representatives, by the Accounts and Audit Regulations 2011, and by the Council, in order to discharge these responsibilities are:

- i. to enter any operational or administrative premises of the Council at any time on production of evidence of identity;
  - ii. to call for, to examine, and, where necessary, to copy or retain, all records which in his opinion relate to the accounts and the financial administration of the City Council. The right of examination of records for audit purposes includes the right of the Service Director Finance, or his authorised representative, to independent access to such computers, computer applications and the output therefrom as the Service Director Finance considers necessary;
  - iii. to require from any employee such information and explanations as they consider necessary for audit purposes;
  - iv. to require any employee of the Council to produce or account for cash, stores or any other property of the Council which has been entrusted to his custody;
  - v. to examine any work or services carried out for the Council by an employee or contractor, and any goods purchased on behalf of the Council or issued from store.
2. All employees in every directorate are under a duty to assist with the discharge of these responsibilities by reporting to their superiors any instance where financial irregularity is suspected. This should include suspicion of irregularities relating to property of any kind.
  3. The City Council has clearly laid out its policy on probity, financial control and honest administration, and its commitment to the fight against fraud, whether perpetrated by Councillors, employees, contractors or the public. It has stressed that it will deal with such matters seriously and take all necessary action, both to prevent such occurrences and to detect and deal with identified cases.
  4. The Council anticipates that its employees would support this approach by reporting matters of genuine concern to their managers/supervisors. The Council acknowledges that employees may not find it easy to report a concern about a financial irregularity, especially when it may turn out to be fraud or corruption. However, the Council can assure employees raising such concerns that they will be fully supported, they will have nothing to fear from reprisals, and there will be no adverse impact on their personal situation. Where anonymity is requested every effort will be made to guarantee such confidentiality.
  5. If employees should prefer to raise concerns aside from line management, then alternative routes are available. The Internal Audit Section in the Corporate Services Directorate is always available to receive notification of concerns and investigate accordingly. In addition, the Monitoring Officer (the Service Director Legal Services, Corporate Services Directorate), the Chief Executive or the Service Director Finance can be contacted, or if an external referral is preferred, the Audit Commission, the Council's external auditors (currently Grant Thornton) or the Police can be approached.
  6. Finally it should be remembered that there are two sides to every story. Abuse of the process by raising malicious, unfounded allegations will be treated as a serious disciplinary matter. However, employees should not be deterred from raising genuine concerns, and in so doing they will be supported in every possible way.
  7. Notwithstanding the above, the normal sequence of events, where any financial irregularity is suspected, is as follows:
    - i. subordinate staff to inform their Strategic Director whenever they suspect that financial irregularity has occurred or is likely to occur;
    - ii. if, after preliminary investigation, a Strategic Director is satisfied that there are reasonable grounds for suspicion, they must inform the Service Director Finance forthwith, giving, as far as is known at that time, all the background to the case;
    - iii. where suspicion comes directly to the attention of the Service Director Finance following Internal Audit investigation, the appropriate Strategic Director will be informed;

- iv. where, in the opinion of the Service Director Finance, after consultation as appropriate with the Service Director Legal Services and the Strategic Director concerned, there is evidence to suggest that a criminal offence may have been committed, it is their duty to inform the police;
  - v. the matter then to proceed in accordance with the Codes of Disciplinary Procedures for employees approved by the Council and circulated to all directorates.
8. The contents of paragraphs 1 - 3 above are reproduced in more detail, together with other matters, in the Ant Fraud, Bribery and Corruption Strategy and Policy ([intranet link](#)).



## 10. Key Decisions

1. For the Council's purposes, a Key decision is:
  - a) Any decision to implement a revenue or capital project with a total cost of more than £0.5m, even if the project is already included in the Council's or a Directorate's revenue or capital budget. (The Local Government Act 2000, as amended in March 2002, requires local authorities to determine expenditure limits above which expenditure would be a key decision and this is the limit the Council has adopted).
  - b) Any decision which will require drawing on the Council's prudential working balance.
  - c) Any decision which is likely to have any significant effect on communities living or working in one or more wards in the Council's area.
2. Any key decision must be taken by the Council's Executive, which currently means Cabinet. This must be based on a report from the appropriate Strategic Director(s), and the Service Director Finance or their authorised representative. In practice, it will usually be the Directorate Finance Business Partner who will write the financial implications section of the report.

## 11. Revenue Budget Preparation

1. The Council is a large, complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems that will enable finite resources to be allocated in accordance with the demands on services and key priorities for service improvement. The Medium Term Financial Plan (MTFP), the annual Revenue Budget and Capital Programme are the financial expressions of the Council's plans and policies, which are set out in the Corporate Plan, Asset Management Plan and Capital Strategy.
2. Medium-term planning involves a three-year cycle in which forward budgetary plans are compiled for review by the Council, prior to decisions on budget allocations to directorates. As one year's budget is approved, a further year is added to the MTFP to maintain the three-year plan. This ensures that the Council is always preparing for events in advance, as changes to service provision often require a lengthy lead-in time.

### Why is this important?

3. The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the Council. Budgets (spending plans) are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for the Council to budget for a deficit. All key decisions on revenue expenditure must be made by the Cabinet.
4. The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement operate, the operation of cash limits and sets the level at which resources may be reallocated within budgets.
5. Where a new proposal is being formulated, the sponsoring Directorate should engage the relevant Finance Business Partner at an early stage so that any financial implications are identified and confirmed. The final report should include full financial implications, following consultation with the Service Director Finance. Strategic Directors must maintain a balanced budget and should plan to contain the financial implications of such proposals within their cash limit.

### Key controls

#### The key controls for the budget preparation are:

- specific budget approval is required for all expenditure
- budget managers are consulted in the preparation of the budgets for which they will be held responsible and accept accountability for these, together with the level of service to be delivered within delegations set by the Strategic Director. This is reflected in service delivery plans and individual employee's performance management and development scheme (PMDS)
- preparation of the budget complies with all statutory requirements
- the format complies with the requirements of the Service Director Finance and, where necessary, has regard to relevant accounting standards.
- the format reflects the accountabilities of service delivery

### Responsibilities of the Service Director Finance

- i. To advise the Cabinet on the format and timing of the budget to be approved by the full Council.

- ii. To prepare and submit reports on budget prospects for the Cabinet, including resource constraints set by the Government. Reports should take account of medium-term prospects, where appropriate.
- iii. To determine the detailed form of revenue budgets and the guidelines for their preparation, after consultation with the Cabinet and Strategic Directors.
- iv. To prepare and submit reports to the Cabinet on the aggregate spending plans of directorates and on the resources available to fund them, identifying the implications for the level of council tax to be levied.
- v. To advise on the medium-term implications of spending decisions.
- vi. To encourage the best use of resources and value for money by working with Strategic Directors to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning

### **Responsibilities of Strategic Directors**

- i. To prepare draft budgets of income and expenditure, in consultation with the Service Director Finance, to be submitted to the Cabinet and the City Council.
- ii. To prepare draft budgets that are timely, balanced and consistent with any relevant cash limits, and with guidelines issued by the Cabinet. The format should be prescribed by the Service Director Finance in consultation with the Cabinet, where necessary.
- iii. To integrate financial and budget plans into service planning, so that budget plans are reflected, where appropriate, by financial and non-financial performance measures.
- iv. In consultation with the Service Director Finance and in accordance with the laid-down guidance and timetable, to prepare detailed draft revenue and capital budgets for consideration by the appropriate Executive.
- v. When drawing up draft budget requirements, to have regard to:
  - a. corporate guidelines, including pay and price inflation factors
  - b. spending patterns and pressures revealed through the budget monitoring process
  - c. targets for growth/reductions (including efficiency savings) set out in the medium term financial plan. Targets will need to accommodate:
    - fall out of external funding
    - legal requirements
    - other policy requirements as defined by the full Council in the approved policy framework
    - initiatives already under way.

### **Detailed Requirements**

1. The procedure leading to the setting of the council tax by the Council may vary from year to year to reflect changes in the government's financial planning process or changes in local circumstances. The Service Director Finance will prepare a budget plan annually.
2. All fees and charges shall be set in accordance with Section 13 Corporate Charging, and reviewed annually and reported to the relevant Executive Member in accordance with the requirements of that section.
3. The Service Director Finance will produce detailed guidance and timetables for the budget process.

### **Other Financial Accountabilities:**

#### **Virement**

4. The full Council is responsible for agreeing procedures for the virement of budgets. For this purpose, virement means the transfer of a budget either between directorates or between services or budget headings within a directorate, as opposed to the practice of offsetting an underspend against an overspend to achieve a balanced budget.
5. The following principles will apply to any proposal to exercise virement within revenue and capital budgets within a directorate; or from revenue to capital budgets within a directorate :
- a) proposals must be consistent with the service plans and the Council's priorities
  - b) for the purpose of these rules, a virement includes the use of windfall savings and unbudgeted grant income
  - c) budget heads and cost centres in the context of the value limits set out below mean the service/activity headings as identified in the Revenue Budget document or as used in budget management reports during the year, where these differ
  - d) directorates will maintain a record of all individual budget virements in excess of £10,000 for reporting and audit purposes
  - e) no virements are possible:
    - from capital to revenue budgets
    - from staffing budgets to supplies and services budgets

The following value limits apply to individual virements and are not cumulative:

<b>Within directorates</b>	
Up to £10,000	Virement of budgetary provision shall require approval of the directorate Finance Business Partner.
Over £10,000 and up to £100,000	Service Directors shall have authority to vire budgetary provision within and between those budget heads or cost centres within their respective control; the scheme of delegation will set out any lower limits for individual virements.
Over £100,000 and up to £250,000	Strategic Directors shall have authority to vire budgetary provision within and between those budget heads within their respective control, subject to consultation with the relevant Executive Member and the approval of the Service Director, Finance.
Over £250,000 and up to £1,000,000	Proposed virements within a directorate shall require the approval of Cabinet. These will be included in the quarterly monitoring report as a separate schedule.
<b>Between directorates</b>	
Over £250,000 and up to £1,000,000	Proposed virements between directorates shall require consultation with the relevant Executive Member and the approval of Cabinet, through quarterly monitoring reports.

In addition, the Service Director, Finance may also approve budget adjustments of unlimited value where these are purely technical in nature. Technical adjustments to budgets are those which would not impact upon the service provided or on income

generated.

### **Treatment of year-end balances**

6. The Cabinet is responsible for determining procedures for carrying forward under- and over-spending on directorate budgets.

## 12. Budget Management and Control

### Why is this important?

1. Budget management ensures that once the budget has been approved by the full Council, resources allocated are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, which reviews and manages spending against budget during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget. **Key decisions on revenue expenditure must be made by the Cabinet.**
2. By continuously identifying and explaining variances against the approved budget, the Cabinet and Executive Members can identify changes in trends and resource requirements at the earliest opportunity. The Council itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the Council in total does not overspend, each directorate is required to manage its expenditure within the cash-limited budget allocated to it. Schemes of delegation operating within each directorate will specify responsibilities for managing budgets at individual service level.
3. For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required by the Strategic Director's Scheme of Delegation. Officers should check with their manager as to what is expected of them. The "Cost Centre Managers' Guide" ([intranet link](#)) gives an outline of how to fulfil this role. Finance staff based within each directorate also provide free training to help explain this role to all cost centre managers.

### Key controls

#### The key controls for budget management and control are:

- there should be an approved budget allocation for all expenditure
- all 'key decisions' on revenue expenditure must be taken by the Cabinet, following consideration of recommendations from the appropriate Strategic Director and the Service Director Finance (or their representative under the Scheme of Delegation)
- there is a nominated budget manager for each cost centre heading, as appropriate. This is also made clear on the corporate financial systems.
- budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities. They will be assessed as to their competence in this via the PMDS process.
- **budget managers follow an approved certification process for all expenditure: the Corporate Online Procurement System (COPS) should be used for the purchase of all goods and services.**
- **income and expenditure are properly recorded and accounted for by all the cost centre managers. This is done by ensuring that they know their codes correctly and review their outputs (their monthly finance reports) regularly.**
- processes are reviewed to determine the effectiveness and operation of budget preparation, and to ensure that any corrective action is taken

### Responsibilities of the Service Director Finance

- i. To establish an appropriate framework of budgetary management and control in order that:
  - a) budget management is exercised within annual cash limits
  - b) each Strategic Director has timely information available on income and expenditure on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities (via directorate-based finance staff)
  - c) expenditure is committed only against an approved budget head (subject to virement) or agreed under spends elsewhere in the directorate
  - d) all officers responsible for committing expenditure comply with relevant guidance, and Financial Regulations
  - e) as a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commit expenditure
  - f) significant variances from approved budgets are reported by budget managers regularly to their managers and to finance staff based in the directorate
- ii. To consult with Strategic Directors on all key decisions and bids for additional resources.
- iii. To submit reports to the Executive, in consultation with the relevant Strategic Director, where a Strategic Director is unable to balance expenditure and resources within existing approved budgets under their control.
- iv. To prepare and submit reports on the Council's projected income and expenditure compared with the budget on a regular basis.
- v. To liaise with the Performance and Improvement Team and Strategic Directors so that performance and financial information is integrated within reports to the Cabinet
- vi. To provide professional support and guidance to all directorate-based finance staff.

