

# Council



Listening Learning Leading

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Date: 16 October 2013

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## **Summons to attend a meeting of Council**

to be held on

**THURSDAY 24 OCTOBER 2013 AT 6.00 PM**

at

**COUNCIL CHAMBER, SOUTH OXFORDSHIRE DISTRICT COUNCIL  
OFFICES**

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MARGARET REED  
Head of Legal and Democratic Services

Note: Please remember to sign the attendance register.

# **Agenda**

## **1 Apologies**

To receive apologies for absence.

## **2 Declaration of disclosable pecuniary interest**

To receive any declarations of disclosable pecuniary interests in respect of items on the agenda for this meeting.

## **3 Minutes of the previous meeting, 18 July 2013**

To adopt and sign as a correct record the minutes of the meeting held on 18 July 2013 (previously circulated).

## **4 Chairman's announcements**

## **5 Questions from the public and public participation**

## **6 Treasury management outturn report 2012/13**

(Cabinet member responsible: Mr D Dodds)

Cabinet, at its meeting on 17 October 2013, will consider a report on the outturn performance of the treasury management function for the financial year 2012/13.

**The report of the Head of Finance, which Cabinet will consider on 17 October, was circulated to all councillors with the Cabinet agenda. Please bring this report to the meeting.**

**The recommendations of Cabinet will be circulated to councillors on Friday 18 October.**

## **7 Council tax reduction scheme 2014/15 onwards**

(Cabinet member responsible: Mr D Dodds)

Cabinet, at its meeting on 17 October 2013, will consider a report on a council tax reduction scheme for 2014/15.

**The report of the Head of Finance, which Cabinet will consider on 17 October, was circulated to all councillors with the Cabinet agenda. Please bring this report to the meeting.**

**The recommendations of Cabinet will be circulated to councillors on Friday 18 October.**

## 8 Gambling Policy

(Cabinet member responsible: Mrs A Ducker, MBE)

Cabinet, at its meeting on 17 October 2013, will consider the recommendations of the Licensing Acts Committee, made at its meeting on 19 September 2013, on the Joint Gambling Policy following the statutory consultation.

**The report of the Head of Legal and Democratic Services, which Cabinet will consider on 17 October, was circulated to all councillors with the Cabinet agenda. Please bring this report to the meeting.**

The Licensing Acts Committee resolved to recommend Cabinet to recommend Council to:

- (i) adopt the proposed Joint Gambling Policy;
- (ii) authorise the Head of Legal and Democratic Services to make minor editorial changes to the Joint Gambling Policy; and
- (ii) authorise the Head of Legal and Democratic Services to publish the Joint Gambling Policy in accordance with the Gambling Act 2005 (Licensing Authority Policy Statement)(England and Wales) Regulations 2006.

**The recommendations of Cabinet will be circulated to councillors on Friday 18 October.**

## 9 Long term loan to Soha Housing

(Cabinet member responsible: Mr D Dodds)

Cabinet, at its meeting on 17 October 2013, will consider a report on a long term loan to Soha Housing to provide a long term investment income stream to the council and to fund affordable housing schemes locally.

**The report of the strategic director, which Cabinet will consider on 17 October, was circulated to all councillors with the Cabinet agenda. Please bring this report to the meeting.**

**The recommendations of Cabinet will be circulated to councillors on Friday 18 October.**

## 10 Petition debate - Didcot Wave

A petition has been handed in to *"register opposition to SODC's intention to close the Didcot Wave pool and gym to pay for the new sports facility to the North East and agree that it is essential the Wave stays open to serve the residents of the older established areas of Didcot"*. The petition refers to 1,784 hard copy and e-petition signatures in support, of which 1,650 are from residents.

The council's Petition Scheme states the following regarding petition debates at

Council meetings:

When petitions containing more than 1,500 signatures are submitted, the petition organiser will be given five minutes to present the petition and the petition will then be discussed by councillors for a maximum of 15 minutes. Council will decide how to respond to the petition at this meeting.

In response to a petition, Council may decide to

- take the action the petition requests;
- not to take the action requested for reasons put forward in the debate;
- to commission further investigation into the matter, for example by a relevant committee;
- make recommendations to Cabinet, where the issue is one on which the Cabinet is required to make the final decision.

The Didcot Wave is included in the portfolio of leisure facilities to be managed by the leisure management contractor from 1 September 2014 and no decision has been taken to close this facility. Cabinet will be considering the concept design for the proposed new Didcot leisure facility in early 2014. Council is invited to make any recommendations on these issues to the Cabinet for it to take into account in the future.

## **11 Community Governance Review - Final Terms of Reference** (Pages 5 - 13)

To consider the report of the Chief Executive on the terms of reference for a community governance review – a review of parish arrangements within the district (**attached**).

## **12 Review of the council's Constitution** (Pages 15 - 48)

To consider the report of the Head of Legal and Democratic Services on proposed changes to the council's constitution (**attached**).

## **13 Questions under Council procedure rule 11**

None.

## **14 Motions under Council procedure rule 41**

None.

MARGARET REED

Head of Legal and Democratic Services

# Council Report



Listening Learning Leading

Report of Chief Executive

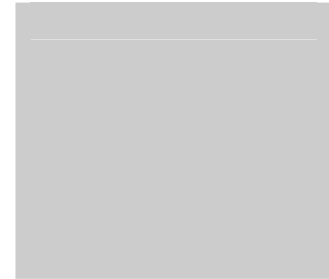
Author: David Buckle

Telephone: 01491 823101

E-mail: david.buckle@southandvale.gov.uk

To: Council

Date: 24 October 2013



## Community Governance Review – Final Terms of Reference

### Recommendations

1. to approve the terms of reference set out in Appendix A for a community governance review of South Oxfordshire
2. to give delegated authority to the chief executive, in consultation with the members of the Community Governance Review Working Group, to add additional items to the terms of reference where appropriate up to the end of November 2013

### Purpose of report

1. To set out terms of reference for a community governance review – a review of parish arrangements within the district.

### Background

2. Local authorities (in the case of two-tier areas, district councils) have had powers to review parish arrangements for many years. Until 2007, any proposals for change resulting from such reviews had to go to the relevant secretary of state for approval. The Local Government and Public Involvement in Health Act 2007 (the 2007Act) changed that and gave full powers to local authorities to implement proposals without reference to central government (although see paragraph 14 below). The Act created the title of community governance reviews (CGR) to cover such activity.
3. In July, council agreed draft terms of reference upon which we then consulted. Council also agreed to form a CGR Working Group to develop proposals. This working group comprises Councillors Bloomfield, Bretherton, Brown, Davies, Lloyd and Welply.

4. This report invites council to agree the final terms of reference. It does not repeat the background to the review, which councillors will find in the earlier report to July council.

### **Draft terms of reference**

5. The draft terms of reference contained two distinct elements. First, a set of general criteria that the council would use to assess any proposals for change. These were drawn largely from the Government guidance on CGRs. Second, a list of specific issues that parish councils had asked us to consider.
6. At its first meeting, the CGR Working Group decided to propose some additions to the specific list. These were two-fold. First, changes where there appeared to be a case for considering an alteration to a parish boundary in light of the general criteria. Second, a review of the governance arrangements in small parishes (electorate under 200) that have a parish council rather than a parish meeting. We consulted affected parish councils on these.

### **Consultation responses**

7. We received no comments suggesting changes to the general criteria. Rather, the responses concentrated on specific proposals. These largely focused on the merits of these proposals, rather than putting forward reasons why the council should not consider them. For example, East Hagbourne Parish Council sent us findings from a survey of residents of that part of Millbrook estate that is currently in East Hagbourne parish, but the terms of reference say might move into Didcot parish. The market research is interesting and will be an important consideration when council comes to take decisions, but it has no real relevance to whether or not to include the issue in the review.
8. Harpsden Parish Council proposed that any parish where a neighbourhood plan is in production should be exempt from boundary changes until the plan has been passed at the referendum stage. This is an interesting point. The 2007 Act and associated guidance does not address issues around neighbourhood plans for the simple reason that they did not exist at the time the legislation came into being.
9. We have received some informal guidance from the Department for Communities and Local Government (DCLG) regarding parish boundary changes and their impact on the neighbourhood planning process. However, this covers matters of detail, not the principle of whether the two can take place in parallel. Indeed, one could argue that by providing guidance on the detail, DCLG accepts the principle that they can happen at the same time.
10. On balance, my view is that the proposal to look at the boundary between Harpsden and Henley parishes should remain part of the terms of reference. If the council decided to exclude areas where there is an emerging neighbourhood plan, it would open the door to requests to exclude other areas affected by emerging development plan proposals. Inclusion in the terms of reference does not necessarily mean that any change will occur and I am sure that the emerging neighbourhood plan proposals will have an important influence on this decision next year.
11. We received correspondence from North Moreton, Pyrton and Swyncombe parish councils (all of which have electorates under 200) saying that they were content with their current governance arrangements. Given the request (covered in the

report to council in July) from the Oxfordshire Association of Local Councils to consider governance arrangements of small councils, however, I consider that we should include a review of all small parishes in the terms of reference. As with boundary changes, inclusion in the review does not infer that changes will necessarily occur.

