

PART 4

Rules of Procedure

Rules of Procedure

Council Procedure Rules - Standing Orders

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SECTION 1 - RELATING TO MEETINGS OF THE COUNCIL

1. Meetings of the Council

(1) In addition to the Annual Meeting of the Council and any extraordinary meetings convened by the Mayor or by members of the Council (in accordance with Schedule 12 of the Local Government Act 1972), ordinary meetings shall be held in each year on such dates as the Council decides, provided that such dates may be varied by the Council, or by the Head of Legal and Member Services after consultation with the Leader of the Council.

(2) The Annual Meeting shall be held at 7.00 pm or at such other time as the Council decides, at the Town Hall, Wallasey, or at such other place as the Council decides, and ordinary meetings of the Council shall be held at 6.15 pm, or at such other time decided by the Head of Legal and Member Services after consultation with the Leader of the Council, at the Town Hall, Wallasey.

(3) Each ordinary meeting of the Council shall be concluded in accordance with the procedure contained in Standing Order 7(8), unless the Council agrees to suspend that standing order before it comes into operation at the meeting.

(4) An extraordinary meeting of the Council may be called at any time by the Mayor. The Mayor should also consider a request for an extraordinary meeting if it is signed by five members of the Council. If the Mayor refuses to comply with the request or does not refuse but does not call an extraordinary meeting within seven days of receiving the requisition, then any five members of the Council may call an extraordinary meeting.

2. Election of Mayor and Deputy Mayor

The Council shall at the Annual Meeting elect a Mayor and appoint a Deputy Mayor.

3. Chair of Meeting

Any power or duty of the Mayor relating to the conduct of the meeting may be exercised by the person presiding at the meeting.

4. Quorum

(1) Subject to the requirements of the Local Government Act 1972 the quorum of the Council shall be 17, and if during any meeting of the Council the Mayor, after counting the number of members present, declares that there is not a quorum present the meeting shall stand adjourned. Any undisposed of business shall be referred either to an adjourned meeting, the date and time of which shall be fixed by the Mayor after consultation with the Leader of the Council at the time the meeting is adjourned, or, if the Mayor does not fix a time, to the next ordinary meeting of the Council.

(2) If at the end of 15 minutes after the time at which any meeting of the Council is scheduled to start a quorum is not present, no meeting shall take place. The majority of members then present, or if there is only one member then present that member, may fix the date and time for a reconvened meeting, and the Head of Legal and Member Services shall make an appropriate entry in the minutes.

5. Order of Business

(1) Subject to paragraph (2) below, the order of business at every meeting of the Council shall be as follows:-

- (a) to choose a person to preside if the Mayor and Deputy Mayor are absent;
- (b) to deal with any business required by statute to be done before any other business;
- (c) to receive the Mayor's announcements;
- (d) to receive petitions in accordance with Standing Order [212](#);
- (e) to approve as a correct record and sign the minutes of the last meeting of the Council;
- (f) to deal with any business expressly required by statute to be done;
- (g) to dispose of business (if any) remaining from the previous meeting;
- (h) to receive and consider, on the motion duly seconded of the Leader of the Council (who may make a statement for up to 15 minutes) or of any other member, the reports, minutes and recommendations of all committees and the Cabinet, subject to any objections, amendments or comments in respect of those reports, minutes and recommendations which have been submitted in writing to the Head of Legal and Member Services in accordance with Standing Order 12(1);
- (i) to deal with questions in accordance with Standing Order 11;
- (j) to deal with questions from members of the public in accordance with the procedure set out in Appendix 1 to these standing orders;
- (k) to deal with any references from Overview and Scrutiny Committees;
- (l) to deal with minority reports submitted by political groups in accordance with the call-in procedure (Standing Order 12(2)), and to consider and decide upon objections, amendments and comments notified to the Head of Legal and Member Services, together with any notices of motion submitted in accordance with Standing Order 8 which the Council agrees should be debated rather than being referred to the appropriate committee(s), in the order determined by the application of the formula

set out in Standing Order 5(3) (the priority for each political group having been determined by that group); provided that, if any notices of motion are referred to the appropriate committee(s) in accordance with Standing Order 8(4), the next remaining objection, amendment, comment, minority report or notice of motion listed in the name of that group shall be debated in substitution thereof;

(m) to consider motions given under Standing Order 8 in the order in which they have been received;

(n) to deal with any other business, if any, specified in the Summons.

(2) The order of items (a), (b), (c), (d) and (e) of paragraph (1) cannot be changed. The order of other items may be varied:

(a) at the discretion of the Mayor, or

(b) by a resolution duly moved and seconded, without discussion.

(3) Objections, amendments and comments notified by political groups under paragraph 1(h), together with any minority reports submitted in accordance with Standing Order 12(2) and notices of motion submitted in accordance with Standing Order 8, shall be dealt with in accordance with the following formula, which is based on the relative strengths of the political groups where none has an overall majority, and other objections, amendments, comments, minority reports and notices of motion shall be dealt with in the order in which they are received, at the conclusion of the groups' objections; provided that the order in which any objections are dealt with may be varied with the consent of the Council.

The first three objections, amendments, comments, minority reports and notices of motion shall be dealt with in the following order:-

- (i) 1st Labour objection
- (ii) 1st Conservative objection
- (iii) 1st Liberal Democrat objection

Thereafter the formula shall be repeated until all outstanding objections amendments or comments have been disposed of; provided that an amendment submitted in respect of a notice of motion shall not be subject to the formula but shall be debated at the same time as the notice of motion to which it relates.

6. Minutes

(1) If the minutes of the last meeting of the Council have been circulated before the meeting, they shall be taken as read and the Mayor shall move that they be approved as a correct record.

(2) The minutes shall not be discussed except to question their accuracy. If their accuracy is not disputed the Mayor shall sign them. Any question of accuracy shall be put to the vote.

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

7. Submission of Proceedings of Committees

(1) The proceedings of the committees and Cabinet as printed in the Council Summons shall be taken as approved except in respect of those matters to which objections or amendments have been notified under Standing Order 5(1)(h). After the disposal of each objection or amendment, the matter objected to shall, subject to Standing Order 10, be deemed to have been amended (if the objection or amendment is accepted by the Council) or to have been approved (if the objection or amendment is not accepted) without the necessity for the taking of a vote on the substantive motion.