### **Responsibilities of Strategic Directors**

- i. To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.
- ii. To ensure that an accountable budget manager is identified for each item of income and expenditure under the ultimate control of the Strategic Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.
- iii. To maintain budgetary management and control within their directorates, in adherence to the principles described in the Responsibilities of the Service Director Finance sections [(i)-(v)] above, and to ensure that all income and expenditure are properly recorded and accounted for.
- iv. To consult with the Service Director Finance or the relevant Finance Business Partner on all key decisions and bids for additional resources.
- v. To ensure that spending remains within the service's overall cash limit, and within the Council's rules on virement, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- vi. To prepare and submit reports to the Executive Members on the service's projected expenditure compared with its budget, as required by the Corporate timetable. Where a projected overspend is identified, a detailed action plan should be drawn up which sets out measures to mitigate this. Such plans should be made available to the Service Director Finance, as required.
- vii. To ensure prior approval by the full Council or Cabinet (as appropriate) for new proposals, of whatever amount, that:
  - a) create financial commitments in future years
  - b) change existing policies, initiate new policies or cease existing policies

- c) materially extend or reduce the Authority's services.
- viii. To agree with the relevant Strategic Director where it appears that a budget proposal, including a virement proposal, may impact materially on another service area or Strategic Director's level of service activity.
- ix. To comply with accounting guidance provided by the Service Director Finance, including to regularly monitor the key financial risks identified for their area of responsibility and adhere to financial regulations and controls.
- x. To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and is operating effectively.
- xi. To ensure that all managers give adequate information to the directorate-based finance staff (both in time and depth of understanding) of issues and their financial ramifications that are facing the directorate.

## **Detailed Requirements**

1. Strategic Directors must ensure that all expenditure is incurred in line with the approved revenue budget.
2. Strategic Directors must establish formal schemes under which their authority to incur expenditure and manage budgets is delegated to other officers. This must include adequate monitoring of budgets by cost centre managers.
3. Expenditure linked to key decisions must be approved by the relevant Executive Member, following consideration of recommendations from the relevant Strategic Director and the Service Director Finance or Finance Business Partner.
4. A Strategic Director may, after consultation with the relevant Executive Member and the Service Director Finance, transfer monies between any of the budgets for which they are responsible, provided that the transfer complies with the rules and limits on virements set out in Section 11 above.
5. In the event of a failure of the consultees to agree, the proposed transfer should be reported as in 9. below.
6. Allocations from central contingencies and provisions are subject to approval by the Service Director Finance, after consultation with the Cabinet.
7. A review of key budget risk areas must be undertaken on a monthly basis.
8. The outcome of quarterly reviews of their complete budget must be provided by Strategic Directors to the Service Director Finance to enable reports to be submitted quarterly to the Cabinet on projected expenditure against the Council's overall budget.
9. Strategic Directors must report formally, at least quarterly to the relevant Executive Member on actual/projected expenditure against the budget for the year. The format of the reports must be agreed with the Service Director Finance, and will include proposals as to how any projected overspending will be financed from within the service's budget. These reports will also be submitted to the relevant Scrutiny Commissions.
10. Budget transfers involving transfers between services are subject to consultation with the relevant Executive Members.
11. Budget transfers involving a change in approved policies or priorities; or having an effect on the



Council's overall budget; or resulting in additional commitments in future years that cannot be financed within the service's financial plan; or involving a transfer from windfall savings or windfall income; are subject to approval by the Cabinet.

12. Budget transfers between General Fund and non-General Fund accounts are not permitted.
13. At the end of the year, Strategic Directors must report out turn expenditure against the budget to the relevant Executive Member.
14. Strategic Directors must advise the Service Director Finance whenever a potential overspending of £100,000 or more against any budget head is identified, and how the overspend is to be financed.
15. Proposals to carry forward unspent budget in the form of a reserve must be submitted to the Service Director Finance for approval.

### **Reports on matters for decision**

16. All reports for decision, including those linked with key decisions, must fully identify all of the financial implications of any options and any proposals, and which budget any expenditure is to be financed from.
17. Officers preparing reports must ensure that reports adequately reflect the views of all relevant officers and for significant issues, finance support is engaged from the outset. The Service Director Finance or Finance Business Partner must be consulted on all reports with financial implications at least ten working days prior to consideration by the relevant Executive Member.

### **Bids for External Funding**

18. All plans/ bids for funding submitted to either government or external bodies (including bids for borrowing approvals) must be approved by the Business Partner (Finance) and approved by the Service Director Finance.

## 13. Corporate Charging

### Charges for Services

1. This Section sets out the overall approach to charging for services provided to individuals and organisations external to the Council. A consistent and informed approach to charging across different parts of the council is necessary to improve the management of potential conflicts between raising income by putting up charges, and promoting access and usage of services, particularly by vulnerable groups on low incomes.
2. Some charges are set by Parliament. For services where the Council decides on what to charge, the following principles should be applied, wherever possible:
  - i. the **full** cost of providing the service (including overheads, capital charges and the cost of administering charges), should be covered wherever possible. There should be a reasonable balance between service users and local taxpayers;
  - ii. tariffs should be in line with competitors (for like-for-like services);
  - iii. concessions should be available for vulnerable groups on low incomes;
  - iv. where appropriate, discounts and promotions for all users will be offered;
  - v. where appropriate, Bristol residents should be charged less than others.
3. Charges may be set below or above full cost where:

#### Below full cost

this is part of a directorate's service delivery policy; use of the service benefits the whole community; full cost charges would have a detrimental effect on other Council services; there would be a net financial gain from full cost charges; a nominal charge is set to avoid frivolous demands for a service.

#### Above full cost

alternative behaviour is being encouraged eg reducing traffic flows; take up of an alternative service is being encouraged. Charges **must not** be set above full cost if legislation does not allow it eg charges for discretionary services made under the provisions of the Local Government Act 2003 are not permitted to be charged above full cost.

4. Charges should be simple to understand and administer. Methods of payment should be flexible and convenient and, in particular, consideration should be given to frequency, format and venue (where payment is not made at the point of service).
5. The Local Government Act 2003 confers a general power for local authorities to charge for discretionary services ie those services for which there is an express power to provide, but for which there is no statutory duty to do so eg under the wellbeing powers in the Local Government Act 2000. Strategic Directors should have regard to the general power when reviewing charges (see below).

### Annual review of charges

6. Charges must be reviewed annually, and will generally be increased in line with inflation. Where it is proposed that the charges should be increased either materially above or below inflation,

the proposal must be submitted to the relevant Executive Member (but see 7 below) and should address the following matters:

- i. Clear objectives - the intended aims of the changes should be clearly thought out and spelt out. Any legal issues should be identified in any reports.
  - ii. Impact analysis - proposals must identify likely impact on service objectives including: who currently benefits from the service, the effects on them of any changes (eg poverty traps) and who will benefit from new exemptions and concessions; how demand and usage is expected to change.
  - iii. Full cost recovery - if it is not intended to achieve full cost recovery from charging, the reasons for this - and the subsidy level - should be identified and reported to the relevant Executive Member.
  - iv. Below inflation price rise - information must be provided about the reasons for any proposal to freeze any charges or increase them by less than inflation.
  - v. Methods of collection - proposals for new or revised charges must identify what collection methods will be used. If this is a change in current arrangements: what is the likely impact on the rate and costs of collection; what account has been taken of how low income users can pay; and how cost effective will the new methods be, eg in reducing the risk of arrears?
  - vi. Impact on other service areas - the likely consequences in terms of reduced or increased demand for other services must be identified, as well as any extra costs to other directorates.
  - vii. Anticipated costs of charging - all proposals to change current charges significantly must be accompanied by analysis of the anticipated costs from the new charges, including assessment and collection costs; and how they compare with costs of administering the existing charge(s).
  - viii. Net income from charging - all proposals should indicate current gross and net income, the percentage of the costs of the service currently met through charges and how it is expected that these will change as a result of the new policy.
  - ix. Comparative information - normally from agreed comparators.
  - x. Alternatives - what other measures have been considered instead of, or as well as, the proposed changes to charges (eg cost cutting, reducing recharges, sponsorship)?
  - xi. Consultation - existing and potential users and other interest groups should be consulted before any recommendations are made to an Executive Member and information about who was consulted and the outcome must be included with any proposals.
7. Certain functions are, however, excluded by law from being the responsibility of the Executive. This means that the Executive cannot lawfully make a decision about whether to charge and if so by how much. In this context, the legislation refers to charges for 'any approval, consent, licence, permit or registration'. In these instances, Strategic Directors have powers to take necessary decisions, subject to consultation with the appropriate Executive Member, chair of scrutiny and committee chair of a regulatory committee, if appropriate. Strategic Directors should therefore give consideration to any statutory requirements governing the setting of a charge and consult with Legal Services, as necessary.

## **Financial Planning Process**

8. Strategic Directors must consider charging policies as part of their service and financial planning process. The following major sources of income must be explicitly reviewed annually as part of the financial planning process:
- i. parking income (see note below)

- ii. cemeteries and crematoria
- iii. building control
- iv. community education
- v. land charges
- vi. home care
- vii. community meals
- viii. council tenant rent

Information to support this review will include:

- i. current user attitudes and levels of usage, particularly by vulnerable groups on low incomes;
- ii. projected income targets for the coming year;
- iii. subsidy levels for different groups of users;
- iv. relevant service and corporate objectives;
- v. benchmarking information.

(note: in the case of parking income, legislation provides that charges may not be increased with the intention of producing an overall surplus to Council funds, any surplus being spent on traffic objectives - areas of licensing may also fit into this category. These areas are complex ones and legal advice should be sought before making such decisions).

9. Proposals for new charges must be submitted to the relevant Executive Member, unless they relate to non-executive items (see 7 above) and should address the matters set out in 6 above. Additionally, the following action should be taken following the introduction of new charges:
- i. Notifying services users - reasonable notice will be given to service users before any new or revised charge is implemented. This should include details of any appeal procedure if they are dissatisfied with the new charge.
  - ii. Marketing strategy - action should be identified to promote the service, in line with the set objectives, both to generate revenue and to protect vulnerable groups on low incomes by encouraging them to make use of the service, despite the new charges.
  - iii. Evaluation and monitoring of usage - the effects of the new charge on service usage, taking particular account of low income and other vulnerable groups, must be monitored regularly and considered, as part of the action planning process. This exercise should include information from service users about their evaluation of both the service and the charge.
  - iv. Revenue objectives - assessments of the achievement of net income following the introduction of any new charges must be undertaken and reported in the quarterly budget monitoring process.
10. Reasonable notice should be given to service users before any new or revised charges are implemented. Where there is a statutory minimum period of notice required (for example for tenant rent increases) this must be complied with.

## 14. Capital Expenditure

### Why is this important?

1. Capital expenditure involves acquisition or enhancement of fixed assets which have a long-term value to the Council, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs. Capital expenditure must comply with the Council's Procurement Regulations.
2. The Local Government Act 2000, as amended in March 2002, requires Local Authorities to determine expenditure limits above which such expenditure would be a key decision. For the City Council, all key decisions on capital expenditure must be authorised by the Cabinet and include:
  - i. a decision to implement a capital project with a total cost of more than £0.5m (even if the project is already included in the capital programme);
  - ii. a decision which is likely to be significant in terms of effects on communities living or working in area comprising one or more wards in the area of the Local Authority.
3. The Government places strict controls on the financing capacity of the Council. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources. Initiatives such as PFI (Private Finance Initiative) still have to comply fully with Financial Regulations.

### Key controls

#### The key controls for capital expenditure are that:

- Specific approval is given by the full Council for the annual capital programme
- Strategic Directors prepare the rolling three-year capital programme, utilising guidelines set by the Service Director Finance
- Expenditure on capital schemes not designated as "earmarked finance" is subject to the approval of the Service Director Finance, after consultation with the Cabinet
- A scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project, for approval by the relevant Executive Member under earmarked finance
- Approval by the Cabinet where capital schemes are to be financed (in part or whole) by contributions from the revenue budget
- Implementation of those capital projects designated as 'key decisions' must be approved by the Cabinet, prior to commencement.
- The development and implementation of asset management plans are developed and implemented (See also Security of Assets)
- Accountability for each proposal is accepted by a named manager ( or management group)
- Progress is monitored in conjunction with expenditure and compared with the approved budget

### Responsibilities of the Service Director Finance

- i. To bring together directorate estimates for capital schemes and to report them to the Cabinet for approval or prioritisation within existing resources. Cabinet approval is required where a Strategic Director proposes to bid for or exercise additional borrowing approval not anticipated in the capital programme. This is because the extra borrowing may create future commitments

- to financing costs.
- ii. To submit reports to the Cabinet on the projected income, expenditure and resources compared with the approved estimates.
- iii. To issue guidance concerning capital schemes and controls. The definition of 'capital' will be determined by the Service Director Finance, having regard to government regulations and accounting requirements.
- iv. To obtain authorisation from the Cabinet for individual schemes where the estimated expenditure exceeds the capital programme provision by more than £100,000. Any excess must be balanced within the overall Capital Programme.