## Final terms of reference

12. The final terms of reference, therefore, comprise the same general criteria that council approved in July plus a wider list of specific proposals for review. The wider list incorporates additions from parish councils (we received one new request from Woodcote Parish Council and a letter for Brightwell-cum-Sotwell Parish Council pointing out that we had omitted two of its earlier proposals), plus those put forward by the CGR working group. Appendix A contains the final terms of reference. The additions to the draft terms of reference are in italics, with those proposed by the CGR Working Group indicated.
13. I am aware that some parish councils are only belatedly becoming aware that the CGR is underway and of the full range of changes that the council can make. I have therefore included a recommendation that allows me, in consultation with members of the working group, to add further specific proposals to the terms of reference up to the 30 November. As the council is very unlikely to carry out a comprehensive review like this again for many years, this seems like a prudent step to capture any late proposals that come forward.

## Next Steps

14. At its February meeting I will ask Council to agree its draft proposals. By then the CGR working group will have drawn up recommendations, taking account of any relevant submissions from interested parties. Formal consultation will only take place after the February meeting.
15. The next four months, therefore, is largely about carrying out the detailed assessment of proposals against the terms of reference. However, as one of the terms of reference is, "views expressed in relation to any changes, particularly from those people directly affected", we will undertake some soft consultation during this period. I will ensure that we inform ward councillors in advance when consultation is about to take place on any specific proposals.

## Risks and options

16. Council still has the option not to proceed with the review in entirety, but I see no grounds for deciding this. There are a number of issues around local governance that have remained unresolved for many years and the council should make a firm formal decision one way or the other to provide certainty to local communities for the foreseeable future. Council can choose, of course, to add or remove individual items from the terms of reference.
17. The main risk is that we do not complete the CGR within the prescribed 12 month period, which starts as soon as we formally publish the terms of reference – probably within the next couple of weeks. Presently, the timetable shows council agreeing final proposals in April next year, so there is ample time built in for slippage should unforeseen delays occur.

## **Legal Implications**

18. These are covered in the main body of the report

## **Financial Implications**

19. There are no direct financial implications arising from the decision to undertake a CGR. If the council decides to make changes in due course this will involve making legal orders and producing high quality maps to show new boundaries. We may externalise some or all of this work but will meet these costs from within existing budgets.

## **Conclusion**

20. There is a window of opportunity to carry out a CGR prior to the next parish council elections in 2015. It has been many years since the council undertook a comprehensive review of parish arrangements and the guidance published last year suggests that one now is timely. We have consulted parish and town councils on draft terms of reference, set up a councillor working group to oversee the review and now bring final terms of reference to council for approval.

## **Background Papers**

Local Government and Public Involvement in Health Act 2007

Guidance on community governance reviews – joint publication of CLG and LGBCE

Letter from chief executive to town and parish councils – April 2013

Responses from individual parish and town councils to the above letter



**South Oxfordshire District Council**

**LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007  
COMMUNITY GOVERNANCE REVIEW**

**TERMS OF REFERENCE**

**Introduction**

The Council has agreed to undertake a community governance review (CGR) pursuant to Part 4, Chapter 3 of the Local Government and Public Involvement in Health Act 2007 of the whole of the district of South Oxfordshire. The 2007 Act vested powers with the Council to undertake such a review.

The Council will undertake the review in accordance with the guidance on community governance reviews issued by the Department of Communities and Local Government and the Local Government Boundary Commission for England (LGBCE) in April 2008 (“the Guidance”).

**Proposals for consideration**

The council proposes to consider the following parish matters:

*Note: Additions to the draft terms reference are shown in italics in this version only, which forms an appendix to the report to Council on 24 October. When published there will be no italics. Similarly, the published terms of reference will not separately identify those proposals generated by the CGR working group.*

<b>Parish</b>	<b>Matters to be considered</b>
<i>All parishes with electorates of less than 200 that have parish councils</i>	<i>Whether the current governance arrangements remain appropriate</i>  <i>CGR working group proposal</i>
Aston Tirrold and Aston Upthorpe	Creating a single parish council to cover both parishes
<i>Benson, Ewelme</i>	<i>Amending the boundary of Benson parish so that the whole of RAF Benson lies within the parish (part of it currently lies in Ewelme parish)</i>  <i>CGR working group proposal</i>
Brightwell-cum-Sotwell)	Moving land east of the Wallingford by-pass (but not bounded by the by-pass) into Wallingford parish

	<p><i>Amending the boundary of the parish to incorporate land north-east of Wantage Road, currently in Wallingford parish</i></p> <p><i>Amending the boundary of the parish to incorporate land either side of Hithercroft Road, west of Wallingford by-pass, currently in Wallingford parish</i></p>
Clifton Hampden, Culham	<p><i>Amending the boundaries of Clifton Hampden and Culham parishes to enable Culham Science Centre to sit wholly within one or other parish</i></p> <p><i>CGR working group proposal</i></p>
Crowmarsh Gifford	<p><i>Amending the boundary of the parish to include land east of the River Thames in the vicinity of Wallingford Bridge, currently in Wallingford parish</i></p> <p><i>CGR working group proposal</i></p>
Didcot, East Hagbourne, Long Wittenham, West Hagbourne	<p>Amending the boundary of the parish to incorporate that part of the Millbrook estate that is currently in East Hagbourne parish and parcels of land allocated for housing in Long Wittenham and West Hagbourne parishes</p>
East Hagbourne	<p>Creating a single ward parish</p>
Goring	<p>Reducing the number of parish councillors to 10 and renaming the parish Goring-on-Thames</p>
Harpsden, Henley-on-Thames	<p>Amending the boundary of the parish to include land south of Rotherfield Road, currently in Henley-on-Thames parish</p>
Henley-on-Thames, Harpsden	<p>Amending the boundary of the parish to include land north of Gillott's Lane and land south of Greys Road, both areas currently in Harpsden parish</p>
North Moreton, South Moreton	<p><i>Amending the boundary of the parish to include properties along Dunsummer Hill, currently in South Moreton parish</i></p> <p><i>CGR working group proposal</i></p>
Rotherfield Peppard, Sonning Common	<p>Amending the boundary of the parish to include a triangle of land bounded by Peppard Road, Widmore Lane and Blounts Court Road, currently in Sonning Common parish</p>

Shiplake, Harpsden	Amending the boundary of the parish to include land south of Bolney Lane and land north of Woodland Road, both areas currently in Harpsden parish
Sonning Common, Eye and Dunsden, Kidmore End, Rotherfield Peppard	<p>Amending the boundary of the parish to include Chiltern Edge school, currently in Kidmore End parish</p> <p>Reviewing the boundary with Rotherfield Peppard parish along Shiplake Bottom and Blounts Court Road</p> <p>Reviewing the boundary with Kidmore End and Eye and Dunsden parishes at the junction of Kennylands Road and Peppard Road.</p> <p>Revising upwards the number of parish councillors</p>
Tiddington with Albury, Waterstock	<p><i>Amending the boundary of Tiddington with Albury parish in the vicinity of Oxford Road to create a more logical boundary with Waterstock parish</i></p> <p><i>CGR working group proposal</i></p>
Wallingford, Brightwell-cum-Sotwell, Cholsey	<p>Amending the boundary of the parish to include land bounded by the Wallingford by-pass, currently in Brightwell-cum-Sotwell and Cholsey parishes</p> <p>Moving land west of the by-pass along Hithercroft into either Brightwell-cum-Sotwell or Cholsey parish</p>
Waterstock, Great Milton	<p><i>Amending the boundary of the parish to include land north-west and south-east of Oxford Services on the M40, currently in Great Milton parish</i></p> <p><i>CGR working group proposal</i></p>
West Hagbourne, Didcot	Moving land forming part of the Great Western Park development (but not including the buffer zone) into Didcot parish
Wheatley, Holton	Amending the northern boundary of the parish to align with the A40, incorporating land currently in Holton parish
Woodcote, Goring Heath	<i>Amending the southern boundary of the parish to include land south of Shirvells Hill, currently in Goring Heath parish</i>

## **Assessment criteria**

The factors that the council will take into account in making decisions are as follows:

- natural or man-made boundaries that help to define clearly one community from another
- housing developments that straddle parish boundaries, thereby resulting in people being in different parishes from their neighbours
- effective and convenient representation of local residents at parish level
- the LGBCE's proposals for the warding of South Oxfordshire for the purposes of district council elections
- the newly created county council electoral divisions
- views expressed in relation to any changes, particularly from those people directly affected
- the extent to which proposals reflect the identities and interests of the affected community

## **Why is the Council undertaking the review?**

The Guidance states that it is good practice for principal councils (in this context that means this council) to undertake CGRs every 10-15 years. It is now more than 15 years since a district wide review took place. The LGBCE has also recently completed a review of district warding arrangements, which has resulted in widespread changes some of which cut across existing parish boundaries. For these reasons the council considers it timely to carry out a CGR now, in time for implementation of any changes at the next scheduled parish council elections in 2015.