(2) No objection may be moved in the Council in respect of minutes of committees or sub-committees which have acted under delegated powers except that any member may move that a minute, or part of it, of the Pensions Committee or the Licensing, Health and Safety and General Purposes Committee be not received. If that objection is approved by the Council no further administrative or other action shall be taken to give effect to the decision in question until the committee or sub-committee concerned has had an opportunity to reconsider the matter. The position of third parties who have already acquired rights or entered into obligations as a result of action taken in pursuance of the decision made under delegated powers shall not be prejudiced by the Council's decision not to receive the minute.

(3) Objections, amendments, comments, minority reports and notices of motion notified under Standing Orders 5(1)(h), 8 or 12(2) shall be listed by the Head of Legal and Member Services for consideration by the Council in the order determined by the application of the formula set out in Standing Order 5(3), the priority for each political group having been determined by that group and notified to the Head of Legal and Member Services by 10.00 am on the Wednesday preceding the day on which Council is held. The Head of Legal and Member Services shall circulate copies of the objections in the appropriate order to all members of the Council by the Friday preceding the day on which Council is held.

(4) A member may only move a 'comment' on a minute of the Planning Committee. A comment shall be an expression of opinion on the minute in question and shall not have the effect of amending or referring back the minute.

(5) A member may move an amendment to any minute of the Cabinet [that is](#) submitted to the Council for approval but may not move an amendment to any other minute of the Cabinet.

(6) If the member who has lodged an objection, amendment or comment is absent when the matter is reached, or it is not proceeded with by that member, any other member may proceed with it with the agreement of the Council.

(7) If an objection or amendment to a minute is approved by the Council no other member may move a further amendment to the minute as amended, unless it is an objection or amendment lodged under Standing Order 5(1)(h) that has not been disposed of and which is capable of having legal effect.

(8) If the Council has not disposed of all objections, amendments, comments, minority reports or notices of motion listed in accordance with Standing Order 7(3) by 9.30 pm on the day of the meeting it shall dispose of the objection, amendment or comment then under consideration as if the motion 'That the question be now put' had been carried, i.e. the debate shall be concluded by the seconder and by the [ChairMember](#) who has the right of reply (see Standing Order 12(14)(b) below).

After that matter has been disposed of, all remaining matters listed for debate, shall be dealt with by being moved and seconded without discussion and put to the vote.

8. Notices of Motion

(1) Subject to Standing Order 17, notice of every motion except of one under Standing Order 9 shall be given in writing, signed by the member in whose name it stands and delivered no later than the Monday of the second week before each ordinary meeting of the Council to the Head of Legal and Member Services, who shall arrange for it to be dated, numbered in the order in which it is received, and entered in a book which shall be open to inspection by every member of the Council.

(2) The Head of Legal and Member Services shall set out in the Summons for every meeting of the Council all motions of which notice has been duly given, in the order in which they have been received, unless the member giving such a notice has since withdrawn it in writing.

(3) If a motion set out in the Summons is not moved by the member who gave notice of it or by another member on his/her behalf, or is not duly seconded, it shall, unless postponed with the agreement of the Council, be treated as withdrawn and shall not be moved without fresh notice.

(4) If a motion is carried and has the effect of increasing expenditure on, or reducing income from, a service by more than £10,000, the resolution shall not be acted upon until the Cabinet has reported to the Council on the method of financing the increase or reduction, unless the motion (or amendment) clearly indicates the source of funding and the Director of Finance confirms that such funding is available.

(5) Where a motion has been referred to any committee under the previous paragraph, any debate on that motion at a subsequent Council meeting shall take place upon the report or the recommendation of the committee(s) or the Cabinet and there shall be no separate debate upon the motion itself.

(6) A member of the Council who has moved a motion which has been referred to any committee shall be given notice of the meeting at which it is to

be considered. The member shall have the right to attend the meeting and an opportunity of explaining the motion.

(7) Every motion shall be relevant to some matter which affects the Borough or be related to the Council's powers or duties.

If the Head of Legal and Member Services after consultation with the Leader of the Council is of the opinion that a notice of motion is out of order it shall not be included in the Council Summons and that officer shall arrange for the members who signed it to be so informed.

9. Motions which may be moved without notice having been given under Standing Order 8 or objection having been notified under Standing Order (5)(1)(h)

The following motions may be moved without notice, but must be seconded. The mover must confine any remarks to the form of the motion:

- (a) appointment of a Chair for the meeting at which the motion is made;
- (b) motions relating to the accuracy of the minutes;
- (c) that an item of business specified in the Summons has precedence;
- (d) appointment of a committee or members of it, arising from an item mentioned in the Summons, or the submission to Council for approval of a name as a member of any body as required by the minutes of the Council or of a committee;
- (e) adoption of reports and recommendations of committees or officers and any consequent resolutions;
- (f) that leave be given to withdraw a motion;
- (g) extending the time limit for speeches in accordance with Standing Order 12(76);
- (h) that the Council proceed to the next business;
- (i) that the question be now put;
- (j) that the debate be now adjourned;
- (k) that the Council adjourn to a specified time and date, or to such time and date as the Mayor may decide after consultation with the Leader of the Council;
- (l) suspending Standing Orders in accordance with Standing Order 36;
- (m) motions under the Local Government (Access to Information) Act 1985 to exclude the public;

- (n) that a member named under Standing Order 15 be not further heard or do leave the meeting;
- (o) giving the consent of the Council where the consent of the Council is required by these Standing Orders;
- (p) to amend the motion;
- (q) to postpone consideration of the motion or amendment;
- (r) motions and amendments on references by a Overview and Scrutiny Committee.

10. Proposals to increase expenditure

If an amendment to a recommendation ([or the relevant part of it](#)) of the Cabinet or of the Standards or Pensions Committees is carried and has the effect of increasing expenditure on, or reducing the revenue from, the services for which any such body is responsible by more than £10,000, the recommendation, as amended, shall without further debate be referred to the Cabinet, for a report to the Council on the method of financing the increased expenditure or of meeting the loss of income, unless the motion (amendment) clearly indicates the source of funding and the Director of Finance confirms that such funding is available.

11. Questions

- (1) At every ordinary Council meeting, except the Budget Council, questions may be asked, in accordance with this standing order, of any Cabinet member or the Chair of any committee following the submission of minutes under Standing Order 5(1)(h) provided that no question shall be put after 7.15 p.m. without the consent of the Council.
- (2) A member of the Council may
 - (a) ask a question on any minute of the committee submitted to, or under consideration by, the Council at that meeting giving the Chair of the committee, where possible, previous notice of his/her intention to ask the question;
 - (b) ask the Mayor or the Chair of any committee or a Cabinet member a general question on any matter which affects the Borough or which is related to the Council's powers or duties. Notice of a general question must be given to the Head of Legal and Member Services by 10.00 a.m. on the Wednesday preceding the day on which Council is held.
- (3) Every question shall be put and answered without discussion, but the person to whom the question has been put may decline to answer.
- (4) An answer may take the form of -
 - (a) a direct oral answer; or

- (b) where the information requested is contained in a publication of the Council, a reference to that publication; or
- (c) a written answer circulated to members of the Council either during the meeting at which the question is asked or subsequently.