## **Responsibilities of Strategic Directors**

- i. To comply with guidance concerning capital schemes and controls issued by the Service Director Finance, including ensuring that all capital proposals have undergone a full project appraisal.
- ii. To refer all development proposals to the appropriate finance officers to ensure that taxation (VAT) implications are considered.
- iii. To prepare regular reports reviewing the capital programme provisions for their services. They should also prepare a quarterly return of estimated final costs of schemes in the approved capital programme for submission to the relevant Executive Member and to the Service Director Finance.
- iv. To ensure that full records are maintained for all capital contracts.
- v. To proceed with projects only when there is adequate provision in the capital programme and with the agreement of the Service Director Finance, where required.
- vi. To consult with the Service Director Finance, and to obtain authorisation from the Cabinet, prior to the implementation of key decisions as part of the capital programme.
- vii. To prepare and submit reports to the Executive Member, of any variation in contract costs greater than the approved limits. The additional cost must be met from within the overall capital programme.
- viii. To prepare and submit reports to the Executive Member, on completion of all projects where the final expenditure exceeds the approved budget by more than £100,000.
- ix. To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the Service Director Finance and, if applicable, approval of the scheme through the capital programme.
- x. To consult with the Service Director Finance and to seek Cabinet approval where the Strategic Director proposes to bid for capital financing to support expenditure that has not been included in the current year's capital programme.

## **Detailed requirements**

1. Strategic Directors will prepare three year capital programmes in a format within the guidelines set by the Service Director Finance, after consultation with the Cabinet.
2. The Cabinet will submit the annual capital programme for non-earmarked finance to full Council for approval. In-year allocations of capital finance will be dealt with by:
  - i. designating certain sources of capital finance as 'earmarked finance' (eg borrowing allocations which the Cabinet has earmarked for particular programmes or projects). For earmarked finance, the relevant Executive Member will be consulted on the allocation of finance to particular projects, subject to the revenue costs arising from the project being contained within the service's revenue budget; or
  - ii. the Service Director Finance allocating other finance to particular projects, after consultation with the Cabinet.

3. The allocations of earmarked and other finance will be recorded in the capital programme.
4. Projects (except on-going programmes of minor works) will be the subject of consultation with the relevant Executive Member prior to inclusion in the Capital Programme. The report to the relevant Executive Member will include:
  - i. the estimated cost of the project;
  - ii. the proposed start date
  - iii. the planned phasing of expenditure on the project;
  - iv. the anticipated revenue implications of the project;
  - v. the source of finance for the project.
5. Strategic Directors must submit quarterly reports to the relevant Executive Member setting out the latest estimates of costs and phasing of the service's capital programme. The report will give details of changes in project costs and phasing, and include updated risk assessments. If there is a net increase in costs, the report must contain proposals as to how the additional costs will be contained within the resources allocated to the service.
6. Where the estimated cost of a project has increased by more than £100,000, the Strategic Director concerned must explain the reasons for the increase and the proposed way of financing the increased cost to the relevant Executive Member at the earliest opportunity for incorporation into the quarterly monitoring report.
7. The Service Director Finance will submit quarterly monitoring reports to the Cabinet on the overall capital programme.

## 15. Asset Leasing

### Why is this important ?

The implementation of the Prudential Code in April 2004 has introduced new freedoms for Local Authorities to pursue various capital and revenue options for the funding of asset acquisitions. It is therefore important to ensure the most cost effective form of funding is sourced for each acquisition.

### Key Controls

The key controls for asset leasing are:

- (a) to ensure that a full option appraisal is carried out in which the most effective lease is compared with alternative financing options with a view to establishing full compliance with Prudential Code value for money requirements.
- (b) to ensure that the terms and conditions of the lease documentation are appropriate and meet the requirements of the City Council.
- (c) to ensure the lease is correctly accounted for within the City Council's books.
- (d) to ensure that the original supply of the asset to be financed complies with Procurement Regulations.

### Responsibilities of the Service Director Finance

- (i) To ensure the Council does not enter into leasing contracts which compromise the Council's spending limits set with regard to its Prudential Indicators.
- (ii) To provide financial expertise and advice on leasing arrangements and contracts
- (iii) To ensure that best value is achieved in leasing contracts, including aggregation of the Council's leasing requirement where appropriate.

### Responsibility of Strategic Directors

- (i) To refer all proposed leasing arrangements to the Service Director Finance.

### Detailed Requirements

1. There are three types of leases:-

#### (i) Finance Lease

A finance lease is a lease that transfers substantially all the risks and rewards of ownership of the asset, other than the legal title, to the lessee. After an initial primary period of a maximum of seven years during which time the lessor recovers the full cost of the asset together with a return on the finance provided, the lease may be renewed for an indefinite term during which time a nominal rental is paid. After the primary period it is usual for the lessor to issue the lessee with a sales agency. Once the equipment is no longer required the lessee may dispose of it at market price and retain a substantial proportion (usually 95%) of the sale proceeds. Finance leases are accounted for as capital expenditure and appear on the Council's balance sheet.



## **(ii) Operating Lease**

An operating lease is effectively a form of hire agreement by which the cost of an asset may be spread over a maximum of seven years. The lessee pays a rental for the hire of the asset over a period of time which is less than its useful economic life. The present value of the primary rentals must amount to less than 90% of the value of the leased asset. At the end of the primary term the lessor can offer an extension to the lease at market rates. On eventual termination the equipment must be returned to the lessor. Any return conditions built into the lease to protect the lessors investment will need to be complied with. With this type of lease the asset does not appear on the Council's books however the rental is charged to revenue.

## **(iii) Long Funding Lease**

A long funding lease is a lease with a primary term in excess of seven years. The tax benefits associated with finance and operating leases are lost to the lessor making this, potentially, an expensive source of finance.

2. Contracts for the original supply of goods to be leased must comply with the Council's Procurement Regulations and to any standard form of contract prescribed by the Council.
3. The terms for most leases are subject to individual negotiation and there can be considerable flexibility about most aspects.
4. Under present legislation the Council must at no time become the owner of the asset, although relevant details of the asset should be recorded on the fixed asset / inventory records in the normal manner. Any losses should be reported immediately both to Corporate Finance **and the Insurance section.**
5. Leasing arrangements must be financially appraised and negotiated on behalf of the City Council by the Service Director Finance and all agreements must be signed by the Service Director Finance. Any directorate considering leasing as an option should contact **Corporate Finance.**

## 16. Treasury Management (Loans and Investments)

### Why is this important?

1. Significant sums pass through the Council's accounts each year which need to be securely managed and controlled to maximise the Council's income. This is done in accordance with codes of practice that have been established with the aim of providing assurance that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's funds.

### Key controls

The key controls for treasury management are that:

- The Council's borrowings and investments comply with the CIPFA Code of Practice on Treasury Management in Local Authorities (second edition) and with the Council's Treasury Management Policy statement

This CIPFA Code of Practice includes the following clauses:

1. This Council will create and maintain, as the cornerstones for effective treasury management:
  - A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
  - Suitable TMPs, setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
2. The Council will receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid year review and an annual report after its close, in the form prescribed in its TMPs.
3. The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to the Service Director Finance, who will act in accordance with the Council's policy / statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
4. The organisation nominates Scrutiny / Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies. The nominated scrutiny committee will be the Resources Scrutiny Commission.

### Responsibilities of the Service Director Finance

- i. To prepare the Council's Treasury Management Policy Statement and Strategy in accordance with the CIPFA Code of Practice on Treasury Management in Local Authorities and to arrange for all Council borrowing and investment in such a manner as to comply with this Statement/Strategy.
- ii. To ensure that all investments of money are made in the name of the Council or in the name of nominees approved by the full Council.
- iii. To ensure that all securities that are the property of the Council or its nominees and the title deeds of all property in the Council's ownership are held in the custody of the appropriate Strategic Director.

- iv. To effect all borrowings in the name of the Council.
- v. To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council.
- vi. To ensure that there is adequate monitoring of Treasury Management activities, involving both Members and senior Finance staff.
- vii. To report to the Executive four times a year on Treasury Management activities.

### **Responsibilities of Strategic Directors**

- i. To ensure that loans are not made to, and that interests are not acquired in, companies, joint ventures or other enterprises without the approval of the full Council, following consultation with the Service Director Finance.

### **Detailed Requirements**

1. The Council has adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice for Treasury Management in Public Services (Second Edition - November 2009).
2. A Treasury Management Policy Statement setting out the matters detailed in Section 6 (p11) of CIPFA's Code of Practice for Treasury Management in Public Services (Second Edition) shall be adopted by the Council, and thereafter its implementation and monitoring shall be delegated to the Service Director Finance, under the scrutiny of the Resources Scrutiny Commission / Audit Committee..
3. Before the start of the financial year the Service Director Finance shall consult with the relevant Executive Member on the strategy for treasury management it is proposed to adopt for the coming financial year. Approval of the annual Treasury Management Strategy by Full Council should take place at the Annual Budget Meeting. Cabinet shall also receive a mid-term review, and an annual report.
4. All executive decisions on borrowing or investment shall be delegated to the Service Director Finance who will be required to act in accordance with the Code of Practice.
5. Should the Service Director Finance wish to depart in any material respect from the main principles of the Code, agreement should be sought from the relevant Executive Member.
6. The Service Director Finance shall report to the Executive Member and Resources Scrutiny Commission (at least) four times each year, and report regularly on the activities of the treasury management operation and on the exercise of delegated treasury management powers. One such report shall comprise an annual report on treasury management, for presentation no later than 30 September of the succeeding financial year.
7. The Service Director Finance may borrow on behalf of the Council under the powers contained in the Local Government Act 1972 and subsequent legislation by way of instruments defined in the annual Treasury Management Strategy, and in accordance with the Council's Treasury Management Practices.
8. The Service Director Finance will arrange for the investment or utilisation for the Council's own purposes, of surplus funds of the Council as may seem to them to be appropriate and in the Council's best interests. The instruments to be used for such investment are only those listed in the Treasury Management Practices, and no instrument other than those listed shall be used.
9. All investments made on behalf of the Council shall stand in the name of the Council, or be identified as being to the account of the Council where invested by managers, and the Service Director Finance shall be responsible for ensuring the safe custody of investment certificates.

## 17. Insurance

### Why is this important?

1. All organisations, whether private or public sector, face risks to people, property and continued operations. Insurance, either through external providers or through the Council's own fund, form a vital part of the management of these risks.

### Key controls

The key controls for insurance are that:

- **risks exceeding acceptable levels are determined and adequately insured against where appropriate**
- **material risks are monitored on an ongoing basis, and the level of insurance cover (external or internal) adjusted accordingly**

### Responsibilities of the Service Director Finance

- i. To effect corporate insurance cover through external insurance and internal funding.
- ii. To manage the Council's internal funding, including prescribing how claims on the Council's Insurance Fund should be made.
- iii. To negotiate all claims in consultation with the insurers, Legal Services and other officers, as necessary .
- iv. To include all appropriate employees of the authority in a suitable fidelity guarantee insurance, and provide adequate public liability, and employer's liability cover.
- v. To offer insurance cover to schools in accordance with Fair Funding arrangements.
- vi. In conjunction with the Service Director Finance to periodically undertake a general revaluation of Council buildings and effect appropriate changes to the corresponding insurance cover following revaluation.
- vii. To identify claims trends and implement appropriate risk management measures.

### Responsibilities of Strategic Directors

- i. To notify the Service Director Finance immediately of any insured loss, liability or damage that may lead to a claim against the Council, or by the Council, together with any information or explanation required by the Service Director Finance or the Council's insurers.
- ii. To notify the Service Director Finance promptly of all new risks, properties or vehicles which require insurance and of any alterations affecting existing insurance's.
- iii. To ensure employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation which may prejudice the assessment of liability in respect of any insurance claim.
- iv. To ensure sound systems of control are maintained to prevent invalidation of fidelity guarantees - **failure to act on Audit recommendations may result in such an invalidation.**

### Detailed Requirements

1. The Service Director Finance is responsible for arranging insurance cover on behalf of the Council, excluding any insurance under contracts which is the responsibility of the contractor.
2. The Service Director Finance will hold in safe custody all insurance policies of the Council, arrange for payment of premiums by the due date, and manage the Council's own Insurance Fund. Procedures for dealing with claims on the Council's own Insurance Fund will be prescribed from time to time by the Service Director Finance.
3. With regard to the insurance of property, **other than buildings**, and any other insurable risks appropriate to the Council's services, it is the duty of all Strategic Directors to:

- i. periodically review the valuation of insurable assets.
  - ii. inform the Service Director Finance promptly of any additions, disposals or revaluations of assets, so that appropriate changes in cover can be effected.
  - iii. inform the Service Director Finance promptly of any circumstances which necessitate the submission of a claim to an external insurer, or on the Council's Insurance Fund.
4. With regard to the insurance of buildings, it is the duty of all Strategic Directors to inform the Service Director Finance promptly of any changes in the fabric, use or contents of any building which may affect its valuation for insurance purposes.
5. It is the duty of the Service Director Finance to periodically undertake a general revaluation of Council buildings ( incorporating notifications received from Strategic Directors under paragraph 4 above) so that appropriate amendments to insurance cover can be arranged.
6. The Service Director Finance is responsible, in consultation with the appropriate Strategic Directors, for submitting and agreeing insurance claims with external insurers and agreeing amounts to be met from the Council's Insurance Fund.
7. Insurance records relating to liability policies and related correspondence must be retained indefinitely. Documents relating to other policies and internal funding arrangements must be retained for six years.