## **Consultation**

These are the final terms of reference for this review (subject to any additions made by the council's chief executive before the 30 November in accordance with the delegated authority given to him on the 24 October). As such, there is no further consultation on them.

The council has established a working group comprising six councillors to consider the parish matters identified in these terms of reference and make recommendations. Council will consider the working group's recommendations at its meeting in February 2013, when it will decide what changes it wishes to propose and will consult on these formally. This will include those people living in properties directly affected by any changes to parish boundaries

In the period November to January the council will make these terms of reference available to interested parties and will invite comments on any of the parish matters contain therein. It will also carry out informal consultation

as it sees fit on any specific proposals that the working group is minded to recommend to council.

### **Timetable**

The 2007 Act requires that a principal council must complete a CGR within 12 months of the date of publication of terms of reference. The proposed timetable below complies with the legal requirement.

<b>Action</b>	<b>Completion Date</b>
Council considers responses to consultation and agrees final terms of reference	24 October 2013
Terms of reference published and consultation commences	1 November 2013
Initial consultation closes	31 January 2014
Council agrees draft proposals for consultation	20 February 2014
Further consultation closes	4 April 2014
Council agrees changes	24 April 2014

### **How to make comments**

Please submit any comments via email to [cgr@southandvale.gov.uk](mailto:cgr@southandvale.gov.uk). The council does not require a hard copy of any submission. For those without access to email please send any submission to:

CGR  
South Oxfordshire District Council  
Legal and Democratic Services  
Abbey House  
Abbey Close  
Abingdon OX14 3JE

Should you require any further information or need clarification on the review process, please contact:

Steven Corrigan  
Democratic Services Manager  
Telephone: 01491 823049  
Email: [steven.corrigan@southandvale.gov.uk](mailto:steven.corrigan@southandvale.gov.uk)

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# Council Report



Report of Head of Legal and Democratic Services

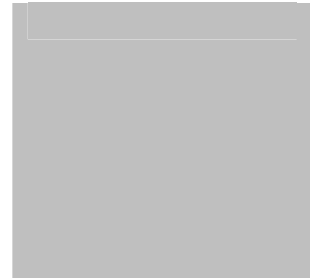
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To: COUNCIL

DATE: 24 October 2013



## Review of the council's constitution

### Recommendations

That Council:

1. notes the Leader's delegations set out in appendix 1 to this report;
2. notes the Leader's delegation to the Head of Health and Housing in respect of the Scrap Metal Dealers Act 2013 as set out in paragraph seven of this report;
3. notes the Leader's revised scheme of delegation attached at appendix two to this report;
4. agrees the revised financial procedure rules attached at appendix three to this report;
5. agrees the proposed amendments to officer delegation set out in appendix four to this report;
6. authorises the head of legal and democratic services to make the necessary changes to the council's constitution to reflect the changes set out in this report;
6. authorises the head of legal and democratic services to make any minor or consequential amendments to the constitution required for clarification, consistency and compliance with the council's style guide.

### Purpose of report

1. To consider proposed amendments to the constitution.

### Strategic objectives

2. The constitution underpins all of the council's areas of activities and, therefore, contributes to the achievement of all its strategic objectives.

## Background

3. Officers have undertaken a review of the constitution in accordance with the Council's decision when it first approved the constitution in 2001, and in pursuance of the requirements of Section 37 of the Local Government Act 2000 to keep the constitution under review. The Constitution Review Task Group, comprising councillors Bretherton, Ducker, Hards, Midwinter and Wood, considered the proposals at a meeting on 19 September 2013 and the views expressed at that meeting are included in this report.

## Executive scheme of delegation

4. Under the executive arrangements agreed at a special meeting of Council held on 9 December 2010, and now reflected in the council's revised constitution, the Leader of council is responsible for agreeing the scheme of delegation for the discharge of the executive functions of the council and reporting these to Council. The task group considered and supported the proposed changes at its meeting. Appendix one lists the amendments that the Leader of council intends to agree.

## Scrap Metal Dealers Act 2013

5. Between October and December 2013 the Scrap Metal Dealers Act 2013 will replace the Scrap Metal Dealers Act 1964. The legislation designates this an executive function.
6. Delegation 17.1 currently authorises the Head of Health and Housing "To exercise the council's powers and duties under **Scrap Metal Dealers Act 1964 and The Vehicle (Crime) Act 2001** including licensing and registration functions, taking of enforcement action, inspections, powers of entry and the appointment of inspectors".
7. The task group noted the following delegation of the Leader of council to reflect the new legislation:  
  
"To exercise the council's powers and duties under the **Scrap Metal Dealers Act 2013** including licensing functions, taking of enforcement action (including the closure of unlicensed sites), inspections, powers of entry and the appointment of inspectors".
8. Under the policy any contested applications, for example, applicants from persons with relevant convictions and/or objections raised by Thames Valley Police or the Environment Agency will have their applications considered by a committee/panel of the Cabinet. The panel will consider whether they are 'suitable persons' to hold a licence. The Local Government Act 2000 Act allows the delegation of Executive functions (of which scrap metal is one under the Scrap Metal Dealers Act 2013) to a committee of the Cabinet. The statutory guidance makes it clear that membership of such a committee or panel can only include members of



the Cabinet and that a committee/panel must consist of more than one Cabinet member.

9. The Leader of council intends that a Committee/Panel of a least three members is established of which one of the members will be the Cabinet member for Health and Housing if he/she is available and to authorise the Head of Legal and Democratic Services to invite an appropriate panel to conduct a scheduled hearing. The leader's scheme of delegation attached at appendix two reflects this intention.

### **Financial Procedure Rules**

10. Attached at appendix three are revised financial procedure rules.

### **Scheme of delegation**

11. Attached at appendix four are proposed changes, with reasons, to the scheme of delegation.

### **Revised constitution**

12. Council is requested to approve the changes set out in this report for implementation from 1 November 2013.

### **Financial Implications**

13. The democratic services budget for printing will meet the costs of producing copies of the amended constitution.

### **Legal Implications**

14. Section 37 of the Local Government Act 2000 requires the Council to keep its constitution under review.

### **Conclusion**

15. This report sets out a number of proposals to amend the constitution. Officers recommend that Council supports these proposals, and authorises the head of legal and democratic services to make these changes and any further minor or consequential amendments to the constitution.

**Background paper:** Paper to the Constitution Review Task Group

Appendix 1

**Changes to the executive scheme of delegation**

<b>References in part 3 of the constitution – scheme of delegation</b>	<b>Proposal</b>	<b>Reason for proposing change</b>
<p>New delegations to deal with nominations to list an asset as an asset of community value under the Assets of Community Value Regulations 2012</p>	<p>Authorise:</p> <ul style="list-style-type: none"> <li>- The Head of Corporate Strategy to decide whether to list an asset as an asset of community value in consultation with the Cabinet member for planning</li> <li>- The Strategic Director (Planning and Housing) to determine a formal review requested by the landowner in consultation with the Leader of Council</li> <li>- The Strategic Director (Finance, HR, IT and Customer and Legal and Democratic) to determine landowner claims for compensation in consultation with the Cabinet member for Finance.</li> </ul>	<p>To reflect the delegations made by the Leader of Council on 11 January 2013</p>
<p>New delegation to Head of Economy, Leisure and Property</p>	<p>To grant the consent of the council in respect of land and property matters including retrospective consents and consents under section 157 of the Housing Act 1985.</p>	<p>To provide explicit authority for consents currently processed by officers.</p>

Appendix 2

# **South Oxfordshire District Council**

## **SCHEME OF DELEGATION OF THE LEADER OF THE COUNCIL TO CABINET MEMBERS AND OFFICERS**

### **Introduction**

1. The Local Government Act 2000 provides that the leader may discharge any executive functions or may arrange for the discharge of any of those functions by the cabinet, by another member of the cabinet, by a committee of the cabinet or by an officer of the council.
2. This scheme of delegation to cabinet members and to officers is made pursuant to the Local Government Act 2000 and was approved by the leader of the council on 1 November 2013 and came into force immediately. This scheme replaces all previous schemes.
3. The scheme may be amended by the leader of the council at any time during the year. The scheme is subject to the general terms and conditions described below.