(5) If the member of the Council asking the question considers the reply received to be insufficient or unsatisfactory he/she shall be entitled to put one supplementary question. The supplementary question must be directly related to the original question. This entitlement shall only apply to a question put under paragraph 2(a) of this standing order.

(6) If a question relates to a matter within the competence of a sub-committee, the Chair may refer it to the Chair of that sub-committee, and the expression "Chair" in the standing order shall be interpreted in this way.

(7) Where a spokesperson has been nominated under the Local Government Act 1985 or any other statute to answer questions in Council on matters relating to the functions of other authorities, or any member or officer is required to answer questions pursuant to section 71(5) of the Local Government and Housing Act 1989 that spokesperson, member or officer shall be treated as a Chair for the purposes of this Standing Order and those parts of it relating to general questions shall apply.

12. Rules of Debate for Council Meetings

(1) Motions and Amendments

A motion or amendment shall relate to a minute of a committee or to a matter referred to in Standing Orders 8 and 9. It shall not be discussed unless it has been proposed and seconded. All objections, amendments and comments shall be in writing and amendments to minutes, and objections and comments shall be handed to the Head of Legal and Member Services by 10.00 am on the Wednesday preceding the day on which Council is held; provided that if a meeting of a committee is held after that deadline amendments arising out of its minutes may be lodged by 10.00 am on the Friday before Council or if such a meeting is held on that Friday or on the same day as Council amendments may be lodged at any time before the minutes are moved and accepted, and the group in whose name an amendment is lodged may vary the order notified under Standing Order 7(3) by substituting that amendment for one to be considered earlier in the proceedings.

The terms of any objection, amendment, comment, minority report or notice of motion shall not be varied except with the agreement of the Council.

(2) Minority Reports

Minority reports must be lodged with the Head of Legal and Member Services at least three clear days before Council. Reports shall be moved by the Leader of the relevant group (or a nominee) and may be the subject of debate. Voting shall be for or against any such report. If a minority report is voted for by Council, this shall not have the effect of changing any decision of the Cabinet.

(3) Joint Debates

The Council can agree to deal with the two or more related motions in one debate. Each mover and seconder should have the right to speak in accordance with Standing Order 12(7) and separate votes should be taken on each motion.

(34) Seconding

A member when seconding a motion or amendment shall speak immediately before the reply made by either the Chair or the mover of the original motion, under paragraphs (5) or (6) of this standing order. No further ordinary speeches shall be made after the seconder has spoken.

(54) Standing when speaking

A member when speaking shall stand and address the Mayor. If two or more members rise, the Mayor shall call on one to speak; the other or others shall then sit. While a member is speaking the other members shall remain seated, unless rising to a point of order.

(65) Right of reply (Amendments to minutes)

The Chair of the Committee (or the member of the Cabinet), the minute of which is being debated, shall have the right to reply at the close of the debate on an objection, amendment, comment, minority report or notice of motion moved in respect of that minute immediately before the matter is put to the vote, unless the amendment or comment has been lodged by the Group to which the Chair belongs, in which case the right of reply shall be exercised by the spokesperson of the largest group opposing the amendment.

(76) Right of reply (Notices of Motion under Standing Order 8)

The mover of a motion has a right to reply at the close of the debate on the motion, immediately before it is put to the vote. If an amendment is moved, the mover of the original motion shall also have a right of reply at the close of the debate on the amendment in accordance with paragraph (7)(c) of this standing order. The mover of the amendment shall have no right of reply to the debate on the amendment.

(87) Speeches, restrictions and time limits

A member shall direct any speech to the matter under discussion or to a point of order as defined in paragraph (15) of this standing order. The following time limits shall apply to speeches:-

- (a) the mover of the motion or amendment or comment - not exceeding 7 minutes;
- (b) the seconder of the motion or amendment or comment or minority report or notice of motion - not exceeding 3 minutes;

- (c) the Chair, Cabinet member or the mover of the motion, amendment or comment having the right to reply - not exceeding 7 minutes;

The Chair having the right to reply shall be entitled to give an explanation immediately after the motion or amendment or comment has been moved and seconded but the total time allowed for the explanation and for the reply at the end of the debate shall not exceed 7 minutes.

- (d) any other speakers - not exceeding 3 minutes.

The Council may agree to an extension of these time limits for a period or successive periods of 2 minutes.

(98) Restrictions on speaking more than once

A member who has spoken on any motion shall not speak again while it is the subject of debate, except

- (a) to speak once on an amendment moved by another member;
- (b) if the motion has been amended since the member last spoke, to move a further amendment;
- (c) in exercise of a right of reply given by paragraphs (5), (6), (7) or (14) of this standing order;
- (d) on a point of order.

(109) Amendments

Subject to Standing Order 7(5) an amendment to a minute of the Cabinet or of the Pensions, Standards or Licensing, Health & Safety and General Purposes Committees shall be relevant to the motion or minute under consideration and shall be either

- (a) to refer or refer back a subject of debate for consideration or re-consideration as the case may be;
- (b) to leave out words;
- (c) to leave out words and insert or add others;
- (d) to insert or add words.

An amendment to omit, insert or add words may have the effect of negating an individual recommendation of Cabinet or a committee but shall not have the effect of negating in its entirety a minute that the proceedings of a committee be approved and adopted.

(110) Amendments to be dealt with in order

Only one objection to a minute may be moved and discussed at a time unless the Council agrees otherwise.

(124) Further amendments - Substantive motion

If an amendment is lost, other amendments notified under Standing Order 5(1)(h) may be moved on the original motion; if an amendment is carried, the motion as amended shall take the place of the original motion and shall become the motion upon which any further amendment notified as an objection may be moved.

(132) Withdrawal of amendment

A motion or amendment may be withdrawn by the mover with the agreement of the seconder and of the Council, which shall be indicated without discussion.

No member may speak upon it after the mover has asked permission for its withdrawal, unless such permission has been refused.