## 18. Value Added Tax

### Why is this important?

1. Like all organisations, the Council is responsible for managing its VAT affairs in accordance with legislation. Tax issues are often extremely complex. The penalties for failure to comply with statutory requirements, including incorrect accounting for VAT are severe. Her Majesty's Revenue and Customs (HMRC) penalties are now up to 100% of the amount of VAT incorrectly accounted for.
2. Detailed consideration of future spending is required to ensure that the Council can continue to recover all the VAT it incurs, both on new schemes and on its existing expenditure. It is therefore very important for all officers to be aware of their role in ensuring the Council's compliance with and adherence to HMRC's VAT Regulations and the requirements of the Council's VAT guidance (detailed below).
3. It is important that the Council does not waste resources through under recovery of VAT, failing to identify taxable transactions and account for VAT due at the correct time, unnecessarily incurring non-UK VAT that is generally unrecoverable, or by making poor decisions due to inadequate information.

### Provision of VAT guidance

4. VAT is managed with the Corporate Services Directorate's Finance Division. There is a nominated **VAT Officer**, available to all Council staff for assistance with VAT issues.
5. Detailed guidance on the operation of VAT is provided on the Source ( [intranet link](#) ).
6. Major changes in VAT are notified to Directorate Finance Officers, who are responsible for ensuring that this is acted upon throughout their respective Directorates.

### Key controls

#### The key controls for VAT are that:

- budget managers are informed and kept up to date on VAT issues
- budget managers are instructed on required record keeping
- all taxable transactions are identified, properly carried out and accounted for within stipulated timescales
- records are maintained in accordance with instructions
- returns are made to HMRC within the stipulated timescale.

#### Responsibilities of the Service Director Finance

To agree and supervise procedures to:

- i. Maintain up to date guidance for Council employees on VAT issues.
- ii. Report changes in VAT requirements to Finance Officers;
- iii. Accurately complete a monthly VAT return to HMRC as quickly as possible.
- iv. Recover all appropriate VAT at the earliest opportunity;
- v. Avoid system changes and developments prejudicing the correct treatment of VAT;
- vi. Complete an annual return calculating the Council's partial exemption position;
- vii. Keep the Council within its partial exemption limit;
- viii. Provide VAT advice, both strategically and operationally.

## Responsibilities of Strategic Directors

- i. To ensure that all VAT is correctly accounted for on all income due to the Council, and that all VAT recoverable on purchases complies with HMRC regulations.
- ii. To follow the VAT guidance issued by the Service Director Finance;
- iii. To ensure that all capital work and revenue development is notified to the Council's VAT Officer at the earliest opportunity where **any** of the following apply:
  - significant VAT is incurred;
  - any VAT-exempt income is generated; **or**
  - there are non-cash benefits, eg Land swap or provision of services at below market price
- iv. To fund any interest charges or penalties falling upon the Council from HMRC that result from their Directorate's failure to account for the correct VAT at the correct time;
- v. To retain all VAT-related documents for at least **six years, plus the current year**.

## 19. Contracts

Every formal contract made by the council whether for supplies, works or services must comply with the Procurement Regulations [\(link\)](#).



## 20. Orders for Goods, Works and Services

*This section has been removed as it is now covered under section 22 Ordering and Payment for Goods, Works and Services.*

## 21. Stocks and Stores

### Why is this important?

1. The Council holds stocks and stores, which in total, are of significant value, and it is important that these assets are properly safeguarded and used effectively in service delivery.

### Key controls

#### The key controls for stocks and stores are:

- to make arrangements for the care, custody and recording of stocks and stores
- to ensure stocks are maintained at reasonable levels and are subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion. (See Preventing Fraud and Corruption, Detailed Requirements, paragraph 2)
- to investigate and remove from the Council's records (ie write-off) discrepancies as necessary
- to authorise the disposal and write-off of redundant stocks

### Responsibilities of the Service Director Finance

- i. The Service Director Finance (or their authorised representative) has the right of access to all Council establishments, to verify stores, records or accounts.
- ii. To maintain financial stores' control accounts, where appropriate.

### Responsibilities of Strategic Directors

- i. To ensure that resources are available for use when required, not held in excessive quantities, and only used for the purposes of the Council.
- ii. to ensure that proper records of stock and stores are maintained and regularly reconciled to the items present.
- iii. to authorise the disposal and write-off of redundant stocks and stores.
- iv. To consult the Service Director Finance in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

### Detailed Requirements

1. Every Strategic Director is responsible for the care and custody of stores and stocks used by their directorate.
2. They should ensure that stocks and stores are not carried in excess of economic requirements and that physical stock checks are carried out at proper intervals and reconciled to the stores and accounting records.
3. Records must be maintained by Strategic Directors, in a form approved by the Service Director Finance, of items held in store pending use, showing receipts, issues and balances in hand. The Service Director Finance will maintain financial stores' control accounts where appropriate and may prescribe general principles governing issue pricing and the level of stocks.
4. Procedures for disposal of redundant stocks and stores should be by competitive tender, quotations or auction, so as to maximise benefits to the Council, acting in accordance with the law and Council regulations.
5. The Service Director Finance or his authorised representative is entitled at any time to enter any operational or administrative establishment of the Council upon production of evidence of identity to check stocks of stores and materials, to audit the relevant accounts, and to call for

such information and explanation as they deem necessary for costing, accounting or security purposes.

6. Where any irregularity is suspected in the custody or use of stores or stocks, the matter shall be treated as a financial irregularity and should be reported immediately to senior management. See section 9 Preventing Fraud & Corruption for more details.

## 22. Ordering and Payment for Goods, Works and Services

### Why is this important?

1. Public money should be spent with demonstrable probity and in accordance with the Council's policies. Local Authorities have a statutory duty to achieve best value in part through economy and efficiency. The Council's procurement procedures should help to ensure that Directorates obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Council's Procurement Strategy and Procurement Regulations.
2. Following receipt of goods, works or services in the required quality and quantity, payments to bona fide creditors need to be made at the correct time, and for the correct amount. Ordering via the Corporate on-line purchasing system (COPS) enables efficiencies to be realised by the City Council including timely and accurate payment of invoices. This has benefits both for suppliers and for the Council. Conversely, late payment may involve penalties under the Late Payment of Commercial Debt (Interest) Act (1998).
3. Proper utilisation of COPS will help to prevent the processing of duplicate payments. The invoice number and creditor reference form a unique identification. It is important that all payments made should include VAT at the appropriate rate (where supported by VAT invoices).

### Key controls

#### The key controls for orders and payments to creditors are that:

- All goods and services shall be ordered in accordance with the requirements of Procurement Regulations, Procurement Strategy and Corporate Procurement Guidance Manual, unless they are purchased from sources within the Authority.
- There is a provision for the cost within the budget (or it is covered by a special financial provision).
- COPS or an authorised feeder system which will interface with COPS must be used to order goods and services.
- For orders over £300 COPS automatically requires authorisation by an appropriate level of officer. For orders under £300 authorising managers must regularly review summary reports from COPS.
- goods and services received are only receipted on COPS after they have been checked to ensure they are in accordance with the order in terms of quality and quantity.
- **All payments must be processed through COPS apart from any approved interfaces with the creditors system or requests for payment.**
- Payment is only made automatically through COPS if the order, receipt and invoice fall within the agreed tolerance limits. Those where the tolerance limits are exceeded must be referred to an authorising officer with the appropriate authority.
- all appropriate evidence of the full transaction is retained and stored for the defined period, in accordance with the record retention guidelines
- all expenditure, is accurately recorded against the correct expenditure code and any errors are promptly corrected

### Responsibilities of the Shared Transactional Services Operations Manager - Finance & Procurement

- i. To process the order and make payments from the Council's funds on the Strategic Director's authorisation that the expenditure has been correctly incurred.
- ii. To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.
- iii. To make payments to contractors on the certificate of the appropriate Strategic Director, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- iv. To ensure that all appropriate payment records are retained and stored for the defined period, in accordance with the document retention guidelines.
- v. To provide appropriate systems for, and advise on, ordering and making payments by the most economical means.
- vi. To ensure that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.

Control over payment of creditors arrangements is administered through the **Finance & Procurement Section of the Shared Transactional Services Division**.

### **Responsibilities of Strategic Directors**

- i. To ensure that all orders for goods and services for their Directorate are made through COPS or an authorised feeder system which will interface with COPS.
- ii. To ensure that orders are only used for goods and services provided to the Directorate.
- iii. To ensure that the Directorate maintains an up to date scheme of delegation that sets out the authority and limits on raising orders and this is reflected in the user access set up in COPS
- iv. Effective management of the Directorates access to COPS, ensuring that access is granted on a 'need only' basis, the removal of access where staff leave and that sharing of IDs and passwords is disallowed in accordance with the Council's Information Security Policy.
- v. To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Service Director Finance.
- vi. To ensure that goods and services are checked on receipt to verify that they are in accordance with the order.
- vii. To encourage suppliers of goods and services to receive payment by the most economical means for the Council. Payments made by direct debit must have the prior approval of the Shared Transactional Services Operations Manager - Finance & Procurement.
- viii. To notify the Shared Transactional Services Operations Manager - Finance & Procurement immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- ix. At the end of the financial year, Strategic Directors shall notify the Shared Transactional Services Operations Manager - Finance & Procurement of all accounts outstanding for inclusion as creditors in the final accounts for that year.

- x. To ensure that all legitimate goods and services received are receipted promptly on COPS. **Late payments may be subject to penalty at base rate +8%. Interest on any late payments will be charged to the offending Directorate.**

## Detailed Requirements

1. Every officer and member of the Authority has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and / or contractors if they are engaged in contractual or purchasing decisions on behalf of the authority, in accordance with the Council's Code of Conduct. Any individual with a personal interest **MUST NOT** be involved in any purchasing decision relating to that purchaser, supplier and / or contractor unless they have express written approval to do so from their manager.
2. When raising an order on COPS, employees should ensure that the goods or services are necessary for the discharge of the responsibilities of the Council and that there is a provision for the cost within the budget (or it is covered by a special financial provision). Orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts.
3. When goods and services, from a single supplier, with a value over £300 are required, orders must not be split into smaller value orders to avoid the proper COPS authorisation process.
4. To establish your Directorates authorisation levels please refer to your Directorate representative for COPS ([intranet link](#)).
5. All cheques in respect of payment to creditors, with the exception of payments from Imprest Accounts, will be drawn by the Shared Transactional Services Operations Manager - Finance & Procurement. Creditors cheques with a value greater than an amount to be determined from time to time by the Shared Transactional Services Operations Manager - Finance & Procurement will require an additional authorised manual signature.
6. Payments by BACS may be made by agreement with individual creditors, and funds will be transferred after three working days from the payment date. Remittance advices will be automatically faxed or e-mailed to the creditors involved overnight.
7. The Finance & Procurement Section will review BACS and cheque payments in excess of the amount specified by the Shared Transactional Services Operations Manager - Finance & Procurement to ensure they are properly payable.
8. The Late Payment of Commercial Debts (Interest) Act (1998), enables companies and other organisations to claim interest on late payments against invoices paid after 30 days or agreed terms. Claims may be backdated for six years. To avoid incurring such interest charges, Directorates should ensure that all goods and services received are promptly receipted on COPS. Disputed invoices should be reported to the supplier in writing immediately, and the dispute resolved as soon as possible. A User's Guide to the Act states "If a dispute or complaint arises, purchasers should obtain (where possible) written confirmation from the supplier that a query exists." In such cases all supporting documentation should be retained for the prescribed period, and appropriate notes entered onto the Creditors system. **These provisions will apply to all companies and public bodies.**
9. For most urgent payments, the system contains a facility to make a payment the next day. For exceptional circumstances, where payment on the day is required, manual creditors cheques can be produced - these must be subject to particular review.
10. The receipting of orders on COPS by the Strategic Director, or their authorised employee, shall

be deemed to cover the following matters:

- i. that it is the liability of the Council, and where in respect of goods or services, that they have been properly ordered;
- ii. that the goods have been received, examined and approved as to quality and quantity;
- iii. the work done or service rendered has been satisfactorily carried out and, where applicable, the materials used were to the requisite standard;
- iv. that, where applicable, the goods have been recorded on the directorate inventory, stores records and any other appropriate records;
- v. that the expenditure has been properly coded;
- vi. for payments made in advance of services/goods being received, a VAT receipt will be obtained with a tax point in the same costing month to validate the recovery of VAT. Otherwise the VAT officer must be contacted immediately to enable the necessary adjustment to be made which may result in interest and penalty charges from HMRC.

11. From time to time the Shared Transactional Services Operations Manager - Finance & Procurement will issue instructions about the extent to which these checks can be disregarded for small amounts.

12. Directorates should be aware of pressure selling methods and offers of goods or services **MUST NOT** be verbally accepted. All goods and services must be ordered via COPS. It is an offence (Unsolicited Goods and Services Act 1971) to demand payment for unsolicited goods that have been delivered, and **Trading Standards** can advise on the action to be taken in such cases.

13. Additionally, to maintain segregation of duties, payments must be released independently from authorising officers - cheques **MUST NOT** be returned to the Accounts Payable team of Finance & Procurement or to the Directorate which originated payment.