### **Terms and conditions**

4. Any decision taken by a cabinet member under this scheme of delegation shall only be taken having regard to any advice from the strategic director responsible for the relevant function associated with the decision.
5. Any decision which could attract to the council adverse legal consequences shall be taken after consultation with the monitoring officer.
6. Any decision which could attract adverse financial implications shall be taken after consultation with the chief finance (section 151) officer.
7. Where functions may be discharged by a cabinet member under this scheme of delegation the cabinet member may arrange for the discharge of any of those functions by an officer of the council.
8. Any cabinet member exercising any delegated powers under this scheme also has the power to do anything which is calculated to facilitate or is conducive or incidental to the exercise of such delegated powers.
9. Once a cabinet member has exercised any delegated power under this scheme, he or she shall make a record of the decision which shall include

the views of any officer consulted on the issue. The record of the decision shall be forwarded by the cabinet member or officer immediately to democratic services.

### **Responsibility for executive functions**

10. The following cabinet members are responsible and are delegated authority to take decisions in respect of the functions and projects set out below until they are amended or withdrawn by the leader in writing.

Mrs Ducker - HR, customer services, legal and democratic, Didcot, corporate strategy (except waste and parks, community safety and grants)

Rev'd Paterson – deputy leader, planning (including building control) and IT

Mrs Badcock - health and housing

Mr Dodds - finance, waste and parks

Mrs Nimmo-Smith - economic development, property and technical services

Mr Service – leisure, grants and community safety

11. I delegate authority to the chief executive to discharge all executive functions and to request any member of the cabinet to act on behalf of the leader in the leader's and deputy leader's absence.

### **Scrap Metal Sub-Committee**

**12. I establish a Scrap Metal Sub-Committee (known as a Panel) comprising any three members of the Cabinet, to include the Cabinet member for Health and Housing if he/she is available, to consider contested applications and authorise the head of legal and democratic services to invite an appropriate panel to conduct a scheduled hearing.**

Councillor Ann Ducker

1 November 2013

## Appendix 3

# Financial Procedure Rules

## INTRODUCTION

### APPLICATION AND PURPOSE

1. The financial procedure rules set out how the council's financial affairs are to be managed. All councillors and officers, and any person acting on behalf of the council, shall comply with these rules and any procedures setting out their detailed application.
2. Procedures setting out the detailed application of the rules may be issued by the chief finance officer.
3. The financial procedure rules form part of the council's Constitution and are to be read in the context of the council's objectives as set out in its corporate plan and corporate development plan.
4. In circumstances deemed exceptional, the chief finance officer may waive one or more of these financial procedure rules at the request of a councillor or manager. The waiver must be confirmed in writing before implementation.
5. Heads of service shall ensure that: the financial procedure rules are brought to the attention of all their staff; their staff are adequately trained in their use. All officers have a fiduciary duty to the local taxpayer and for the effective and efficient stewardship of any public funds under their control.

### DEFINITIONS

6. In these Rules:

“*Cabinet*” means the body appointed to exercise executive functions in accordance with Article 7 of the Constitution.

“*Chief Executive*” means the person appointed by the council as the Council's head of paid service.

“*Chief Finance Officer*” means the officer responsible for financial affairs of the Council under s.151 of the Local Government Act 1972 and s.114 of the Local Government Finance Act 1988. It includes the officer nominated by him/her to act in his/her absence and any officer of his/her staff acting on his/her behalf.

“*Council*” means the South Oxfordshire District Council/Vale of White Horse District Council, or any body or person acting on its behalf under the Constitution or delegated authority.

“*Full Council*” means a meeting of the full Council.

“*Head of service*” means a person appointed by the council to a post of head of service, or any member of his/her staff who is acting under delegated authority from their head of service. It includes strategic directors and the chief executive when they act in the manner of a head of service, for example as a cost centre manager, or instead of a head of service within their portfolio.

“*Senior management board*” means the body comprising the chief executive and strategic directors.

“*Monitoring Officer*” means the person appointed by the council for the purposes of s5 of the Local Government & Housing Act 1989, or the person nominated to act in his/her absence.

“*Relevant Cabinet member*” means the member of the cabinet who has responsibility for that particular function.

“*Scrutiny Committee*” mean the committee set up under Article 6 of the Constitution.

“*Strategic Director*” means a person appointed by the council to a post of strategic director within the council’s strategic management board.

## **RESPONSIBILITIES FOR FINANCIAL MATTERS**

7. The full Council is responsible for approving the following:
  6. The medium term financial strategy. (SODC only)
  7. The medium term financial plan.
  8. The revenue budget and council tax requirement.
  9. The capital programme.
  10. The borrowing limits and prudential indicators
  11. The tax base.
  12. The council tax.
  13. The treasury management strategy incorporating the annual investment strategy
  14. The treasury management mid year report
  15. The treasury management outturn report
  16. The financial procedure rules.

8. The Cabinet shall make recommendations to full Council on those matters referred to in paragraph 7 apart from the council tax and the financial procedure rules.
9. The Cabinet has overall responsibility for the implementation of the council's financial strategies and spending plans, and is authorised to make financial decisions subject to these being consistent with the budget and policy framework and the Constitution.
10. The chief finance officer is responsible for the overall management of the financial affairs of the council.
11. The chief finance officer shall determine all financial systems, procedures and supporting records of the council (whether held on paper or electronically), after consultation with the relevant head of service. Any new or amended financial systems, procedures or practices shall be agreed with the chief finance officer before they are implemented.
12. Heads of service are responsible for ensuring the proper maintenance of financial procedures and records, and the security of assets, property, records and data, within their service area.
13. The chief executive, strategic directors and heads of service shall consult with the head of finance and head of legal and democratic services on the financial and legal implications respectively, of any report that they are proposing to submit to the full Council, a committee (or sub-committee) or the Cabinet.

#### **DELEGATION OF RESPONSIBILITIES FOR FINANCIAL MATTERS**

14. In the absence of the chief finance officer, or if he/she is unable to act, then his/her nominated deputy shall be empowered to act on his/her behalf in relation to these rules.
15. In the absence of a head of service any officer within his/her team that has been nominated by him/her shall be empowered to act on his/her behalf in relation to these rules.
16. The strategic director with portfolio responsibility for a service is empowered to act instead of the head of service, and may require a head of service to consult him/her before taking any decision under these rules.
17. In cases of urgency two members of the council's senior management board (including, if they are not members of the senior management board, the chief finance officer and monitoring officer) acting jointly shall be empowered to act instead of another officer in relation to these rules.

## ACCOUNTING ARRANGEMENTS AND PROCEDURES

18. The chief finance officer will determine the form and standard of all financial records, statements and accounts consistent with statutory requirements and professional standards.
19. The chief finance officer will provide or approve systems, procedures, instructions and guidance to each head of service to enable them to carry out their financial duties in an acceptable way. Each head of service must follow such systems, procedures, instructions and guidance and may not rely on any other systems and procedures unless the chief finance officer has agreed to alternatives.
20. Heads of service are responsible for ensuring the proper maintenance of financial procedures and records, and the security of assets, property, records and data, within their service area.
21. The chief finance officer will produce an annual statement of accounts and Whole of Government Accounts, and any other financial information required by statute. Each head of service must provide the chief finance officer with any information that he/she needs to enable the council's accounts to be closed in accordance with the timetable for the production and audit of the accounts.

## AUDIT

22. All the activities of the council are subject to both internal and external audit.

## INTERNAL AUDIT

23. In accordance with the Accounts and Audit Regulations 2003, the chief finance officer shall maintain an adequate and effective system of internal audit to carry out a continuous and independent appraisal of all the Council's activities, financial and otherwise. This function shall operate in accordance with professional standards.
24. The internal audit team shall undertake a cyclical review of all financial systems throughout the council under the direction of the chief finance officer, who shall determine the appropriate level of audit coverage.
25. It shall be the specific responsibility of internal audit to review, appraise and report upon:
  - (a) the soundness, adequacy and application of financial and other management-related controls;



- (b) the extent of adherence to, the relevance and the financial effect of management's policies and directives and compliance with other relevant procedures, legislation and regulations;
  - (c) the extent to which the council's assets and interests are accounted for and safe-guarded from losses, which include fraud and other offences, waste, extravagance and inefficient administration, poor value for money and other causes;
  - (d) the economical, efficient and effective use of resources; and
  - (e) the suitability, integrity and reliability of financial and other related management data developed within the council.
26. Internal audit will advise heads of service and the strategic management board on such matters as risk assessment and systems of check and control in order that heads of service maintain appropriate internal controls within their financial and administrative systems to ensure that the council's resources are properly applied in the manner and on the activities intended.
27. Heads of service shall consider internal audit reports and provide a response within an agreed timescale. Heads of service shall implement agreed recommendations unless they can demonstrate satisfactory alternative arrangements.
28. The internal audit manager (following approval from the chief finance officer, a member of the strategic management board or chief executive) has the authority to:
- (a) enter at all reasonable times any council premises or land;
  - (b) subject to any legislative constraints, have access to all records, documents and correspondence, and data in computer systems relating to any financial or other transactions of the council as appear to him/her to be necessary to fulfil his/her responsibilities. This includes the possessing or taking copies of any record, document or correspondence;
  - (c) require and receive such information or explanations from any relevant person as are necessary concerning any matter under examination or in the discharge of his/her responsibilities;
  - (d) require any relevant person to produce cash, stores or any other council property under their control; and
  - (e) examine any accounts or records not covered by the above but relating to funds managed by any relevant person arising out of his/her employment with the council.
29. In paragraph 28(c) "any relevant person" means a councillor or officer of the council, or any organisation or person acting on behalf of the council.
30. The internal audit manager shall be entitled to report directly to any level of management, the Cabinet or any committee, in his/her own name.