(143) Motions which may be moved in course of debate

When a motion or amendment is under debate no motion shall be moved except the following:

- (a) to amend the motion;
- (b) to postpone consideration of the motion or amendment;
- (c) to adjourn the meeting;
- (d) to suspend Standing Order 7(8);
- (e) to adjourn the debate;
- (f) to proceed to the next business;
- (g) that the question be now put;
- (h) that a member be not further heard;
- (i) by the Mayor under Standing Order 15, that a member do leave the meeting;
- (j) a motion under the Local Government (Access to Information) Act 1985 to exclude the public;
- (k) giving the agreement of the Council where the agreement is required by these standing orders.

(154) Closure motions

A Member who has not spoken previously on a matter under debate may move without comment at the end of a speech of another member:

"That the Council proceed to the next business",

or "That the question be now put",

or "That the debate be now adjourned",

or "That the Council do now adjourn".

If the motion is seconded the Mayor shall proceed as follows:-

- (a) On a motion to proceed to next business,
 - (i) the Mayor shall put the motion to proceed to the next business to the vote, unless in the Mayor's opinion the matter before the meeting has not been sufficiently discussed;

- (ii) if that motion is not carried the Mayor shall allow the debate to continue;
 - (iii) if that motion is carried the Council shall immediately proceed to consideration of the next item of business and any objection then undisposed of shall be deemed to have been not accepted by the Council pursuant to Standing Order 7(1).
- (b) On a motion that the question be now put,
 - (i) the Mayor shall put the motion that the question be now put to the vote, unless in the Mayor's opinion the matter before the meeting has not been sufficiently discussed;
 - (ii) if that motion is not carried the Mayor shall allow the debate to continue;
 - (iii) if that motion is carried the Mayor shall call upon the seconder of the motion under discussion provided the seconder has not already spoken. The Mayor shall then call upon the Chair, Cabinet member or the mover of the original motion to reply, as appropriate in accordance with paragraphs (5) or (12) of this standing order;
 - (iv) the Mayor shall then put the original matter under debate to the vote.
- (c) On a motion to adjourn the debate or the meeting, the Mayor shall put the adjournment motion to the vote without calling on the Chair, Cabinet member or the mover of the original motion to reply under paragraphs (5) or (12) of this standing order. Similarly, the seconder of the original motion who has not already spoken shall not be allowed to speak.

(165) Point of Order

A member may rise on a point of order and shall be entitled to be heard immediately.

A POINT OF ORDER SHALL RELATE ONLY TO AN ALLEGED BREACH OF A STANDING ORDER OR STATUTORY PROVISION, AND THE MEMBER SHALL SPECIFY THE STANDING ORDER OR THE STATUTORY PROVISION AND THE WAY IN WHICH HE/SHE CONSIDERS IT HAS BEEN BROKEN.

(176) Mayor's ruling

The ruling of the Mayor on a point of order shall not be open to discussion.

(187) Precedence of Mayor

Whenever the Mayor rises during a debate a member then standing shall be seated and the Council shall be silent.

13. Budget Council Procedure

The Director of Corporate Services shall prior to the budget meeting of the Council consult with the Leaders of each political group and submit to the Cabinet and Council a suggested procedure to be adopted at the budget meeting but if no such procedure is adopted the normal procedures of the Council in relation to amendments to Cabinet recommendations will apply.

14. Motions affecting persons employed by the Council

If any question arises at a meeting of the Council (or at a committee of it or at Cabinet) to which the Local Government (Access to Information) Act 1985 applies as to the appointment, promotion, dismissal, salary, superannuation or conditions of service, or as to the conduct, of any person employed by the Council, that question shall not be discussed until the Council, committee or Cabinet has decided whether or not the power of exclusion of the public under the Act should be exercised.

15. Disorderly conduct

(1) If any member of the Council misconducts himself/herself at a meeting by persistently disregarding the ruling of the Mayor, or by behaving irregularly, improperly or offensively, or by wilfully obstructing the business of the Council, the Mayor or any other member may move "That the named member be not further heard". That motion, if seconded, shall be put to the vote and determined without discussion. If the motion is carried the named member shall take no further part in the debate in question.

(2) If the named member continues the misconduct after a motion under the previous paragraph has been carried, or if any member acts so irregularly, improperly or offensively that the member's continued presence at the meeting cannot reasonably be tolerated, the Mayor or any other member may move "That the named member leave the meeting immediately". That motion, if seconded, shall be put to the vote and determined without discussion. If the motion is carried the named member shall leave the meeting immediately.

(3) If the named member continues the misconduct after a motion under paragraph (1) has been carried, the Mayor shall have a discretion, and as an alternative to pursuing the action set out in paragraph (2), to adjourn the meeting for a period of up to 30 minutes.

(4) In the event of a general disturbance which in the opinion of the Mayor prevents the Council from disposing of its business in a proper and orderly manner, the Mayor may, without the question being put, adjourn the meeting for a period of up to 30 minutes.

16. Disturbance by members of the public

(1) If a member of the public interrupts the proceedings at any meeting the Mayor shall issue a warning. If that person continues the interruption the Mayor may order the person to be removed from the Council Chamber. In the case of general disturbance in any part of the Chamber open to the public the Mayor may order that part to be cleared.

(2) In the event of a general disturbance which, in the opinion of the Mayor, prevents the Council from disposing of its business in a proper and orderly manner, the Mayor may, without the question being put, adjourn the meeting for a period of up to 30 minutes.

17. Rescission of preceding resolution

(1) No decision of the Council (including a decision taken by a committee or panel under delegated powers) may be reconsidered by the Council on a notice of motion within six months of the date of the earlier decision unless the notice of motion (under Standing Order 8) is signed by 17 members of the Council. If that motion is rejected by the Council neither it nor one to the same effect can be considered by the Council for six months.

(2) No resolution or recommendation (other than a procedural resolution) made by a committee or panel during the course of a meeting shall be rescinded or amended by the committee or panel during the same meeting or any adjournment of it.

18. Voting

(1) The normal method of voting at meetings of the Council shall be by show of hands unless the Council determines otherwise.

(2) The Mayor may decide at any time to discontinue use of the electronic voting system if satisfied that it is not working correctly.

(3) When the electronic voting system is being used, the Mayor may require or allow the vote to be retaken either electronically or by show of hands if he/she considers that there has been any malfunction of the equipment or any incorrect use of it.

(4) No individual votes will be recorded in the minutes of Council unless either a "card vote" is requested pursuant to paragraph (5) hereof or a "recorded vote" is requested pursuant to paragraph (6).

(5) If a member of the Council makes a request before a vote is taken for a "card vote" and is supported by five other members rising in their places, voting shall be by that method so as to show how all members present and voting gave their votes provided that when the electronic voting system is to be used a "card vote" shall mean only the electronic recording of such votes.