14. Under current tax legislation the Council is deemed to be the Contractor and those working for the Council to be sub-contractors. Payment in full can **ONLY** be made to such a sub-contractor (company or individual) in the construction industry who has been validated by HMRC and is allowed to be paid Gross. Those deemed Net by HMRC will be paid with a tax deduction of 20% from the labour element of the invoice. These individuals or companies should submit invoices which clearly apportion the materials element of the charge from other elements before VAT is added. If the sub-contractor is not validated the payment can be made with 30% tax deduction. The Creditors Payment System will identify those creditors who have been approved by HMRC under the scheme. Directorates should seek guidance from **Finance & Procurement** in any cases where there is doubt about the status of an individual or the taxable status of a payment.

15. At the end of each financial year, as required by the Shared Transactional Services Operations Manager - Finance & Procurement, each Strategic Director shall list all accounts outstanding for inclusion as creditors in the final accounts for that year.

## 23. Guide for Employment Status

### Why is this important?

1. Determining whether an individual can be treated as self employed is the responsibility of the person engaging the individual to perform a task, not the individual themselves.
2. If the Council fails to correctly identify an individual's employment status then Her Majesty's Revenue and Customs (HMRC) could impose a penalty. The financial implications could be significant because HMRC have the power to go back as far as six years plus the current in claiming unpaid tax, National Insurance, interest and penalties.

### Key Controls

3. The key controls for employment status are:
  - a) Managers are aware of and follow the guidance set out in the Guide for Employment Status document ([intranet link](#)).
  - b) An employment status form ([intranet link](#)) is completed before the individual commences work. The form is retained for inspection by Audit / HMRC and a copy submitted to Account Services.

### Responsibilities of Strategic Directors

4. Their responsibilities are:
  - a) To ensure that the guide for employment status is brought to the attention of, and followed by, all managers within their Directorate.



## 24. Imprest Accounts and Petty Cash

### Why is this important?

1. Imprest accounts are used to cover **minor** expenditure by the Council, including small purchases and certain types of expenses. Operating such accounts negates the need to use the computerised Creditors system for small payments. However, the cash based nature of the system requires that the cash is held in a secure environment and all disbursements properly accounted for. The rules for operating these accounts are laid down by the Service Director Finance.

### Key controls

#### The key controls for imprest accounts are that:

- ensure that cash is held securely
- ensure that access to imprest bank details are secure
- ensure that they are used for authorised purposes and within prescribed limits
- obtain and retain vouchers to substantiate each payment from the imprest
- imprest accounts are reconciled monthly, and reimbursement should be sanctioned by a supervising officer (under delegated powers)
- there is a periodic reconciliation by an independent officer
- there is an annual certificate to confirm the Statement of Cash held at the 31st March each year
- petty cash must not be used for employee expenses and any reimbursement must be made via payroll
- operational cash must be kept separate from petty cash

### Responsibilities of the Shared Transactional Services Operations Manager - Finance & Procurement

- i. To provide employees of the Council with cash or bank imprest accounts to meet minor expenditure on behalf of the Council and to prescribe rules for operating these accounts.
- ii. To determine the imprest limit and to maintain a record of all transactions and petty cash advances made, and periodically to review the arrangements for the safe custody and control of these advances.
- iii. To reimburse imprest holders as often as necessary to restore the imprests, but normally not more than monthly.

### Responsibilities of Strategic Directors

- i. To authorise employees to operate imprest accounts and ensure they comply with the guidelines laid down by the Shared Transactional Services Operations Manager - Finance & Procurement for such accounts.
- ii. To ensure that the imprest account is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the imprest and change relating to purchases where an advance has been made. Monies held as part of the imprest must not be mixed with other monies.
- iii. To ensure that on leaving the Council's employment or otherwise ceasing to be entitled to hold an imprest advance, an employee shall account to the Shared Transactional Services Operations Manager - Finance & Procurement for the amount advanced to them.

- iv. To notify the Shared Transactional Services Operations Manager - Finance & Procurement of the imprest account balance held at the financial year end for inclusion in the Council's annual accounts.

## **Detailed Requirements**

1. The Shared Transactional Services Operations Manager - Finance & Procurement may, at their discretion, make imprest advances to employees for the payment of minor items of expenditure of the Council. The amount of such advance, and any subsequent increases, will be approved by the Finance Business Partner.
2. An employee to whom an imprest advance is made must:
  - i. obtain and retain vouchers to substantiate each payment from the imprest. Particular care should be taken to obtain a VAT invoice when this tax is charged;
  - ii. ensure the safe custody of imprest cash by keeping it securely locked away, preferably in a safe; guidance on this matter can be obtained from the Audit Section;
  - iii. restrict the amount of each separate payment to such limits as may be prescribed from time to time by the Shared Transactional Services Operations Manager - Finance & Procurement (at present £300 although exceptions have been agreed for certain Health & Social Care establishments).
  - iv. have due regard, where appropriate, to the part of these Regulations dealing with Revenue Expenditure (Budget Management);
  - v. produce, upon demand, to the Shared Transactional Services Operations Manager - Finance & Procurement or his Audit representative cash and/or vouchers to the total of the imprest;
  - vi. where an imprest is operated through a bank account, ensure that the account remains in credit, and that the procedures set out under Banking Arrangements in these Regulations are followed. A record of names and specimen signatures is maintained by the Finance & Procurement Section. Arrangements have been made with the Council's bankers to advise this Section of any imprest accounts that become overdrawn; Any charge made by the bank will be paid by the overdrawn establishment.
  - vii. reconcile and balance the imprest at least monthly or after each claim. Imprests are being reduced and it may be necessary to make more frequent claims. Periodic checks should be made by a senior officer to ensure that this is being properly carried out;
  - viii. reconcile the account at 31st March each year, and provide a certificate of such reconciliation to the Corporate Finance.
3. The Shared Transactional Services Operations Manager - Finance & Procurement will maintain a record of all imprest advances made and periodically review the arrangements for the safe custody and control of imprest advances. Reimbursement will be made by the Shared Transactional Services Operations Manager - Finance & Procurement to imprest holders as often as may be necessary to restore the imprests. Imprest holders will be expected to retain the vouchers that support their requests for reimbursement, in accordance with the appropriate rules on retention of documents and these will be periodically reviewed by Finance & Procurement.
4. No receipts are to be credited to any imprest other than reimbursements received from the Shared Transactional Services Operations Manager - Finance & Procurement (or change where an advance has been made), nor should any other monies be mixed with it. Operational cash must be kept separate from petty cash.
- 5. Under no circumstances should personal cheques be cashed in, or money borrowed from, imprest accounts.**
6. The rules prescribed in Paragraphs 1 to 5 of this part of the Regulations are also applicable to

sub-imprest forming part of a main imprest.

## 25. Payroll

### Why is this important?

1. Staff costs are the largest item of expenditure for most Council services. It is therefore important that payments are accurate, timely, made only to the right people and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for, as this ensures accurate information for budget holders.
2. It is important that Members' allowances are authorised in accordance with the scheme adopted by the full Council (detailed in section 31).
3. Failure to adhere to the above and any statutory requirements could result in the Council being penalised by HMRC.

### Key controls

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

- **proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to:**
  - a. starters
  - b. leavers
  - c. variations
  - d. enhancements
- **payments are made on the basis of authorised time sheets or claims where positive payments are used**
- **frequent reconciliation of payroll expenditure against approved budget and bank account**
- **all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule**
- **that HMRC and other statutory regulations are complied with**

### Responsibilities of the Shared Transactional Services Operations Manager - HR

- i. To arrange and control secure and reliable payment of salaries, wages, or other emoluments to existing and former employees, in accordance with prescribed procedures, on the due date.
- ii. To make arrangements for the accurate and timely treatment of tax, pensions and other deductions and payment of such monies to appropriate organisations.
- iii. To take steps to secure payment of salaries and wages by the most economical means.
- iv. To ensure that there are adequate arrangements for administering pension matters on a day-to-day basis.

- v. To ensure that records of employee benefits in kind are maintained to enable complete reporting within the income tax self-assessment system.

### **Responsibilities of Strategic Directors**

- i. To ensure appointments are made in accordance with the regulations of the Council and approved establishments, grades and scales of pay and that adequate budget provision is available.
- ii. To notify the Shared Transactional Services Operations Manager - HR of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Shared Transactional Services Operations Manager - HR.
- iii. To ensure that adequate and effective systems and procedures are operated, so that:
  - a. payments are only made to bona fide employees
  - b. payments are only made where there is a valid entitlement
  - c. conditions and contracts of employment are correctly applied
  - d. employee's names listed on the payroll are checked at regular intervals to verify accuracy and completeness
- iv. To send an up-to-date list of the names of officers authorised to sign payroll documents to the Shared Transactional Services Operations Manager - HR together with specimen signatures.
- v. To ensure that payroll transactions are processed only through the payroll system.
- vi. To ensure that the Shared Transactional Services Operations Manager - HR is notified of the details of any employee benefits in kind to enable complete reporting within the income tax self-assessment system.
- vii. To provide the Shared Transactional Services Operations Manager - HR and Service Director Finance with whatever information is necessary to discharge their duties with relation to payroll.
- viii. To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule.

### **Detailed Requirements**

- 1. The Shared Transactional Services Operations Manager - HR is responsible for all payments of salaries, wages, compensation and emoluments to employees and former employees of the Council or their legal personal representatives.
- 2. In order to ensure that the Council complies with the requirements of HMRC, Income Tax and National Insurance shall be deducted from all payments at the appropriate rate unless the Council has notification in writing from the Council's Tax Office that:
  - i. payment can be made without the deduction of tax and National Insurance, or
  - ii. payment can be made without deduction of tax (NT code) but with National Insurance deducted.
- 3. In order to ensure correct treatment for tax and National Insurance purposes **ALL** wage and salary payments to employees, including casual employees, must be made via the Council's payroll system. 'Cash in hand' and other non-PAYE payments are **NOT** permitted. Other

methods are available for reimbursement of expenses (eg creditors system, imprest) especially where VAT is involved. All necessary personal records concerning pay, National Insurance, Income Tax and any associated matters must be maintained in accordance with arrangements to be prescribed by the Shared Transactional Services Operations Manager - HR. (see Section 23 Guide to Employment Status).

4. All payments to Government Agencies and to the Pensions Authority associated with conditions of employment are to be made by the Service Director Finance. Each Strategic Director, or where appropriate, the Shared Transactional Services Operations Manager - HR, will provide the Service Director Finance with whatever information is necessary for them to discharge these duties.
5. Any agreement (including bonus, etc, schemes) proposed between the Council and a group of its employees to amend an existing pay structure shall be the subject of consultation in advance of commitment with the Service Director Finance concerning monitoring arrangements and audit requirements. Where necessary, the Strategic Director concerned will be expected to obtain any requisite approvals for additional expenditure as set out in the **Budgetary Control** Section of the Regulations dealing with Revenue Expenditure.
6. Each Strategic Director shall be responsible for the correct completion of time-sheets, incentive bonus claims and overtime claims by employees under their control and for the certification thereof by themselves or their authorised employees, in accordance with the directorate's approved scheme of delegation.
7. At least once annually each Strategic Director shall undertake an exercise which confirms the proper employment of all employees paid during the relevant period, the Final Certification being sent to Internal Audit.
8. All payroll records relating to Income Tax and National Insurance must be retained for six years to satisfy the requirements of the Taxes Management Act. Those records identifying pay received and superannuation contributions must be retained for ten years as they may be required for the information requirements of the Pensions Authority.
9. Each Strategic Director must ensure that claims paid via payroll are supported by VAT receipts where applicable and that managers authorising payment ensure the validity of these.

## 26. Collection of Income

### Why is this important?

Income can be vulnerable to loss and effective income collection systems are necessary to ensure that all income due is properly identified, collected, receipted, banked, and reconciled.

### Key controls

#### The key controls for income are that:

- all income due to the Council must be identified and charged correctly, in a timely manner and in accordance with section 13 Corporate Charging
- all income is collected in a timely manner and is properly acknowledged
- all monies received are recorded in an approved manner
- responsibility for cash collection should be separated from the person raising the debt
- effective action is taken to pursue non-payment within defined timescales
- formal approval for debt write-off is obtained in accordance with Council policy and actioned within agreed timescales
- retention and storage of all appropriate income documents is in accordance with the document retention guidelines (see Accounting and Financial Control, Detailed Requirements, para 6)

### Responsibilities of the Shared Transactional Services Operations Manager - Finance & Procurement

- To agree arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.
- To establish and initiate appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.
- To agree the write-off of bad debts up to an approved limit and to ensure that larger sums are referred to the Cabinet for approval.
- To ensure that appropriate accounting adjustments are made following write-off action for all debts

### Responsibilities of Strategic Directors

- To establish directorate charges for the supply of goods or services, including the appropriate charging of VAT, and to review them at least annually, in line with the Corporate Charging policy.
- To supply the Shared Transactional Services Operations Manager - Finance & Procurement with details relating to work done, goods supplied, services rendered or other amounts due in a timely manner, so that sums due to the Council are recorded correctly.
- To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable (see Accounting and Financial Control, Detailed Requirements, paragraph 5 (a) and (b)).
- To ensure that proper banking and accounting procedures are observed, which will include the issue of official receipts and ensure that appropriate details are recorded on to bank paying-in slips to provide an audit and management trail. These details should match the payment to the account or invoice to be credited.