31. Internal audit will liaise with the external auditors to maximise the efficiency of both services provided to the council.

### **EXTERNAL AUDIT**

32. The council's accounts, financial records, operations and systems shall be audited annually in accordance with best audit practice and the audit regime as determined by the council's external auditor in accordance with regulations and statutory requirements.
33. The external auditor's management letter and reports shall be issued and considered in accordance with the agreed protocol.

### **FRAUD AND IRREGULARITIES**

34. Heads of service shall establish and maintain adequate systems of internal control and check for the prevention and detection of fraud and other illegal acts.
35. Any relevant person (as defined in paragraph 29) shall notify the chief finance officer or internal audit manager immediately of any financial or accounting irregularity, or suspected irregularity, or of any circumstances which may suggest the possibility of such loss or irregularity, including those affecting cash, stores, property, remuneration or allowances.
36. Procedures designed to frustrate and prevent any attempted fraudulent or corrupt act are contained in the council's anti-fraud and corruption strategy issued in accordance with paragraph 2 of these rules. The process for staff to notify any suspicions to management and how management should respond are contained in the council's whistle-blowing and, anti-fraud and corruption response plans.

### **OFFICERS AUTHORISED TO APPROVE FINANCIAL DOCUMENTS**

37. The heads of service shall determine who is authorised to approve/sign financial documents on their behalf.
38. Each head of service shall provide the chief finance officer with the names, and specimen signatures where appropriate, of officers authorised to approve, certify or sign financial documents either in paper form or electronically. The chief finance officer shall maintain a register of all such officers. Any changes of authorised officers must be promptly notified to the chief finance officer.

39. Authorised signatories shall sign in their own name and not sign in the name of their head of service. The use of facsimile signature stamps is not permitted on paper based returns.

### **BANKING ARRANGEMENTS, ELECTRONIC, CHEQUE AND CREDIT CARD PAYMENTS**

40. All arrangements with the council's bankers shall be made by the chief finance officer, who shall be authorised to open and operate such bank accounts, or arrange such other services as the council requires, and to give directions to the bank as shall be necessary for the making of payments on behalf of the council and for the deposit of monies received by the council.
41. No bank account, account with an institution similar to a bank, credit card facility or other arrangement for credit shall be opened in the name of the council or establishments of the council except by or with the prior approval of the chief finance officer.
42. All cheques shall be ordered only on the authority of the chief finance officer, who shall make proper arrangements for their safe custody.
43. Cheques on the council's bank accounts (including National Giro accounts) shall either bear the facsimile signature of the chief finance officer or be signed personally by the chief finance officer or officers authorised by him/her to do so. Additionally all cheques over the sum of £10,000 shall be personally countersigned by the chief finance officer or such officer as may be specifically authorised by him/her to do so. Any electronic payments over the sum of £10,000 shall be authorised by any authorised signatory to the originating account. The method of authorisation will be in accordance with chief finance officer's instructions.
44. All payments by cheque shall be made on a drawings or disbursements account to which transfer shall be made as and when required. Payments by electronic fund transfer shall be in accordance with procedures approved by the chief finance officer.
45. Request for payments by any other method must be approved by the head of finance. Officers must not set up direct debit or standing order payments without the prior consent of the head of finance.
46. It shall be an instruction to the council's bankers that no overdraft shall be allowed on the drawings and disbursements accounts. Overdrafts may be negotiated on the council's general account in accordance with arrangements approved by the head of finance.

47. All authorisations to transfer sums between accounts shall be signed (or authorised electronically) by the head of finance or such officer as may be specifically authorised by him/her to do so.
48. Any monies received must be paid without delay to the council's bank, or as the head of finance directs. Unless there is specific written authority from the head of finance no deductions shall be made from monies received. Under no circumstances may personal cheques of councillors or employees of the council be cashed out of monies held on behalf of the council. (See also the financial procedure rules re Income).
49. Council credit cards must only be used in accordance with guidance issued by the head of finance.

### **BORROWING, LEASING AND OTHER FINANCIAL ARRANGEMENTS**

50. The borrowing powers of the council shall be exercised only in accordance with:
  1. the policies of the council;
  2. the borrowing limits and prudential code set by the full Council;
  3. procedures determined by the chief finance officer
51. The chief finance officer shall be notified promptly of all proposed arrangements for the acquisition of property, vehicles or equipment which are to be financed by way of any credit, finance or operating lease.
52. All borrowing, leasing, finance and credit arrangements, will be effected by the head of finance.
53. The council's investments will be managed in accordance with the approved treasury management strategy.

### **CLAIMS FOR GRANT OR SUBSIDY AND FINANCIAL RETURNS**

54. Each head of service shall make proper arrangements for claiming grants and submitting associated claims, by the due date, so as to maximise the council's income. (See also the financial procedure rules re Income)
55. It shall be the duty of each head of service to prepare, and the responsibility of the chief finance officer or nominated deputy to certify and otherwise deal with, all claims for grants or subsidy and other financial returns required by Government departments and other bodies or organisations.

## CONTRACTS

56. The management and administration of contracts shall be in accordance with the council's contracts procedure rules.

## ESTATES AND ASSET MANAGEMENT

57. The head of economy leisure and property shall maintain an up-to-date terrier system of all land and physical property owned or controlled by the council or in which the council has an interest. The register will detail:
- the legal powers used for acquisition (if known);
  - the purpose for which the property is held;
  - description;
  - location and plan reference;
  - area/size of land/property;
  - the council's interest in the land/property, e.g. freehold/leasehold;
  - purchase details;
  - rents and other charges payable;
  - any restrictive covenants; and
  - particulars of tenancies or other interests granted.
  - maintenance of the land and property.
58. The head of economy leisure and property is responsible for the valuation of all of the land and property in accordance with the Chartered Institute of Public Finance Accounting code of Practice on Local Authority Accounting in the UK.
59. The head of economy leisure and property is responsible for keeping an fixed asset register which shall identify the value of all of the physical assets recorded in the council's accounts (including land and property). The fixed asset register will be kept in a form that will be agreed with the chief finance officer and in accordance with the relevant accounting code of practice. The head of finance is responsible for calculating capital charges and depreciation charges for all properties for which purpose the head of economy leisure and property shall supply to him/her such details as required by him/her of the financial implications of any purchase, disposal, revaluation, reclassification or holding of land or property on the council's behalf.
60. The head of legal and democratic services shall have custody of all title deeds and keep them under secure arrangements.
61. Disposals of surplus land and property with an estimated book value of up to £10,000 can be authorised by a head of service. Consultation with the relevant Cabinet member is required for disposals of land and property with a book value between £5,000 and £10,000. Above that value disposals must be authorised by the

relevant Cabinet member or the Cabinet. Before deciding whether to dispose of land or property the head of service, relevant Cabinet member or Cabinet shall consider a report setting out all relevant information, including the planning position, potential use, current or proposed development restrictions and estimated value. For all disposals an initial valuation must be provided by a qualified valuer: if the likely value exceeds £100,000 this must be supplemented by a second, external valuation. Unless otherwise agreed by the chief finance officer and monitoring officer, all disposals with an estimated value over £5,000 shall be put on the open market and competitive bids sought from as many interested parties as is commensurate with the estimated value and intended use. All disposals shall be on the best financial terms unless otherwise agreed by the chief finance officer in consultation with the relevant Cabinet member. Except where a general consent exists, specific consent shall be obtained from the Secretary of State where required, prior to the disposal of an interest in land or property for less than the best consideration reasonably obtainable.

62. The head of economy leisure and property shall notify the chief finance officer of all cases where steps are necessary to prevent or investigate loss of or damage to physical property not belonging to the Council but in its control.