(6) Where immediately after a vote is taken at a meeting of the Council, any member of that body so requires, there shall be recorded in the minutes of the proceedings of that meeting whether that person cast his/her vote for the question or against the question (a dissent) or whether he/she abstained from voting.

(7) When the electronic voting system is not being used, no request for a card vote may be made during the procedure referred to in Standing Order 7(8).

(8) In taking a vote upon any question, only those members of the Council who are present in the Council Chamber and seated in their places when the question is put from the Chair shall be entitled to vote.

19. Voting on appointments

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

20. Interest of officers in contracts

The Head of Legal and Member Services shall record in a book to be kept for the purpose particulars of any notice given by an officer of the Council under section 117 of the Local Government Act 1972 of a pecuniary interest in a contract, and the book shall be open during office hours for inspection by any member of the Council.

21. Petitions

Any member of the Council may following the Mayor's Announcements present a petition to Council. Any such petition shall be dealt with in accordance with Standing Order 34 but no person shall be entitled to speak to such a petition at Council.

22. Interpretation of Standing Orders

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

SECTION 2 - RELATING TO COMMITTEES

23. Standing Orders to apply to committees and sub-committees

The following standing orders of the Council shall, with any necessary modification, apply to committee, sub-committee and panel meetings -

- (a) Rules of Debate (except for those parts which relate to standing, to speaking more than once, and to amendments' being in writing - S O 12
- (b) Motions affecting persons employed by the Council - S O 14
- (c) Disorderly conduct - S O 15
- (d) Disturbance by members of the public - S O 16
- (e) Rescission of preceding resolution - S O 17
- (f) Recording of votes - S O 18(6)
- (g) Voting on appointments - S O 19
- (h) [In relation to start time – S O 4](#)

24. Appointment of Leader, Cabinet and Committees

(1) The Council shall at the Annual Meeting, and on the recommendation of the Cabinet, appoint the Leader, Cabinet and such standing committees as it requires for the discharge of its duties.

(2) The Cabinet shall submit to the Annual Meeting of the Council its recommendations as to the constitution and duties of the several standing committees of the Council.

(3) A committee may authorise one of its sub-committees or panels or any officer of the Council to discharge any of its functions.

(4) Unless it is expressly stated to the contrary, reference to committees and sub-committees in this section of Standing Orders shall be taken to mean standing committees and standing sub-committees but not panels (see Standing Order 33).

25. Constitution of Committees and Sub-Committees

(1) The Council shall at the Annual Meeting appoint the members of the Cabinet and standing committees, and each committee shall at its first meeting appoint the members of its standing sub-committees. The Council may also appoint Chairs and Vice-Chairs of committees, and committees may appoint Chairs and Vice-Chairs of their sub-committees.

(2) No member shall be appointed to a committee so as to hold office later than the next Annual Meeting of the Council.

(3) The Council may at any time dissolve a committee or alter its membership.

~~(4) The Leaders and Deputy Leaders of the three largest political groups represented on the Council shall, if not members, be permitted to attend meetings of the Cabinet, committees/Overview and Scrutiny committees, sub-committees and panels, with the right to speak but not to vote. They may appoint a deputy for Cabinet meetings only.~~

The Leaders and Deputy Leaders of the three largest political groups represented on the Council shall, if not members, be permitted to attend meetings of the Cabinet, committees and overview and scrutiny committees, sub-committees and panels, but with the right to speak only at the Chair's invitation.

- (5) When a casual vacancy occurs, or when a political group wishes to alter its representation on a committee, the relevant political group shall submit a replacement nomination to the Head of Legal and Member Services, who shall report the nomination to the next meeting of the Council. The appointment of the nominee shall be deemed to take effect when the nomination has been reported, without the need for a vote.
- (6)(a) The Council may appoint named deputies for members of its committees and each committee may appoint named deputies for members of its sub-committee(s) and panel(s) up to a maximum of eight for each political group, and such deputies shall be authorised to deputise for any member of their group who is unable to attend a meeting.
- (b) In the absence of the first named deputy the second member is deemed to be the deputy and in the absence of both the third shall be the deputy, and so on.
- (c) If apart from this paragraph a person would be entitled to act as a deputy for more than one member of the committee that person shall be the deputy for the member whose surname has alphabetical priority and shall be regarded as absent in deciding which other deputy members are entitled to act in the absence of any other member of the committee.
- (d) Once a meeting has commenced no member shall be replaced by a deputy and no deputy shall be replaced by any other member provided that where a meeting has been adjourned to another date the adjourned meeting shall be regarded as a separate meeting for the purposes of this Standing Order.
- (7) A member of the Cabinet shall not be appointed to serve on any Overview and Scrutiny Committee of the Council.

26. Special meetings of committees

- (1) The Chair of the Cabinet or of any committee or sub-committee (or his/her nominee) may authorise the calling of a special meeting at any time, provided that in the case of the Cabinet the Chair should consult ~~all~~other party leaders represented on the Cabinet and in the case of committees the relevant party spokespersons prior to any decision on the date of the meeting.
- (2) A special meeting of a committee or sub-committee may also be called on the requisition of any two party spokespersons for the committee or sub-committee in question delivered in writing to the Head of Legal and Member Services. Subject to paragraph (3) below, the special meeting shall be held within 14 days of the date of receipt of the requisition, the actual date being determined by the Head of Legal and Member Services after consultation with the party spokespersons of the two political groups referred to in the requisition.
- (3) No special meeting of a committee or sub-committee shall be held in the period between the last meeting of the Council before the summer recess and the 1st of September in any year without the agreement of the Chair.

(4) The Head of Legal and Member Services may convene a meeting of a Overview and Scrutiny Committee when required to comply with the call-in procedure.

27. Attendance of members of the Council at Cabinet and committee meetings

A member of the Council may attend any meeting of the Cabinet, a standing committee, sub-committee or panel of the Council, even though he or she is not a member of the committee/sub-committee/panel. Non-members of the Cabinet, committee, sub-committee or panel may be excluded from the meeting if, in addition to passing a resolution pursuant to the Local Government (Access to Information) Act 1985, the committee/sub-committee/panel also passes a resolution excluding non-members of that committee/sub-committee/panel. This standing order shall not affect a member's rights at common law.

28. Selection of Mayor and Deputy Mayor of the Council

The Cabinet shall be empowered to make recommendations to the Annual Meeting of the Council of the name of the person to be proposed for election as Mayor and of the name of the person to be proposed for appointment as Deputy Mayor.

29. Quorum of committees and sub-committees

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

In no case shall a quorum of a committee be fewer than four members.