- v. To assist the Shared Transactional Services Operations Manager - Finance & Procurement by providing any further information requested by Finance & Procurement to facilitate the follow up and recovery of outstanding debts, and to assist in the following up of outstanding debts on behalf of the Council.

## Detailed Requirements

1. All of the following documents shall be in a form approved by the Shared Transactional Services Operations Manager - Finance & Procurement:
  - i. All books and forms of account
  - ii. All official receipt forms or books
  - iii. Licences, tickets and all documents or vouchers or tokens representing receipts or money.
2. The arrangements for ordering and control of the above items shall be subject to the approval of the Shared Transactional Services Operations Manager - Finance & Procurement.
3. All cash received on behalf of the Council shall be properly acknowledged by the issue of an official City Council receipt or other document of a type referred to in paragraph 1 above, unless alternative arrangements have been agreed with **Internal Audit**. Individual cash payments in excess of £5,000 must not be accepted unless approval has been given by the Shared Transactional Services Operations Manager - Finance & Procurement. Receipts for payments made by cheque should be made when requested by the payer. Payments received by automated methods, such as by debit/credit cards or via the Internet, must be recorded in such a manner as to facilitate reconciliation of the amounts received with the account(s) to be credited. All data in relation to payments received by debit / credit card must be held securely in accordance with the payment card industry standard.
4. All monies received on behalf of the Council must be properly safeguarded (normally kept in a safe or locked receptacle). Employees must ensure that keys entrusted to their custody are held at all times under their personal control. Nominated substitute key holders should be available in the absence of the principal holder. Income shall be paid in daily, or at such intervals as the Shared Transactional Services Operations Manager - Finance & Procurement, in consultation with the directorate, may approve. The in payment is to be made to the Corporate Services Cash Office or directly into the Council's bank accounts. Bankings must always be intact, ie to include all monies received that day (or other agreed period).
5. **Refunds of overpayments must be made through the Creditors system and not out of income. To help prevent money laundering activity refunds must always be paid back to the same bank account as the original payment. Refunds should not be made until the original payment is actually confirmed as "cleared funds" in the Council's bank account. For further information on identifying suspected money laundering activity please refer to the Anti-Money Laundering Policy and Guidance note ([intranet link](#)).**
6. Third-party cheques should only be accepted where the cheque is from an approved source, ie, utility undertaking and where it is used in full or part settlement of a Council debt. In no circumstances should they be cashed, or be accepted and change given.

City Council cheques should only be accepted when it has been confirmed with the Corporate Finance that no "stop" exists.

**Under no circumstances should personal cheques be cashed in, or money borrowed from, income or other council monies.**



7. Sales of property (other than land), obsolete vehicles and plant, stores, old materials and scrap, other than property bought specifically for resale, shall not be made, unless at least three quotations are first obtained, except where the Service Director Finance has approved other arrangements for a particular sale or a particular type of sale. The procedures for receipt, opening and acceptance of tenders shall be as described in the Procurement Regulations. Disposal of land should be in line with the Corporate Land Policy ([intranet link](#)).
8. All invoices for income due to the Council shall be prepared and issued by the directorate concerned **immediately** they are due in a manner approved by the Shared Transactional Services Operations Manager - Finance & Procurement, and the detail shall be supplied to the Shared Transactional Services Operations Manager - Finance & Procurement in a manner prescribed by them for collection purposes. Instructions for the cancellation or reduction of invoices for income must be authorised by the appropriate Strategic Director or such member of their staff specifically designated by them for that purpose, in their scheme of delegation. An official authorisation form, incorporating a specimen signature approved by the Strategic Director, must be submitted to **Finance & Procurement** for each employee so designated. No employee shall sign in any name other than their own and facsimile signatures shall not be used. No employee should be authorised to approve the issue of credit notes, or otherwise cancel invoices, if they have responsibility for the issue of invoices.
9. All income due to the City Council must be fully documented and the liability for the debt properly established. For money collected through the general debtors system Finance & Procurement will pursue this debt as per agreed processes through to litigation where necessary and comply with paragraphs 10 and 11 below. For Revenues and Benefits and Neighbourhoods tenant rents their own documented procedures and write off limits should be followed. For other debt not on the general debtors ledger or related to Revenues and Benefits, Neighbourhoods or tenant rents, where no separate local policy exists, the process at paragraph 15 below is to be applied.
10. When a debtors invoice becomes a year old, after consultation with the directorate, it will be written back to the directorate's appropriate budget, and this budget will be expected to absorb the cost of the write back.

The debt will still be pursued, however, and any recovery will be credited to the directorate. Only when the debt is deemed irrecoverable will it be formally written off (see paragraph 11).

11. The procedure for writing off irrecoverable income will be as follows:
  - i. Amounts up to £5,000 to be written off on the authority of the Shared Transactional Services - Finance & Procurement - Income Manager and senior solicitor, when in their opinion, further legal processes to recover the amount would be fruitless. The total amount written off to be reported at least annually to Cabinet.
  - ii. Amounts from £5,001 up to £20,000 to be written off on the authority of the Shared Transactional Services Operations Manager - Finance & Procurement and principal solicitor, when, in their opinion, further legal processes to recover the amount would be fruitless. The total amount written off to be reported at least annually to Cabinet.
  - iii. Amounts between £20,001 and £500,000 to be written off on the authority of the Service Director Finance and Service Director Legal Services, when, in their opinion, further legal processes to recover the amount would be fruitless; amounts so written off to be categorised and reported to Cabinet at least annually. Amounts between £50,001 and £500,000 will be subject to consultation with the relevant Executive Member.

- iv. Amounts in excess of £500,000, excluding bankruptcies and liquidation, to require the specific approval of Cabinet to write-off. Bankruptcies and liquidation will be reported in accordance with (i) and (ii) above.
12. The Shared Transactional Services Operations Manager - Finance & Procurement will categorise the amounts so written off, and report annually to Cabinet.
13. Arrears in excess of these limits will require the specific approval of Cabinet to write off.
14. At the end of each financial year, each Strategic Director will be required to supply the Shared Transactional Services Operations Manager - Finance & Procurement with lists of outstanding debts to be brought into account in the Final Accounts of the year.
15. Where debt is not on the general debtors ledger, and there is no separate local policy in place regarding recovery and write off of debt, efforts commensurate with the amount owed should be made to recover the debt. The procedure for writing off irrecoverable income will be as follows:
- i. Amounts up to £500 to be written off on the authority of the Team Manager with due regard to the details of the debt and the processes undertaken to attempt recovery.
  - ii. Amounts of £501 to £5,000 to be written off on the authority of the Service Manager and Senior Solicitor, when in their opinion, further legal processes to recover the amount would be fruitless.
  - iii. Amounts from £5,001 up to £20,000 to be written off on the authority of the Business Partner (Finance) and Principal Solicitor, when, in their opinion, further legal processes to recover the amount would be fruitless.
  - iv. Amounts above £20,000 to follow the standard general debtors requirements detailed in paragraph 11 iii and iv above.

## 27. Cash Handling and Banking of Income

### Why is this important?

1. Failure to adhere to proper cash handling and banking arrangements presents a number of unacceptable risks for the Council:
  - i. theft, fraud or other loss
  - ii. staff and premises may be vulnerable to attack
  - iii. resources may be wasted, due to poor cash-flow
  - iv. inability to prove deposits or payments
  - v. reputational risk

In order to mitigate these risks, proper procedures must be developed and strictly adhered to.

### Key controls

#### The key controls for cash handling and banking arrangements are that:

- all money received by an employee on behalf of the Council is paid without delay to the Council's bank or National Giro account, and properly recorded.
- prior to banking, income must be held securely, usually in a safe or other locked receptacle
- all appropriate income documents relating to banking are retained and stored for the defined period in accordance with the document retention guidelines
- money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process

#### Responsibilities of the Service Director Shared Transactional Services

- i. To specify arrangements for the collection and banking of all income due to the Council, and to approve the procedures, systems and documentation for its collection, security and banking.

#### Responsibilities of Strategic Directors

- i. To officially acknowledge all income and ensure that it is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details should be recorded onto paying-in slips to provide an audit and management trail. These details should match the payment to the account or invoice to be credited.
- ii. To keep monies secure at all times to safeguard against loss or theft.
- iii. To ensure that monies held on premises are not in excess of approved insurance limits.
- iv. To ensure that keys to safes and similar receptacles are carried by the person responsible at all times; loss of such keys must be reported to the Service Director Shared Transactional Services as soon as possible.
- v. To ensure income is not used to cash personal cheques or other payments.
- vi. To hold securely receipts and banking documentation for the appropriate period.

## Detailed Requirements

1. The Service Director Shared Transactional Services shall arrange such safeguards as they consider necessary and practicable to ensure that cash receivable by the Council is banked to the credit of the Council. **Under no circumstances shall receipts belonging to the Council be banked to the credit of a personal bank account of an employee or agent of the Council.**
2. **Personal cheques of Councillors or employees of the Council shall not be cashed from Council monies.**
3. Money collected and deposited must be reconciled on a regular basis, by someone not involved in the collection or banking processes.
4. All cash surpluses shall be paid in, and reported to the appropriate senior officer.
5. Every transfer of official money, from one employee to another, shall be evidenced in the records of the directorate(s) concerned by the signature of the receiving employee and retained for a period similar to that of other cash records.
6. In the transport of cash for banking , or other purpose, due regard must be had for the safety of Council employees, and for the proper security of cash, and arrangements must be made which incorporate the necessary safeguards. The Financial Security Services Section of the Corporate Services Directorate has an armoured transit facility available to directorates.
7. Maximum limits for cash holdings shall be specified by the Service Director Finance in relation to insurance coverage, and shall not be exceeded without express permission. Any monies held shall be properly safeguarded (normally kept in a safe or locked receptacle).
8. Passes and keys to safes and similar receptacles are to be carried on the person of those responsible at all times; the loss of any such keys must be reported to the Strategic Director concerned and the Service Director Shared Transactional Services immediately. Nominated substitute key holders should be available in the absence of the principal holder.
9. Proper and secure arrangements must be made for the receipt, opening and distribution of post containing remittances at offices and establishments of the Council. The opening of the post should normally be in the presence of two persons so as to protect the interests of both the Council and the individual. A book or sheet should be kept in which details of the remittances are recorded. A discharge should be given when the remittances are handed over to a 'cashier' for receipting and banking.
10. Further advice on cash handling and banking can be obtained from the [Finance and Business Support Team](#).

## 28. Bank Accounts and Foreign Currency

### Why is this important?

1. Failure to adhere to proper banking arrangements will present a number of unacceptable risks for the Council:
  - theft, fraud or other loss
  - reputational risk
2. In order to mitigate these risks, proper procedures must be developed and strictly adhered to.

### Key controls

#### The key controls for bank accounts and foreign currencies are that:

- all banking arrangements, including opening or closure of bank accounts, shall require the approval of the Service Director Finance
- main bank accounts must be reconciled to the Council's cash accounts on a regular basis, and subsidiary accounts to directorate records
- proper arrangements are made for the secure printing, secure retention and issue of cheques
- all appropriate income documents relating to banking are retained and stored for the defined period in accordance with the document retention guidelines

### Responsibilities of the Service Director Finance

- i. To specify arrangements for the operation of the Council's bank accounts.
- ii. To ensure that main bank accounts are regularly reconciled with the Council's cash accounts.
- iii. To make secure arrangements for the printing, storage and issue of cheques.
- iv. To make arrangements for the issue and control of corporate credit cards.

### Responsibilities of Strategic Directors

- i. To make arrangements for the proper operation of approved subsidiary bank accounts, including the security and issue of cheques, and prevention of overdrafts on such accounts.
- ii. To ensure that subsidiary bank accounts are reconciled to directorate records on a monthly basis.
- iii. To ensure income or other monies held are not used to cash personal cheques or other payments.

## Detailed Requirements

1. **ALL** arrangements with the Council's bankers, or with any other bank or building society, for the operation of bank accounts in the name of the Council are to be made through the Service Director Finance, who may prescribe rules concerning the number, amount and type of transactions which are to be passed through any such account.
2. An overdraft on the aggregated Council's main bank accounts is permitted only to the extent authorised by the Service Director Finance. Overdrafts are not permitted on subsidiary bank accounts operated by Strategic Directors, and the Council's bankers have been requested to notify the Service Director Finance of any account which goes into overdraft.
3. The Service Director Finance is responsible for arranging the reconciliation of the main bank accounts with the Council's cash accounts. Subsidiary bank accounts must also be reconciled with directorate records at least once in each month by the employees appointed to operate such accounts.
4. Cheques for the Council's main payment bank accounts are to be ordered from the Council's bankers or approved suppliers on the authority of the Service Director Finance. Cheques for a subsidiary bank account are to be ordered from the Council's bankers on the authority of an employee designated by the relevant Strategic Director to operate such a bank account.
5. The Service Director Finance will be responsible for arrangements to secure the safe custody of cheques for the Council's main bank accounts and Strategic Directors will be responsible for cheques for subsidiary bank accounts relative to their directorate.
6. Every cheque drawn on the main bank accounts of the Council shall bear the signature or facsimile signature of the Service Director Finance or an employee designated by them for this purpose. Every crossed cheque for above an amount to be determined by the Service Director Finance shall be countersigned by such employees as the Service Director Finance may designate for this purpose. The Service Director Finance will review this limit from time to time, as necessary.
7. Any reference in this Section of the Regulations to bank accounts shall be deemed to include Girobank accounts, payment orders, standing orders and direct debits, and any reference to the Council's bankers shall be deemed to include the Girobank in respect of Giro accounts.
8. **Personal cheques of Councillors, employees of the Council or members of the public are not to be cashed from Council monies.**
9. Councillors and officers travelling abroad on Council business must have received advance approval to such travel in accordance with the Council's Policy on Foreign Travel. Foreign currency for these visits can be obtained, if desired, from STS Finance and Procurement Cash Office Support Team, which will prescribe such rules as need to be observed in order to correctly account for the expenditure involved. These rules will apply irrespective of the source of finance.
10. The Service Director Finance has arranged for corporate Purchase card and Travel Purchase card accounts with the Council's bankers, on which individual cards can be issued to named Members and officers, where a need for a corporate card can be justified. This process will require the specific approval of the relevant Service Director before the card can be issued. The issue of such cards is controlled by the STS Finance and Procurement Section, who will prescribe rules on the basis of application for such cards and their subsequent use.