### **FINANCIAL PLANNING**

63. The head of finance shall co-ordinate, monitor and report on the council's financial plans in accordance with the council's financial policies and as determined by the chief finance officer.
64. Heads of service shall prepare, monitor and report on financial plans for the services for which they are responsible in consultation with the head of finance

### **BUDGETS**

65. The head of finance shall prepare consolidated estimates of income and expenditure on revenue and capital accounts and any special funds maintained by the council, and shall submit these to the Cabinet.
66. The Cabinet will consider on an annual basis:
- (a) the estimates of proposed revenue income and expenditure for the ensuing year together with a review of the current year's revenue income and expenditure;
  - (b) the medium term financial plan;
  - (c) the proposed programme of capital expenditure, including how such expenditure will be financed and estimates of any revenue income or expenditure that will arise;

- (d) the estimates of income and expenditure to be met from any special funds in the ensuing year.
- 67. The Cabinet shall, after any necessary consultation and after receiving reports from the relevant heads of service, chief finance officer and chief executive, consider these financial plans and make recommendations on them to the full Council.
- 68. Approval of the revenue estimates by full Council authorises officers to incur expenditure as detailed in the estimates subject to compliance with all requirements of the council's constitution.
- 69. South only: only full Council can approve the addition of a scheme to the provisional capital programme. In doing so council approve the funding of the scheme.
- 70. South only: expenditure on a capital scheme cannot commence until cabinet has approved the scheme be transferred from the provisional to the approved capital programme. Heads of service are authorised to incur expenditure on schemes within the approved part of the programme.
- 71. Vale only: approval of the capital estimates by full council authorises officers to incur expenditure as detailed in the capital programme subject to compliance with all requirements of the council's constitution.
- 72. Once set by council, budgets can be changed in one of three ways: by virement, by supplementary estimate, and by an approved carry forward request.

**Section 106 and community infrastructure levy (CIL) income and related expenditure**

- 73. The head of planning shall be responsible for negotiating and gaining the relevant approval for section 106 agreements. Receipt of a section 106 or CIL income does not confer the power to spend. Appropriate budgets must be created in accordance with the financial procedure rules to give heads of service authority to incur expenditure on schemes funded from section 106 or cil income.

74. For section 106 or CIL agreements that provide clear and unambiguous details on how the receipts raised must be used, where that agreement has been approved by the planning committee and over which further discretion cannot be applied then the strategic management board (SMB) can request the creation of the relevant revenue or capital budget.
75. For all other section 106 and CIL agreements where contributions are received by the council a budget for the spending of the receipt must be created as follows:
- (a) For agreements of up to £20,000 budgets can be approved by SMB .
  - (b) For agreements greater than £20,000 up to £100,000 budgets can be approved by the relevant cabinet member in consultation with the cabinet member for finance.
  - (c) For agreements of greater than £100,000 budgets must be approved by Council.

### **Budgetary control**

76. Heads of service are responsible for controlling and monitoring income and expenditure within the service areas and capital projects for which they are responsible.
77. The head of finance shall make available to each head of service periodic statements comparing actual and budgeted income for the service areas each head of service is responsible for.
78. Heads of service shall promptly notify the head of finance of any actual variance or forecast variance from an overall ("bottom-line") budget for a cost centre or capital project for which they are responsible.
79. On a quarterly basis heads of service will report their projected estimate of outturn income and expenditure against their revenue and capital budgets for those service areas for which they are responsible. In addition heads of service will provide explanations for any projected variation to budget as requested by the head of finance.
80. Any variance, or forecast variance, from a revenue cost centre or capital project budget of more than £50,000 shall be reported in the budget monitoring report. Budget monitoring reports as at 30 September and 31 December will be published in the weekly information sheet/Vale information sheet.



## **BUDGET MOVEMENTS WITHIN A YEAR**

81. Where a budget is moved between cost centres or capital projects but it is used for the purpose it was originally created this is known as a budget transfer. All budget transfers must be approved by the head of finance or an accountancy manager.
82. Where a budget is moved between cost centres or capital projects so that it can be used for a purpose other than which it was originally created this is known as a budget virement which must comply with the following rules.
83. All new expenditure as a consequence of virements must be in accordance with the council's corporate objectives, strategies and policies.
84. All virements must be made and notified to accountancy in advance of expenditure being incurred.
85. Heads of service may vire (move) budgets within a year and within the revenue cost centres for which they are accountable provided this does not create a new financial liability for a future financial year. If this results in a significant change in the standard or level of the service or the introduction of a new service this requires approval of the relevant strategic director.
86. The chief finance officer in consultation with the relevant heads of service and strategic directors, may vire budgets of up to £20,000 or 5% of the total relevant budget (whichever is the greater) within a year and between any revenue budgets or between budgets for capital projects. The Cabinet may vire budgets of up to £100,000 within a year and between any revenue budgets or budgets for capital projects.
87. Budget virements in excess of these limits, or virements in a year which also commit the council to additional expenditure in future years, shall only be made by full Council.

## **BUDGET MOVEMENTS BETWEEN YEARS**

88. The estimated cost of any revenue or capital project for which one-off budgetary provision has been approved may be carried forward to the following financial year, subject to:
  - (a) the amount carried forward not exceeding the underspend on the relevant revenue cost centre or capital project;
  - (b) the approval of the Head of Finance who shall maintain a record of such approvals.

## SUPPLEMENTARY ESTIMATES

89. A supplementary estimate is where a budget is created in-year funded from outside existing general fund budgets e.g. from reserves, new or additional government grant.
90. The chief finance officer in consultation with the relevant strategic directors and Cabinet members may agree requests for revenue supplementary estimates of up to £20,000. Requests for revenue supplementary estimates in excess of £20,000 shall be made to the Cabinet which shall seek the approval of full Council if the amount exceeds £100,000, or if the total of revenue supplementary estimates in the year would exceed £250,000 should the request be agreed. For the purpose of these limits supplementary estimates for expenditure that is to be met from an existing grant that has been increased are to be ignored provided the additional income is used for the same purpose as the original grant.
91. South only: Schemes within the provisional part of the capital programme can be transferred into the approved programme by a decision of a Cabinet member. Schemes may only be added to the provisional part of the programme by full Council. The head of finance may add schemes directly into the approved capital programme where they are fully funded by government grants.  
  
Vale only: The head of finance may add schemes directly into the capital programme where they are fully funded by government grant.
92. The advice of the chief finance officer shall be sought before any consideration of a request for a supplementary estimate.
93. In cases of urgency the Cabinet, or officers discharging Cabinet functions, shall be authorised to approve additional revenue or capital expenditure in excess of the limits set out in paragraphs 90 if it is not practical to convene a quorate meeting of the full Council; and the Chairman of the Scrutiny Committee agrees that the decision is a matter of urgency.
94. In cases of disaster or emergency, and with the agreement of the Leader and the Chair of the Scrutiny Committee (where this is possible) strategic directors, with the approval of the chief finance officer, shall be authorised to approve additional revenue or capital expenditure in excess of the limits set out in paragraphs 90. The chief finance officer shall report such approvals to the next meetings of the Cabinet and Scrutiny Committee. In the absence of the chief finance officer this authority shall only be available to the chief executive in consultation with the chief finance officer's nominated deputy.

## **GIFTS AND HOSPITALITY**

95. The Council has introduced a scheme whereby officers record gifts with a value above £25 and hospitality offered during the course of their duties. Detailed guidance notes are contained in the Council's Code of Practice on gifts and hospitality (see the gifts and hospitality policy on the intranet).

## **INCOME**

### **COLLECTION ARRANGEMENTS**

96. Arrangements for the collection of all sums due to the council and for the prompt and proper accounting for all cash, including its collection, custody, control and deposit shall be determined by the head of finance.
97. Each head of service shall promptly raise debtor accounts within the council's accounts receivable system for all work done, goods supplied and services rendered within their service.
98. The head of finance shall be notified promptly of all money due to the council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the council; and shall have the right to inspect any documents or other evidence in this connection as he/she may decide.
99. Each head of service is required to make proper arrangements for claiming grants and submitting associated claims, by the due date, so as to maximise the council's income. The head of finance shall determine the accounting records to be maintained by each head of service to record income and expenditure of the council in relation to the claims made.
100. Heads of service shall in consultation with the relevant Cabinet member, and within the budget setting parameters and any overall parameters agreed by the council, review all fees and charges for goods and services provided at least annually.
101. The head of finance is responsible for the arrangements for the collection of miscellaneous income due to the council. Each head of service should normally use the council's accounts receivable (debtors) system or cash collection arrangements, or establish their own arrangements (which shall be subject to the approval of the head of finance). Accounts raised must require payments to be made to the council.
102. Each head of service must ensure that there are appropriate procedures for raising accounts, monitoring receipts and following up unpaid bills. Income and VAT must be accounted for correctly in both

the council's accounts receivable (debtors) system and any other systems.

103. Instructions for the cancellation or reduction of invoices for income must be authorised by the appropriate head of service or such member of staff specifically designated by him/her for that purpose.
104. Heads of Service shall advise the Head of Legal and Democratic Services of debts that have remained unpaid with a view to the commencement of legal proceedings in accordance with the council's corporate debt and recovery strategy.
105. No amount due to the council shall be discharged otherwise than by payment in full, or by writing-off the whole amount due, or an unpaid portion thereof.