(2) Except where authorised by a statute or ordered by the Council, business shall not be transacted at a meeting of a sub-committee or panel unless at least one quarter of the whole number of the sub-committee is present.

In no case shall a quorum of a sub-committee be fewer than three members.

30. Voting in committees and sub-committees

Voting at a meeting of a committee, sub-committee or panel shall be on a show of hands, and where there is an equality of votes the Chair of the meeting shall have a second or casting vote.

The minutes of a committee, sub-committee or panel shall record the number of votes cast for and against any motion which is put to the vote.

All motions and amendments formally moved and seconded shall be recorded in the minutes.

31. Proceedings of committees to be confidential

Reports and documents marked "Not for Publication" shall be so treated unless and until they become public in the ordinary course of the Council's business or until that classification is removed by a committee, sub-committee or panel or by the Council. Reports marked "Confidential" shall remain confidential at all times.

32. Surrender of delegated powers

Where any powers or duties have been delegated to the Pensions Committee it may submit any of its decisions to the Council for approval if it so decides. It must submit any decision in this way if requested to do so at the meeting at which that decision is made by at least one quarter of the total number of members present and voting. The request may be made before or after the vote is taken provided the next item of business has not been called.

33. Panels

(1) A committee may appoint one or more panels of members for the purpose of advising on or deciding any matter within the committee's terms of reference. The need for such panels shall be kept under review and in particular shall be reviewed at the first meeting of the committee in each municipal year.

(2) Committees may appoint the Chairs, Vice-Chairs and members of panels.

(3) Panel meetings shall be summoned by the Head of Legal and Member Services (or by another officer duly nominated) with the consent of the Chair of the panel.

(4) The minutes of each panel meeting shall be submitted to the subsequent meeting of the committee concerned.

(5) Notwithstanding the delegation of any powers to a panel, a panel may, if it so decides, submit a matter to the committee concerned or to a sub-committee for decision.

(6) Standing Orders 23, 25(4) and (6), 27, 29(2), 30 and 31 shall apply to meetings of panels. Any reference to a committee or sub-committee in other parts of the Council's Rules of Procedure shall be construed as including a panel.

34. Petitions

(1) A petition addressed to the Mayor, to the Council or to a committee shall, immediately it is received, be referred to the appropriate chief officer(s) for investigation.

(2) Unless it relates to a planning application (in which case it shall be dealt with as if it were an objection to the granting of planning permission) or the matter has already been disposed of by the Council, the petition shall be dealt with as follows:

(a) if the chief officer(s) concerned is able to effect a remedy to the complaint, the petitioners shall be advised accordingly;

(b) if the chief officer(s) cannot effect a remedy to the complaint within a reasonable time, the chief officer(s) shall submit, and report on, the petition to the next convenient meeting of the appropriate Overview and

Scrutiny Committee or ordinary committee and shall advise the petitioners accordingly.

- (c) if a petition is referred to committee in accordance with paragraph (b) above a representative of the petitioners shall be entitled to address the committee on the subject of the petition for a period of up to five minutes (or, exceptionally, for such longer period as the committee may allow).

35. **Calling in of decisions**

(1) When a decision is taken by the Cabinet, a committee of the Cabinet or individual Cabinet member (other than one referred to full Council or which is certified urgent by a unanimous decision of the Cabinet) and notified to all members of the Council (by electronic and/or other means) any Leader or Deputy Leader of a political group or any five members of the Council may by notice in writing submitted to the Head of Legal and Member Services within five working days of such notification require that the decision be not implemented and be referred to the relevant Overview and Scrutiny Committee for scrutiny within a further 15 working days from receipt of the notice. Any such notice must specify the decision in question, the reason for call-in and be signed by the members concerned. The relevant Chief Officer and all members will be notified of a call-in immediately and no action will be taken to implement the decision until the call-in procedure has been completed. A decision of the Cabinet, a committee of the Cabinet or individual Cabinet member may only be called in only once.

(2) When a matter is referred to a Overview and Scrutiny Committee the Chair of that committee may require the presence of the relevant Cabinet member and any Council officer to answer questions on that matter and may require the production of appropriate documents or reports in the custody of the Council or may call for additional reports.

(3) If the Overview and Scrutiny Committee disagrees with the decision it may either ask Cabinet to reconsider the decision or refer it to full Council for consideration if it considers that the decision is contrary to the policy framework or not in accordance with the budget. The Chair of the Overview and Scrutiny Committee shall have the opportunity to explain the Committee's views to the Cabinet or Council as appropriate.

(4) If the Overview and Scrutiny Committee agrees with the decision the relevant Chief Officer may implement it. In the event of any political group not agreeing with the majority decision of the Overview and Scrutiny Committee it may prepare a written minority report for consideration by Council when the minutes of the Overview and Scrutiny Committee are considered. Any such report must be handed to the Head of Legal and Member Services in accordance with Standing Order 12(2). The Leader of the relevant group or his/her representative will have an opportunity to explain the minority report to the Council and Council may discuss and vote for or against such a report without prejudice to any decision already implemented.

36. Suspension of Standing Orders

- (1) Subject to paragraphs (2) and (3) of this standing order, any of the preceding Standing Orders may be suspended so far as regards any business at the meeting of the Council where its suspension is moved.
- (2) A motion to suspend Standing Orders shall not be moved without notice (i.e. under Standing Order 9) unless there shall be present at least one half of the whole number of the members of the Council.
- (3) Standing Orders 6(3), 18(6), 23(f) (and the reference thereto in Standing Order 33) shall not be capable of being suspended without statutory authority.

APPENDIX 1

STANDING ORDER 5(1)(j)

Public Question Time - Procedure

There shall be a period of the Council Meeting of not more than 30 minutes in total during which any member of the public may address a question to the Leader, Cabinet Member, Chair of a Overview and Scrutiny Committee or Chair of an Ordinary Committee.

To qualify as a questioner a person must be a registered voter in Wirral or a representative of a local firm or organisation.

Questions must be submitted in writing to the Head of Legal and Member Services at least five clear working days before the meeting of Council and must relate to the discharge of the Council's functions.

Questions may be edited as necessary by the Head of Legal and Member Services to bring them into proper form and to ensure brevity.

Questions which in the opinion of the Head of Legal and Member Services and the Mayor are defamatory, frivolous or otherwise improper or objectionable may be rejected.

The Mayor shall call questions in the order in which they have been received and the questioners must read them out.

Replies to the questions shall be oral unless the person questioned feels that a written response may be more suitable.

No speeches or discussion will be allowed but the questioner may ask one supplemental question.