11. Foreign cheques and payments, both outwards and inwards, are the subject of detailed instructions issued by the Service Director Finance.

## 29. Travelling and Subsistence Claims - Officers

### Why is this important?

It is important that payments are accurate, timely, made only where they have been necessarily incurred in performance of Council duties, and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for.

### Key Controls

#### The key controls for payments to employees are that:

- proper authorisation procedures are in place
- payments are made on the basis of correctly submitted claims, supported by receipts for payments made wherever possible
- all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention guidelines
- that HMRC regulations are complied with

### Responsibilities of the Shared Transactional Services Operations Manager - HR

- i. To make arrangements for payment of all travel and subsistence claims.

### Responsibilities of Strategic Directors

- i. To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications, and that the Shared Transactional Services Operations Manager - HR is informed, where appropriate.

### Detailed Requirements

1. All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted, duly certified, in an appropriate form approved by the Shared Transactional Services Operations Manager - HR and in accordance with approved time-scales, together with the names of employees authorised to approve such records under Schemes of Delegation.
2. The certifying manager must ensure that the journeys were authorised, the expense properly and necessarily incurred, that the allowance/reimbursement is reasonable and is properly payable by the Council, and must sign to this effect.
3. Each Strategic Director must ensure that travel and subsistence claims paid via payroll are supported by VAT receipts where applicable and that managers authorising payment ensure the validity of these. In particular, car allowance claims must be supported by fuel receipts at least adequate to support the mileage claimed.
4. The claimant must sign to confirm the journeys were carried out on official business, that the mileages are correct and that any expenses were properly incurred.



5. Claims submitted more than six months after the expenses were incurred will be paid only with the express approval of the Shared Transactional Services Operations Manager - HR.
6. Claims from employees for car allowance payments must be paid through the payroll system to ensure correct treatment for Tax and National Insurance purposes.

## 30. Declarations of Interests, Gifts and Hospitality

### Why is this important?

The public is entitled to expect conduct of the highest standard from both local government Members and employees. Public confidence in the integrity of such persons will be shaken by the least suspicion, however ill-founded, of influence being exerted on City Council expenditure by improper motives, through financial (or other) inducements or conflicts of interests.

### Key controls

**The key controls for this area, as part of the strategy for prevention of financial irregularities, are that:**

- full details of requirements and guidance for both Members and employees are set out in the relevant Codes of Conduct, and also Section 3 of Procurement Regulations
- registers of interests are maintained for both Members and employees
- registers for gifts and hospitality are maintained for both Members and employees
- all registers of interests and of gifts and hospitality are inspected regularly by both the External Auditor and Internal Audit

### Responsibilities of the Service Director Finance

- i. To ensure that suspected irregularities are reported to the Chief Internal Auditor, and where appropriate, to the Chief Executive and the Executive.

### Responsibilities of Strategic Directors

- i. To ensure that all staff are properly informed of the requirements and guidelines laid down in the Council's Code of Conduct, and also of relevant service-specific issues.
- ii. To ensure that registers of interests are maintained and regularly reviewed by management. Potential (or actual) conflicts are identified, particularly with regard to the awarding of Council contracts, and appropriate action taken.
- iii. To ensure that all offers of gifts and hospitality (other than of nominal value) are properly recorded in the registers, including any offers declined, and that these registers are regularly reviewed by management.
- iv. To instigate the Council's disciplinary procedures where the outcome of an investigation indicates improper behaviour.

### Detailed requirements

These should be read in conjunction with the relevant **Codes of Conduct** - the Code for Members being broadly similar in this area to that for employees, although the declarations required of Members are much more comprehensive.

1. With regard to declarations of financial (and other) interests, Section 9.2 of the Code of Conduct for Employees ([intranet link](#)) states:

- i. Employees of the Council are required by Section 117 of the 1972 Local Government Act to declare any financial interest, whether direct or indirect, in any existing or proposed contract.
- ii. Employees who have such an interest must declare that interest in writing to their Strategic Director, who will inform the Council's Monitoring Officer (the Service Director Legal Services).

- iii. Section 117 makes it a criminal offence (maximum fine £2500) for an officer not to make such a declaration. The Monitoring Officer will maintain a record of such declarations, which is open to inspection by any Councillor.
  - iv. In addition to the statutory requirement, employees must declare to their Strategic Director, in writing, any interest in or association with, any Council activity which could cause a potential conflict of interest. The Strategic Director will forward such declaration to the Monitoring Officer, if they consider it appropriate, to record the declaration in the Council's statutory record.
2. All new starters and transferees must complete and sign a declaration form, even if it is only to confirm that they have no interests to declare. All employees grade BG14 or above or whose post has been classified as high risk by the Strategic Director are required to complete and sign a declaration form every two years.
  3. Where a positive declaration is made the Service Director must give consideration to whether the declared interest causes any conflict, and if so what action the Council should take. Any action agreed as a result of a positive declaration should be recorded in writing for future reference and signed by employee and Service Director.  
Section 117 makes it an offence for an officer under cover of their office or employment to accept any fee or reward whatsoever other than their proper remuneration.
  4. During the course of their duties, many employees may receive offers of inducements of one form or another and it is important that employees are able to recognise what is, and what is not, acceptable.  
The following guidelines should be adhered to:
    - i. On no account should an employee accept either secondary employment or a financial payment from any person, body or organisation, eg. contractors, developers, consultants, with which the Council is involved.
    - ii. Gifts can only be accepted when they are **low cost**, functional, items suitable for business use, rather than personal use, eg. diaries, calendars, pens.
    - iii. Other gifts which may be sent to employees by outside contractors or organisations should be returned officially with a suitable letter, and details recorded in the directorate register.
    - iv. Normally, visits by employees to exhibitions, demonstrations, conferences, business meals, social functions, in connection with their official duties shall be at the Council's expense.
    - v. Where hospitality, in the form of meals and drinks, is offered by a third party, this is normally only acceptable where it forms part of, or immediately follows on from, normal business meetings/discussions held during the normal working day.
    - vi. Where offers of hospitality are made, ie invitations to dinners, these should only be accepted if there is a clear and demonstrable benefit to the City Council, and the hospitality would not expose the Council to criticism that the provider of the hospitality was achieving undue influence. Attendance must have approval in advance from the relevant manager ( Service Director level or above) and must be recorded in the Directorate Register of Gifts and Hospitality.
    - vii. Offers of hospitality in the form of purely social events and sporting occasions should on **no account** be accepted when these are from organisations with which the Council has commercial links. However, invitations to social events from non-commercial organisations with which the Council has a partnership arrangement will be acceptable, but must have the Strategic Director's advance approval, and must be recorded in the Directorate Register. **Offers refused under (iv) and (v) should also be recorded.**
    - viii. Regular social contact, ie drinks in a public house, with representatives of organisations which supply, or hope to supply, goods or services to the Council must be avoided. Where such instances do occasionally take place, ie after late working, officers should ensure that they "pay their way" and that the costs of such contact are not met in full by the other party.
    - ix. For their own protection, officers may wish to consider recording such events in the Directorate Register.
    - x. All offers of gifts and hospitality ( other than of nominal value) should be recorded in Directorate

Registers, including any offers declined. Directorate Registers will be subject to management review and to regular Audit inspection.

- xi. Apart from participating in concessionary schemes arranged by trade unions or other groups for their members, employees shall not avail themselves of the services of contractors employed by the Council for acquiring materials, labour or plant at cost, trade or discount prices. While in some cases this may enable employees to make savings compared with other sources of supply, the risks to the employee of finding themselves in an embarrassing situation at a future date cannot be over-emphasised or accepted.

### **Promotional Offers**

5. Employees responsible for the purchase of goods and supplies on behalf of the City Council should note that any promotional offers given by suppliers are the property of the City Council. These promotional offers normally take the form of a free gift, a holiday offer or vouchers towards goods. Promotional offers should **ONLY** be used for the benefit of the Council, and the Strategic Director concerned will decide how such offers are to be used. A register should be kept recording all promotional offers accepted and declined and the course of action determined by the Strategic Director.

## 31. Members' Allowances and Expenses

### Why is this important?

Members' allowances and expenses are covered by Part 6 of the Council's Constitution. It is important that payments are accurate, timely, and authorised in accordance with the scheme adopted by the full Council. Expenses must be incurred on Council business and properly payable.

### Key controls

#### The key controls for payments to Members are that:

- proper authorisation procedures are in place
- payments for expenses are made on the basis of correctly submitted claims, supported by receipts for payments wherever possible
- all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention guidelines
- HMRC regulations are complied with

#### Responsibilities of the Shared Transactional Services Operations Manager - HR

- i. To make arrangements for payments to Members, including special responsibility allowances.
- ii. To make arrangements for paying Members' travel, subsistence or other allowances upon receiving the prescribed form, duly completed.

#### Responsibilities of Members

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

#### Detailed Requirements

1. Allowances due to Members of the Council will be made by the Shared Transactional Services Operations Manager - HR in accordance with the scheme approved by the Council.
2. Claims for expenses, where applicable, should be submitted on the prescribed form duly completed, certified to be a true record by the Councillor concerned and accompanied by receipts, whenever possible, which are valid VAT receipts where applicable.

## 32. Management and Control of Information Technology

### Why is this important?

IT is a key business enabler and directorates are heavily reliant on computers to deliver services and manage information.

The key risks and controls of this area are covered by the Council's Information Security Policy ([intranet link](#)). The key financial risks addressed by the policy are:

- Loss or corruption of data and/or systems
- Processing errors

### Key Controls

- **Processes are in place to maintain the security and integrity of data for transacting business electronically.**
- **All information system acquisition, development and maintenance must comply with the IS&T. strategy and policies for Bristol City Council. All system developments must include security issues in their consideration of new developments, seeking guidance from the Service Director: ICT or the information security manager where appropriate.**

### Responsibilities of Strategic Directors

- i. Providing reliable and cost effective financial systems
- ii. Approval of development, significant modification or replacement of financial systems
- iii. Authorisation of the release of financial information to employees outside of the relevant directorate.
- iv. Implementing the requirements of the Information Security Policy for the main financial systems and monitoring compliance.

## 33. Security of Assets

### Why is this important?

The Council holds fixed and moveable assets in the form of land, buildings, plant and machinery, vehicles, equipment, software, and other items with significant value. It is important that all assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management. Inventories of moveable items are particularly important in connection with potential insurance claims.

### Key controls

#### The key controls for the security of assets are:

- resources are available for use when required and are only used for Council business, unless the Strategic Director concerned has given permission otherwise.
- to maintain fixed-asset registers for all major items above £5,000 in value, and inventories for equipment, plant and machinery above £400 in value, or for attractive/portable items of lesser value. These must contain adequate descriptions to provide a unique identity for each item.
- Access to the fixed-asset register system is restricted to authorised personnel.
- an annual check is carried out of all items on the asset register or inventory in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the register or inventory accordingly and reconciling it to the main accounting system.
- attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Council.
- resources no longer required are disposed of in accordance with the regulations of the Council so as to maximise benefits.
- all staff are aware of their responsibilities with regard to safeguarding the Council's assets and information.

### Responsibilities of the Service Director Finance

- i. In order to comply with capital accounting requirements, to ensure that an asset register is maintained in accordance with good practice for all fixed assets with a value in excess of £5000. The function of the asset register is to provide the Council with information about fixed assets.
- ii. To ensure that the Council's assets and inventory items are :
  - a. safeguarded
  - b. used efficiently and effectively
  - c. Adequately maintained.
- iii. To receive the information required for accounting, costing and financial records from each Strategic Director ensuring that assets are valued in accordance with the - Code of Practice on Local Authority Accounting in the United Kingdom: (CIPFA/LASAAC).
- iv. To ensure that control accounts are operated so that appropriate charges are debited to the correct revenue account.