#### **WRITE OFFS**

106. Sums due to the council shall not be written off other than in accordance with the scheme of delegation.
107. Where sums are written off under delegated powers these shall be recorded in a register in a form determined by the Head of Finance.

#### **INSURANCE AND RISK MANAGEMENT**

108. Each head of service must take all reasonable steps to prevent accident, injury, loss or damage, and to minimise any losses which may occur. Each head of service must ensure that effective risk management is in place within their service areas, having regard to advice from any specialist officers (e.g. fire prevention and health and safety). Risk management includes the identification, evaluation, control, financing and ongoing monitoring of risks.
109. Each head of service shall notify promptly the Head of Finance of all new risks, properties, vehicles or assets which require to be insured and any alterations affecting existing insurance.
110. The Head of Finance in consultation with the head of service shall determine the appropriate insurance cover. The Head of Finance shall be responsible for ensuring that all insurable risks are adequately covered and, in conjunction with heads of service, for regularly reviewing the levels of cover.
111. The head of finance shall hold in safe custody all insurance policies of the council and arrange for payment of premiums by the due date.
112. Each head of service shall inform the head of finance immediately of any insurance claim received, or any incident which will or has the potential to become an insurance claim. Procedures for the

notification of claims, or potential claims, will be determined by the Head of Finance.

113. In the case of a major fire, flood or explosion affecting the council's property, or any incident resulting in the death or injury to an employee or other person, the head of service shall contact the head of finance immediately and follow this up with a report.
114. The head of finance, in conjunction with the head of service where necessary, shall be responsible for supervising the negotiating and settling of all claims made by or against the council.
115. The head of finance shall ensure that appropriate employees of the council are included in a suitable fidelity guarantee insurance policy.
116. Heads of service shall consult the head of finance and head of legal and democratic services regarding the terms of any indemnity the council is requested to give and shall not give any form of indemnity without the approval of these officers.
117. Insurance records relating to liability policies and related correspondence must be retained indefinitely. Documents relating to other policies and self-insurance and risk management arrangements must be retained for six years. All other matters relating to insurance or indemnities shall be carried out in accordance with arrangements determined by the head of finance.

#### **INTERNAL CONTROL AND CHECK**

118. In implementing and maintaining financial systems and procedures head of finance shall ensure that these include adequate levels of internal control and check, taking into account an assessment of the risks involved. The following principles shall be observed in the allocation of financial duties:
  - (a) the duties of providing information regarding 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;
  - (b) where possible adequate segregation of duties shall be maintained. Officers charged with the duty of examining and checking the accounts of transactions shall not themselves be engaged in any of these transactions; and
  - (c) the principle of internal check must be included, where possible, in all accounting duties undertaken by staff. Unless it would be impracticable, each head of service must avoid any arrangement that would enable one officer to authorise, process and record a complete financial transaction. In cases where this would be impracticable, the chief finance officer must be asked to approve

alternative arrangements and the head of service must ensure that the work is properly monitored.

## **INVENTORIES AND CONTROL OF ASSETS**

119. For the purposes of these Financial Procedure Rules an asset is any item which has an intrinsic value and includes land, buildings, fittings, furniture and equipment, computer equipment and systems, vehicles plant and machinery, stores and materials.
120. Heads of service shall maintain an inventory or register of all assets under their control in a form and to the extent determined by the chief finance officer.
121. Items shall be added to the inventory as soon as they are received. Items leased to the council should be recorded with note of ownership. If an item is lost or stolen this must be recorded against the entry in the inventory and the item should be written-off after authorisation by the chief finance officer.
122. The internal audit manager shall at all reasonable times have access to the assets of the council and to examine and audit registers and inventories.
123. Each head of service shall undertake an annual check on all items on the inventory and take action in relation to surpluses or deficiencies in accordance with the requirements of these Financial Procedure Rules (see Financial Procedural Rule re Stocks and Stores), or where items become unserviceable or obsolete and shall update the inventory accordingly.
124. Council property, assets, or materials shall only be used in connection with council business unless otherwise authorised by the head of service. Council property shall only be removed from council premises for use in the course of ordinary council business, or with the permission of the head of service, and a record should be kept of authorised removals.
125. Where it is necessary to take custody of property which is not the property of the council, the relevant head of service shall ensure that a complete inventory is prepared and that all reasonable steps are taken to protect that property from loss or damage. The head of finance should be informed of any new insurable risk.
126. Items of property or cash left on council premises and regarded as lost property must be dealt with in accordance with procedures determined by the internal audit manager.

## ORDERS FOR WORKS, GOODS AND SERVICES

127. Heads of service shall place orders only in accordance with:
- (a) the Contracts Procedure Rules;
  - (b) the council's procurement and other relevant policies (including arrangements for central purchasing or the standardisation of supplies);
  - (c) legal and health and safety requirements;
  - (d) the principles of value for money (i.e. ordering what is legitimately required at the correct quality, quantity and time, and at the best possible price);
  - (e) procedures determined by the chief finance officer.
128. Heads of service should ensure that the council will not knowingly obtain supplies from or deal with organisations which fail to meet the reasonable expectations of their creditors, regarding payment of debts.
129. Prior to placing an order or entering into any other sort of commitment to expenditure, a head of service must be satisfied that there is enough provision in the relevant approved revenue or capital budget and that the order will not result in an overspending.
130. Official orders ('purchase order') shall be issued for all works, goods and services supplied to the Council except where the circumstances are such that it is not possible to raise an official order and where this exception has been approved by the head of finance.
131. All payments shall be made via the council's accounts payable (creditors) system unless agreed otherwise by the head of finance.
132. An officer must not seek or receive any gift or personal inducement, including lavish or excessive hospitality, in connection with the placing of any order. Officers may not place orders with any individual or organisation with whom they have a family, personal or financial relationship. If an officer's work involves contact with any individual or organisation with whom they have a family, personal or financial relationship, that officer must notify their head of service in writing.

## **PAYMENTS**

133. All payments (including invoices, salaries, wages, other emoluments, allowances, benefits and petty cash) shall be made under arrangements determined by the head of finance.
134. No payment to a member of staff shall be authorised by himself/herself. Payments to heads of service shall be authorised by a member of the strategic management board; payments to a member of the strategic management board shall be authorised by another member of the strategic management board.
135. All payments to members of staff and councillors will be made via the payroll system unless an alternative arrangement has been agreed by the Head of Finance.

### **Payment of invoices**

136. Each head of service is responsible for checking the accuracy and validity of invoices submitted for payment, and for processing these promptly in accordance with procedures determined by the head of finance. Heads of service shall provide the head of finance with such particulars in connection with work done, goods supplied or services rendered and all other amounts due, as may be required and in such a manner as the head of finance may specify.
137. The head of finance may examine any account, and obtain any explanation considered necessary.
138. Wherever practicable the duties of ordering, receiving goods or services and certifying the invoice shall not be performed by the same officer.
139. Heads of service shall notify the head of finance of all outstanding expenditure relating to the previous financial year, in accordance with the year end accounting timetable produced by the head of finance.

## **SALARIES, WAGES & ALLOWANCES**

140. Heads of service are responsible for checking the accuracy and validity of claims and other records relating to contracts of employment (including travel and subsistence).
141. The head of HR, IT and customer services is responsible for ensuring that all payments made under contracts of employment are in accordance with such contracts, the council's human resources policies, and in accordance with procedures determined in consultation with the head of finance.



142. The head of HR, IT and customer services shall advise the head of finance of all matters affecting the remuneration of employees.

### **COUNCILLORS' ALLOWANCES**

143. Councillors who are entitled to claim travelling or other allowances shall submit their claim on the prescribed form, duly completed and signed. Claims should be submitted in accordance with the councillors' allowance scheme to the head of legal and democratic services. The accuracy of the information contained in a claim shall be the responsibility of the councillor concerned.
144. The head of legal and democratic services shall be empowered to examine all claims submitted and make whatever checks or enquiries he/she feels are reasonable to verify the accuracy of the claim before payment.

### **PETTY CASH IMPREST AND CASH FLOATS**

145. The head of finance shall provide officers with petty cash accounts and cash floats, as he/she considers necessary. Petty cash will be maintained on the imprest system. Any officer to whom a petty cash imprest or a cash float has been issued shall maintain records and operate the account in accordance with procedures determined by the head of finance.
146. The internal audit manager shall at all reasonable times have access to petty cash accounts and cash floats for control and check purposes..
147. Heads of service shall notify the head of finance when authorisation is withdrawn from an officer or an authorised officer leaves the council, or when responsibility for the imprest is transferred to a different officer.

### **RETENTION OF DOCUMENTS AND FINANCIAL RECORDS**

148. Heads of service are responsible for the retention of documents and other financial records. These shall be retained for periods prescribed by statutory or other external regulations or, in the case of financial records and supporting documents where there are no such requirements, the head of finance shall determine the retention periods, including the type of storage media. Detail of this are contained within the council's 'corporate procedure – retention and disposal of documents'.
149. Financial records shall not be disposed of other than in accordance with prescribed statutory requirements or as approved by the Head of Finance.