If there is insufficient time for all questions, written replies will be made to any unanswered question.

A questioner may ask only one question at each meeting of the Council (subject to the right to ask a supplementary on that question) but if that person has asked a question at a previous meeting the Mayor shall have the right to change the order of questions or to reject questions which are repetitious.

Persons not able to attend to ask a question will be provided with a written answer in due course.

Access to Information Procedure Rules

1. SCOPE

These rules apply to all meetings of the Council, Overview and Scrutiny Committees, area committees (if any), the Standards Committee and regulatory committees and public meetings of the Cabinet and Executive Board (together called meetings).

2. ADDITIONAL RIGHTS TO INFORMATION

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

3. RIGHTS TO ATTEND MEETINGS

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

4. NOTICE OF MEETINGS

The Council will give at least five clear working days' notice of any meeting by posting details of the meeting at the Town Hall, Wallasey.

5. ACCESS TO AGENDA AND REPORTS BEFORE THE MEETING

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

6. SUPPLY OF COPIES

The Council will supply copies of:

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

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

7. ACCESS TO MINUTES ETC. AFTER THE MEETING

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

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

8. BACKGROUND PAPERS

8.1 List of background papers

Every report will contain a list of those documents called background papers relating to the subject matter of the report which in his/her opinion:-

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

but that list need not include published works or those which disclose exempt or confidential information (as defined in Rule 9) and, in respect of Cabinet or Executive Board reports, the advice of a political advisor.

8.2 Public inspection of background papers

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

9. EXCLUSION OF ACCESS BY THE PUBLIC TO MEETINGS

9.1 Confidential information - requirement to exclude public

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

9.2 Exempt information - discretion to exclude public

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

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

9.3 Meaning of confidential information

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

9.4 Meaning of exempt information

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

CATEGORY	CONDITION
1. Information relating to an individual	Information is not exempt information unless it relates to an individual of that description in the capacity indicated by the description i.e. it must relate to and be recognisable as referring to a particular living individual in the roles indicated. Information is only exempt: (a) where disclosure is prohibited by statute; or (b) where disclosure might involve providing personal information about individuals; or (c) where disclosure might breach a duty of confidentiality; and (d) in all the circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.
2. Information which is likely to reveal the identity of an individual	Information is not exempt information unless it relates to an individual of that description in the capacity indicated by the description i.e. it must relate to and be recognisable as referring to a particular living individual in the roles indicated.

	<p>Information is only exempt:</p> <ul style="list-style-type: none"> (a) where disclosure is prohibited by statute; or (b) where disclosure might involve providing personal information about individuals; or (c) where disclosure might breach a duty of confidentiality; and (d) in all the circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.
<p>3. Information relating to the financial or business affairs of any particular person (including the authority holding the information)</p> <p><i>'financial or business affairs' includes contemplated, as well as past or current, activities</i></p> <p><i>This category will include commercial and contractual interests</i></p>	<p>Information is not exempt information if it is required to be registered by law e.g. Companies Act 1985, the Charities Act 1993 etc</p> <p>Information is only exempt if and for so long as:</p> <ul style="list-style-type: none"> (a) disclosure of the amount involved would be likely to give advantage to a person entering into or seeking to enter into a contract with the Council in respect of property, goods or services whether the advantage would arise as against the Council or as against other persons; or (b) disclosure would prejudice the efficiency and effectiveness of the use of Council resources; or (c) disclosure of trade secrets and other information would, or would likely, prejudice the commercial interests of any person, including the Council; and (d) in all the circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.
<p>4. Information relating to any consultations or negotiations or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority or a minister of the crown and employees of, or office-holders under, the authority</p>	<p>Information is only exempt if and for so long as its disclosure to the public:</p> <ul style="list-style-type: none"> (a) would prejudice the Council in those or any other consultations or negotiations in connection with a labour relations matter; and

<p><i>'Labour relations matters' are as specified in paragraphs (a) to (g) of Section 29(1) of the Trade Unions and Labour Relations Act 1974 i.e. matters which may be the subject of a trade dispute</i></p> <p><i>'employee' means a person employed under a contract of service</i></p> <p><i>'office-holder' means the holder of any paid office appointments which are or may be made or confirmed by the authority or by any joint board on which the authority is represented or by any person who holds any such office or is an employee of the authority</i></p>	<p>(b) in all the circumstances of the case, the public interest in not disclosing the information out weighs the public interest in disclosing the information.</p>
<p>5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings</p>	<p>Information is only exempt:</p> <p>(a) where a claim of legal professional privilege could be maintained in legal proceedings e.g. correspondence such as legal advice and assistance between the Council's Legal Services and its client; and</p> <p>(b) in all the circumstances of the case, the public interest in not disclosing the information out weighs the public interest in disclosing the information.</p>
<p>6. Information which reveals that the authority proposes –</p> <p>(a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person, or</p> <p>(b) to make an order or direction under any enactment</p>	<p>Information is exempt only if and so long as:</p> <p>(a) disclosure to the public might afford an opportunity to a person affected by the notice, order or direction to defeat the purpose or one of the purposes for which the notice order or direction is to be given or made; and</p> <p>(b) in all circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.</p>
<p>7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime</p>	<p>Information is only exempt if its disclosure would, or would be likely to, prejudice-</p> <p>(a) criminal investigations and proceedings; or</p>

	<ul style="list-style-type: none"> (b) the apprehension or prosecution of offenders; or (c) the administration of justice; or (d) the assessment or collection of any tax or duty or of any imposition of a similar nature; or (e) regulatory enforcement; or (f) any civil proceedings; or (g) Health and safety; or (h) information obtained from confidential sources; and (i) in all the circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.
CATEGORY	CONDITION
<p>In addition to the categories referred to above, the following categories will apply to the proceedings of the Standards Committee only in connection with the investigation and consideration of an allegation(s) of a breach of the Council's Member Code of Conduct</p>	
<p>7A. Information which is subject to any obligation of confidentiality</p>	
<p>7B. Information which relates in any way to matters concerning national security</p>	<p>Information is only exempt if its disclosure would, or would be likely to, prejudice-</p> <ul style="list-style-type: none"> (a) matters concerning national security; and (b) in all the circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.
<p>7C. The deliberations of the Standards Committee in reaching any finding on a matter relating to the</p>	

conduct of an elected or Co-opted/Advisory Member and Parish/Town Councillors	
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Information falling within any of paragraphs 1-7 is not exempt by virtue of that paragraph if it relates to proposed development for which the local planning authority can grant itself planning permission under Regulation 3 of the Town and Country Planning General Regulations 1992.