## **Responsibilities of Strategic Directors**

- i. To ensure the safe custody of vehicles, equipment, stocks, cash and other property belonging to the Council.
- ii. To ensure that the directorate maintains an inventory of moveable assets with a value in excess of £400, or otherwise portable and attractive, in accordance with arrangements defined by the Service Director Finance, so that assets are identified, their location recorded and that they are appropriately marked and insured.
- iii. To consult the Service Director Finance in any case where security is thought to be in need of improvement or where it is considered that special security arrangements may be needed.
- iv. To arrange and record all disposal or part exchange of assets, which should normally be by competitive tender or public auction, so as to maximise benefits to the Council.
- v. To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Service Director Finance.

## **Detailed Requirements**

1. Each Strategic Director shall be responsible for maintaining proper security at all times, for all buildings, stocks, stores, furniture, equipment, cash, or other property under their control. They shall consult the Service Director Finance in any case where security is thought to be in need of improvement, where it is considered that special security arrangements may be needed or where proposed changes may affect security.
2. Each Strategic Director shall be responsible for ensuring that adequate procedures are in force to ensure that as an employee leaves the Council's employment all Council property including keys, passes, floats, identity cards, uniforms etc are retained by the Council, including any equipment required by their duties.
3. Computer data can be viewed as a vital asset of the Council. When employees leave, the relevant system administrators should be notified so that all accesses to Council computer systems can be revoked. Similar considerations will also apply when employees change posts within the Council.
4. Access codes to security doors, giving access to buildings or sections, should be changed at frequent intervals. Where codes have been given to external contractor to facilitate access, codes should be changed when their work is completed. Similarly codes should be changed when personnel with access to secure locations leave Council employment.



## 34. External Arrangements Partnerships

### Why is this important?

1. The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. Partnerships play a key role in delivering community strategies and in helping to promote and improve the well-being of the area.
2. If the Council fails to have the appropriate partnership governance in place or obtain value for money from partnership working it risks poor performance and reputational damage.

### Key controls

The key controls for partnership arrangements are:

3. All staff involved in partnership working are aware of and comply with the Partnership Policy and the Partnership Toolkit ([intranet link](#)).
4. Partnership working is not entered into without following the appropriate approval process as detailed in the Partnership Policy. Details of relevant financial and service level inputs are quantified at the earliest opportunity and reported in good time to duly inform decisions to proceed, or not, with new partnership arrangements/projects in line with the Partnership Policy and Toolkit.
5. The Audit Committee reviews the performance of partnerships through the Partnership Assurance Checklist annually.
6. Specific VAT rules apply to partnership arrangements, consult with the VAT officer to clarify the VAT status of a partnership.
7. This section of the financial regulations is not intended to cover construction contracts that are being run in a co-operative manner.

### Responsibilities of the Service Manager: Strategy

8. To be the Strategic Lead for Partnership Development
9. To maintain a Partnership Register which gives clear information on resources invested in partnerships and specific outcomes to enable review of performance and value for money.

### Responsibilities of the Service Director Finance

10. To advise on effective controls that will ensure that resources are not wasted.
11. To advise on the key elements of funding a project.

### Responsibilities of Strategic Directors

12. To ensure that the Partnership Policy is brought to the attention of, and followed by, all managers and staff in their directorate
13. Maintain an up to date Departmental Risk Register and ensure any risks to the Council of being involved in partnerships are reflected.

## 35. External Funding

### Why is this important?

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

### Key controls

The key controls for external funding are that:

- **funds are accepted only if they meet the priorities approved in the policy framework by the full Council.**
- **submissions are made after discussion with the Business Partner (Finance) and approved by Service Director**
- **the requirements of the Funding Body are clearly understood to ensure that key conditions of funding and any statutory requirements are complied with.**
- **any match-funding requirements are given due consideration prior to entering into long-term agreements and that revenue budgets reflect these requirements.**

### Responsibilities of the Service Director Finance

To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.

To approve all plans/bids for external funding

To ensure that audit requirements are met.

### Responsibilities of Strategic Directors

- To ensure that all claims for funds are made by the due date.
- To ensure that the project progresses in accordance with the agreed project plan and that all expenditure is properly incurred, in accordance with Scheme of Delegation requirements, and recorded.
- To ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenues are able to meet these requirements.
- To confirm with the VAT officer whether the funding is outside the scope of VAT, eg as a donation or grant, or potentially VATable as a payment to the Council for a service. If the latter, the Council is required to declare VAT on the income and provide a VAT invoice to the supplier of that service. VAT must be added as otherwise the Council must declare VAT within the lower sum received. Common indications of the Council providing a service are where the funder determines what the Council should provide rather than just financially support what the Council

plans to do of its own volition.

## 36. Work for Third Parties

### Why is this important?

Local Authorities can enter into a wide range of agreements to do work for each other and for some (but not all) other public bodies. It is usually illegal for them to enter into agreements to do work for the private sector. Legal Services keep details of which sorts of work the Council can do for third parties and lists of which other organisations apart from local authorities in England and Wales the Council can do work for.

Doing work for other local authorities or public bodies may help provide 'joined up services' or enable a unit to maintain economies of scale and existing expertise. Before entering into any such agreement it is essential to ensure that all potential risks are minimised and that the Council has power to do such work for that or any third party (ie it is intra vires).

### Key controls

The key controls for working with third parties are that:

**proposals are costed properly in accordance with the following and any other guidance of the Service Director Finance**

- no process is started that might lead to the Council agreeing to do work for a third party, whether public sector or otherwise, without first:
- seeking the advice of the Service Director Legal Services as to whether this is within the Council's legal powers
- establishing and recording that there is a clear economic case why doing the work is in the Council's best interests
- the contract is prepared by the Service Director Legal Services
- If this is not possible because the other party insists on preparing the contract, that the Service Director Legal's advice is sought on the terms proposed and that the matter does not proceed further without the express authorisation of the Service Director Finance
- No contractual arrangements for any work for third parties or external bodies should be entered into without consulting the relevant Executive Member
- that the Council has insurance cover for any potential liabilities that could arise to the recipient of the service and any third party, and that the cost of this has been included with the overheads when calculating the fees to be charged.

### Responsibilities of Service Director Finance

- To issue guidance with regard to the financial aspects of third party contracts.
- To authorise any arrangement under which the Council does work for a third party under the third party's contractual terms of engagement rather than the Council's

### Responsibilities of Strategic Directors

- To ensure that the relevant Executive Member is consulted before any negotiations are concluded to work for third parties.
- To ensure that the Council does not enter into any agreement that is beyond its power.
- To ensure that no contract is subsidised by the Council.

- iv. To ensure that, wherever possible, the Council receives payment before delivery of the subject matter of the contract.
- v. To ensure that the directorate/unit has the appropriate expertise to undertake the contract.
- vi. To ensure that such a contract has no adverse impact on the rest of what the Council does.
- vii. To ensure that all contracts are properly documented.
- viii. To provide appropriate information to the Service Director Finance to enable a note to be entered into the statement of accounts concerning material items.
- ix. To ensure that any VAT implications of the transaction are billed correctly and that any VAT that might be chargeable is collected. NB the usual position is that where the Council does work for a third party, including another Local Authority, it must charge VAT unless there is a reason why it is not chargeable.

### 37. Changes from the previous version

Section	Changes made	Date change made
General	Changes have been made to reflect the Council's restructure and change of Directorate names.  Minor amendments have been made to the wording throughout to improve clarity.	April 2011
	Changes made throughout to update reference to Accounts & Audit Regulations 2011 (replacing 2003), the re-issued Anti Fraud, Bribery & Corruption Strategy & Policy, and the change of Deputy Section 151 Officer from Chief Internal Auditor to Service Manager Corporate Finance.	July 2012
8 Risk Management	Arrangements for risk management strengthened.	April 2011
9 Preventing Fraud and Corruption	Requirement to report suspected fraud to Internal Audit reinforced to help improve the monitoring of fraud across the Authority.	April 2011
10 Key Decision	Definition changed from two or more wards being affected to one or more wards, to bring it in line with the Constitution.	April 2011
11 Revenue Budget Preparation	Additional information on the principles and value limits applying to virements included.  Responsibility for treatment of year-end balances changed from Full Council to Cabinet.	May 2011
	Amendment to principles upon application of virement (Detailed requirements para. 5)	July 2012
12. Budget Management and Control	Additional requirements for a monthly review of key budget risk areas, quarterly reviews of the complete budget provided to the Service Director Finance for submission to Cabinet; proposals to carry forward unspent budget as reserves to be submitted to the Service Director Finance for approval.	April 2011
	Additional requirement that all plans/bids for funding must be approved by the Business Partner (Finance) prior to submission to the Service Director Finance.	July 2012
12. Budget Management and Control	Minor amendments to bring this Section in line with the revisions made to Section 11.	May 2011
13. Charges for Services	Power to make charges under the Local Government Act 2003 set out and the legal restrictions on setting charges above full cost highlighted. Council tenant rent added to the list of major sources of income that must be explicitly reviewed annually. The need to comply with any statutory minimum notice period before revising charges highlighted.	April 2011

14. Capital Expenditure	Inclusion of the requirement for Strategic Directors to include updated risk assessments in quarterly reports to the relevant Executive Member concerning latest estimates of costs and phasing of of the service's capital programme.	July 2012
16 Treasury Management (Loans and Investments)	Essential clauses in the CIPFA Code of Practice now added to the key controls. Requirement for approval of the annual Treasury Management Strategy by Full Council with Cabinet to receive a mid term review and annual report added.	April 2011
18 Value Added Tax	Increase in VAT penalties highlighted. Details on where to obtain VAT guidance added. Some of the more detailed requirements have been removed and a link provided to the VAT guidance available on the Source.	April 2011
19 Contracts	Section removed and replaced with a reference and link to the Procurement Regulations.	April 2011
20 Orders for Goods, Works and Services	Whole section removed as ordering and payment now dealt with together in section 22.	April 2011
22 Ordering and Payment for Goods, Works and Services	Section fully revised to take into account changes in processes due to implementation of the Corporate Online Purchasing System (COPS) and to cover ordering and payment in one section.  Amendment (ie Detailed requirements para.3) stipulating orders must not be split to avoid authorisation process.	April 2011  Dec 2011
23 Guide for Employment Status	A substantial amount of this section has been removed as it duplicates information available elsewhere on the Source. The section now includes a summary of why it is important, the key controls and an explicit requirement for the guidance to be followed together with a link to the relevant guidance.	April 2011
24 Imprest Accounts and Petty Cash	Requirements to ensure that imprest bank details are secure, employee expenses are not reimbursed through petty cash and that operational cash is kept separate from petty cash, have been added.	April 2011
26 Collection of Income	The write off limits have been increased and the responsibility for approval delegated.  Clarification of arrangements for collection of debt which is not on the general debtors ledger	April 2011  Dec 2011
29 Travelling and Subsistence Claims - Officers	Requirement for VAT receipts to support travel and subsistence claims added.	April 2011
30 Declarations of Interests, Gifts and Hospitality	Requirement to complete declaration forms and the action to be taken in relation to positive declarations clearly set out.	April 2011
32 Management and Control of Information Technology	A substantial amount of this section has been removed as it duplicates information available elsewhere on the Source. A link to the information security policy has been added. The section now includes a summary of why it is important and the key controls.	April 2011

33 Security of Assets	Requirement to restrict access to fixed asset registers to authorised personnel and to reconcile these to the main accounting system added.	April 2011
34 External Arrangements Partnerships	A substantial amount of this section has been removed and a link to the Partnership policy and toolkit has been added. The section now includes a summary of why it is important and the key controls.	April 2011
	Clarification of requirement for relevant financial and service level inputs to be quantified and reported in good time to duly inform decisions to proceed with new partnership/project.	July 2012
35 External Funding	VAT requirements added.	April 2011
	Amendment to incorporate compliance with Scheme of Delegation requirements	Dec 2011
	Further clarification of requirement to obtain approval of the Service Director Finance to all plans/bids for external funding.	July 2012
36 Work for Third Parties	Details provided on the information available from Legal Services.	April 2011



## CONTRACT PROCEDURE RULES (CON)

1. All contracts must be let in accordance with:
  - a. European Procurement rules as implemented in the UK, if applicable;
  - b. The Council's current Procurement and Financial Regulations and Procurement Strategy; and
  - c. Any relevant resolutions of the council or its executive applicable either to procurement generally or to that particular contract (see 3 below).
2. The council cannot exempt itself, or grant exemptions from any requirement of European or national law. If the requirements of the council's own regulations are being waived in respect of any transaction, the waiver must be sought and obtained in accordance with those regulations, and once granted must not be exceeded.
3. The full Council resolved that from 10th September 2002 a decision to implement a project with a total cost of more than £500,000 requires taking as a key decision even if the project is already included in the council's capital programme or revenue budget. Also from that date any spending decision which requires drawing on the council's prudential working balance, is a key decision.
4. A contract must not be let unless there is adequate budgetary provision for it.
5. Any contract of a value greater than £250,000 must be in writing and executed as a deed under the Council's Seal other than:
  - a. a contract for the acquisition or disposal of an interest in land;  
or
  - b. an employment contract;
  - c. transactions conducted by the Strategic Director Corporate Services either on the money market or concerning the sourcing of finance; or
  - d. a contract which it was anticipated (based on a genuine pre-estimate of value) would be for less than that amount but has come to exceed it.
6. These contract procedure rules constitute the councils standing orders in respect of contracts for the purposes of s 135 of the Local Government Act 1972 and Statutory Instrument 2001/1517.