## SECURITY

150. Heads of service are responsible for the security and safe custody of all assets, cash and other property under their control. For this purpose an asset is any item which has an intrinsic value and includes land, buildings, fittings, furniture and equipment, computer equipment and systems, vehicles plant and machinery, stores and materials, money, investments and securities, data and confidential information.
151. Each head of service shall consult the internal audit manager in any case where security is thought to need improvement, or where it is considered that special security arrangements may be needed.
152. Maximum limits for cash holdings shall be agreed with the head of finance and shall not be exceeded without his/her express permission. Cash held in any safe must not exceed the amount of the insurance limit for that safe.
153. Keys to safes, cash boxes, strongrooms, machines and security systems shall be in the safe keeping of those responsible at all times. The loss of any such keys shall be reported to the head of service concerned immediately who should take appropriate steps to protect the interests of the council.
154. Each head of service shall be responsible for the control and security of all funds managed by employees arising out of their employment.
155. The holders of safe keys shall not accept unofficial funds or valuables for depositing in the safe unless authorised by the Head of Finance. In such circumstances it must be made clear to the depositors that the council is not to be held liable for any loss.
156. Assets shall, where possible but in particular attractive, desirable and portable items, be clearly marked as being the property of the council. Leased property should be marked in accordance with any agreement reached between the relevant head of service and lease companies.
157. Computer equipment, programs and data must be adequately protected against theft, misuse and unauthorised access and each head of service is responsible for ensuring the compliance with all council policies and guidelines on security and crime prevention.
158. If any financial irregularity occurs or is suspected concerning cash, stores or other property of the council, or in the exercise of the functions of the council, the head of service concerned shall immediately notify the head of finance and internal audit manager who will take such steps as they consider necessary by way of investigation and report.

159. In instances of criminal activity, or suspected criminal activity, affecting the council's finances, heads of service shall immediately notify the head of finance and internal audit manager of the circumstances.

### **STOCKS AND STORES**

160. Heads of service shall be responsible for the custody and physical control of the stocks and stores held in his/her service area(s) and shall ensure that stocks and stores are not carried in excess of reasonable requirements.
161. Heads of service are responsible for maintaining systems of stock accounting, examination and control, which accurately and completely record the value of stock and stores for which they are responsible, and which have been approved by the head of finance.
162. Heads of service shall arrange for a stock take of all stocks and stores at least once every year, as near as possible to 31 March each year, or on a regular continuous basis during the year. Such checks should be carried out independently of the officers responsible for their custody.
163. The chief finance officer and internal audit manager may at all reasonable times have access to all stocks and stores of the council and may make such checks as are deemed necessary including their presence during stock-taking.

### **TAXATION**

164. The chief finance officer shall be authorised to make any decision or determination with regard to taxation that he/she considers necessary for the overall tax efficiency of the council. All instructions or guidance issued by the chief finance officer relating to the tax affairs of the council shall be complied with by any employee and where appropriate shall be drawn to the attention of any contractor to the council.
165. The head of finance is responsible for the administration of the tax affairs of the council.

### **TREASURY MANAGEMENT**

166. The council shall observe the CIPFA Code of Practice for Treasury Management in Local Authorities.

167. A Treasury Management Policy Statement setting out the matters detailed in paragraph 15 of the CIPFA Code of Practice for Treasury Management in Local Authorities, namely:
- (a) definition of approved activities;
  - (b) strategy formulation, approved financing methods, sources of borrowing, approved organisations for investment and investment instruments;
  - (c) policy on interest rate exposure, external management of investment and delegation;
  - (d) review and reporting requirements
- shall be adopted by the council and thereafter its implementation and monitoring shall be delegated to the head of finance (subject to any directions from the chief finance officer).
168. Before the start of the financial year the head of finance shall report to the audit and (corporate) governance committee on the strategy for treasury management it is proposed to adopt for the coming financial year. The strategy will be formally adopted by council.
169. All executive decisions on borrowing, investment or financing shall be delegated to the head of finance who shall be required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities and the Policy Statement and strategy referred to above.
170. The head of finance shall report to the audit and [corporate] governance committee and Council not less than three times in each financial year 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 by 30 September of the succeeding financial year. The second will be a mid year report. The third being the strategy referred to in paragraph 169 above.
171. All money in the hands of the council shall be under the control of the chief finance officer.
172. All borrowing and investments of the council's funds shall be made in the name of the council or nominees approved by the chief finance officer.
173. The head of finance shall be the council's registrar of stocks, bonds and mortgages. All negotiable instruments, financial bonds and securities (other than title deeds of land or buildings), the property of, or in the name of the council, or its nominees, shall be held by the head of finance, or otherwise as the head of finance may specifically direct, under secure arrangements.

174. The head of finance shall determine the form of records of all borrowing or investments made by the council.
175. All trust funds shall, wherever possible, be in the name of the council and shall be operated in accordance with arrangements made by the chief finance officer. Officers acting as trustees by virtue of their official position shall deposit all securities relating to the trust with the chief finance officer unless the deed provides otherwise.

### **UNOFFICIAL FUNDS**

176. An unofficial fund is any fund associated with council business, supervised or managed by council staff, but which is not part of council funds or trust funds of the council. All unofficial funds monies shall be kept separate from council monies.
177. Officers planning to act as Honorary Treasurers of unofficial funds shall consult the appropriate head of service and chief finance officer before accepting the position.
178. Unofficial funds shall be managed and administered in accordance with any statutory requirements and at least to the same standards as those applicable to the council generally.
179. The head of service concerned shall be responsible for ensuring sound arrangements for the financial management and audit of unofficial funds and shall consult with the chief finance officer before formulating regulations that apply to such funds, and shall seek guidance from him/her on taxation. The type and extent of audit will be decided in consultation with the chief finance officer and will take into account the nature of the fund and the degree of risk.
180. Financial records shall be kept for all unofficial funds as determined by the head of finance who shall be given complete access to all records and information relating to unofficial funds.
181. The head of finance shall have the right to require any officer holding unofficial funds to give a true account, in writing, of the following:
  - (a) all money and property committed to the officer's custody;
  - (b) all receipts and payments, together with vouchers and other supporting documents; and
  - (c) a complete list of the amounts due from, or to, all persons.

**Appendix 4**

Changes to the scheme of delegation and proper officer appointments

<b>References in part 3 of the constitution – scheme of delegation</b>	<b>Proposal</b>	<b>Reason for proposing change</b>
New delegation for officers to make decisions outside of budget	<p>1. To authorise head of service, in consultation with the chief executive, section 151 officer, leader of council and Cabinet member for finance to approve an additional on-going budget of the lesser of £50,000 or 20% of the contract price if following the tendering of a contract, the new contract sum is greater than the approved budget. This would subsequently come forward as an essential growth bid.</p> <p>2. To authorise head of service, in consultation with the head of paid service, section 151 officer, leader of council and Cabinet member for finance to approve permanent additions to the establishment which will come forward as essential growth bid.</p>	To provide certainty of funding. This delegation would be used very rarely in exceptional circumstances. An inability to award a contract above the budget provision or appoint an officer to deliver a new service could affect the council's ability to deliver a service and potentially (in relation to a contract) lead to contract claims.
New	Authorise the Head of Legal and Democratic Services to update the constitution to reflect changes in staff responsibilities.	Avoid need to seek authority on each occasion.
New	Authorise the Head of Legal and Democratic Services to declare a vacancy if a councillor	To avoid any delay between the end of the period of non-attendance and the next Council

	fails to attend a meeting of the authority for six months without the prior approval of Council	meeting or the need to call a special Council meeting.
Contract procedure rules	Amend references to Cabinet to Cabinet or relevant cabinet member	To provide consistency with the Cabinet the Leader's scheme of delegation authorises any Cabinet member to take a decision within their portfolio.
Delegation 4.2	Insert (c) after S.13A to read: To determine all applications for discretionary council tax reductions in accordance with any rules made by the council. (S.13A(c).LGFA 1992).	Reflect legislative wording.
Article 4	Amend (deletions shown by strikethrough additions in bold) to "making decisions on matters that are the responsibility of the cabinet where the decision maker is minded to make it in a manner that would be contrary to <del>an agreed policy</del> <b>the policy framework</b> or outside the budget, or any limits on the cabinet's ability to make minor changes to the budget, as set out in part 3 of this Constitution".	Make it clear that that the policies referred to in this article are those set out in the policy framework and not all policies
Officers' code of conduct	Remove from constitution.	Officers are currently drafting a harmonised employee conduct policy". This document would become an HR policy and as with other employee policies should not be included in the council's constitution. At

		the suggestion of the task group it will be available on the council's website.
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