10. EXCLUSION OF ACCESS BY THE PUBLIC TO REPORTS

If the Head of Legal and Member Services thinks fit, the Council may exclude access by the public to reports which in his or her opinion relate to items during which, in accordance with Rule 9, the meeting is likely not to be open to the public. Such reports will be marked "Not for publication" together with the category of information likely to be disclosed. The report will explain why it is being treated as exempt.

11. APPLICATION OF RULES TO THE CABINET

Rules 12 - 19 apply to the Cabinet and its committees. If the Cabinet or its committees meet to take a key decision then it must also comply with Rules 1 - 10 unless Rule 14 (general exception) or Rule 15 (special urgency) applies. A key decision is as defined in Article 13.3 of this Constitution.

If the Cabinet or its committees meet to discuss a key decision to be taken collectively, with an officer other than a political assistant present, within 28 days of the date (according to the Forward Plan) by which it is to be decided, then it must also comply with Rules 1 - 10 unless Rule 14 (general exception) or Rule 15 (special urgency) applies. This requirement does not include meetings whose sole purpose is for officers to brief members.

12. PROCEDURE BEFORE TAKING KEY DECISIONS

Subject to Rule 14 (general exception) and Rule 15 (special urgency), a key decision may not be taken unless:-

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

13. THE FORWARD PLAN

13.1 Period of Forward Plan

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

13.2 Contents of Forward Plan

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

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

The forward plan must be published at least 14 days before the start of the period covered. The Monitoring Officer will publish once a year a notice in at least one newspaper circulating in the area, stating:-

- (a) that key decisions are to be taken on behalf of the Council;
- (b) that a forward plan containing particulars of the matters on which decisions are to be taken will be prepared on a monthly basis;
- (c) that the plan will contain details of the key decisions to be made for the four month period following its publication;

- (d) that each plan will be available for inspection at reasonable hours free of charge at the Council's offices;
- (e) that each plan will contain a list of the documents submitted to the decision takers for consideration in relation to the key decisions on the plan;
- (f) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed in the forward plan is available;
- (g) that other documents may be submitted to decision takers;
- (h) the procedure for requesting details of documents (if any) as they become available; and
- (i) the dates on each month in the following year on which each forward plan will be published and available to the public at the Council's offices.

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

14. **GENERAL EXCEPTION**

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

- (a) the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- (b) the Head of Legal and Member Services has informed the Chair, Vice Chair and Party Spokesperson(s) of the relevant Overview and Scrutiny Committee.
- (c) the Head of Legal and Member Services has made copies of that notice available to the public at the offices of the Council; and
- (d) at least five clear days have elapsed since the Head of Legal and Member Services complied with (b) and (c).

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

15. **SPECIAL URGENCY**

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

relevant Overview and Scrutiny committee is unable to act, then the agreement of the Chief Executive will suffice.

16. REPORT TO COUNCIL

16.1 When a Overview and Scrutiny Committee can require a report

If a Overview and Scrutiny Committee thinks that a key decision has been taken which was not:

- (a) included in the forward plan; or
- (b) the subject of the general exception procedure; or
- (c) the subject of an agreement with a relevant Overview and Scrutiny Committee Chair, or the Chief Executive of the Council under Rule 15;

the committee may require the Executive to submit a report to the Council within such reasonable time as the committee specifies. The power to require a report rests with the committee, but is also delegated to the Head of Legal and Member Services, who shall require such a report on behalf of the committee when so requested by the chair or any five members. Alternatively the requirement may be raised by resolution passed at a meeting of the relevant Overview and Scrutiny Committee.

16.2 Cabinet Report to Council

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

16.3 Quarterly Reports on Special Urgency Decisions

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

17. RECORD OF DECISIONS

After any meeting of the Cabinet or any of its committees, the Head of Legal and Member Services or, where no officer was present, the person presiding at the meeting, will produce a record of every decision taken at that meeting as soon as practicable. The record will include a statement of the reasons for each decision and any alternative options considered and rejected at that meeting.

18. DECISION BY INDIVIDUAL MEMBERS OF THE CABINET

~~18.1~~ Reports intended to be taken into account

~~18.1.18.1~~ ———Where an individual member of the Cabinet receives a report which he/she intends to take into account in making ~~a any key~~ decision, then he/she will not make the decision until at least ~~five~~three clear days after receipt of that report. If during the 3 clear days, the Leader expresses a wish that the decision be not taken under delegated powers, the Head of Legal and Member Services will be informed and the matter be referred to the next available Cabinet. Where a formal report is not required, there shall still be a clear gap of 3 days from notification of the requirement to take a decision, during which the above will apply. Notification shall be in writing with sufficient information to identify the issues and allow questions to be raised. Any delegated decision is open to call in and rules of exemption still apply.

18.2 The Cabinet Portfolio holder shall have the right not to take a decision under delegated powers but refer it to Cabinet instead if they choose so to do.

18.32 Provision of copies of reports to overview and scrutiny committees

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

18.43 Record of individual decision

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

19. OVERVIEW AND SCRUTINY COMMITTEES ACCESS TO DOCUMENTS

19.1 Rights to copies

Subject to Rule 19.2 below, an Overview and Scrutiny Committee (including its sub-committees) will be entitled to copies of any document which is in the possession or control of the Cabinet or its committees and which contains material relating to:-

- (a) any business transacted at a meeting of the Cabinet or its committees;
- (b) any decision taken by an individual member of the Executive.

19.2 Limit on rights

An Overview and Scrutiny Committee will not be entitled to:-

- (a) any document that is in draft form;
- (b) the advice of a political adviser.

19.3 **Nature of rights**

These rights of a member are additional to any other right he/she may have.

Budget and Policy Framework

Procedure Rules

1. The framework for Executive decisions

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

2. Process for developing the framework

- (a) The Cabinet will publicise by including in the Forward Plan a timetable for making proposals to the Council for the adoption for any plan, strategy or budget that forms part of the budget and policy framework, and its arrangements for consultation after publication of those initial proposals. The Chairs of Overview and Scrutiny Committees will also be notified.
- (b) The Cabinet will then draw up firm proposals having regard to the responses to that consultation. If a relevant Overview and Scrutiny Committee wishes to respond to the Cabinet in that consultation process then it may do so. As the Overview and Scrutiny Committees have responsibility for fixing their own work programme, it is open to the Overview and Scrutiny Committee to investigate, research or report in detail with policy recommendations. [Where an Overview and Scrutiny Committee is not scheduled before the next Council after Cabinet has made budget proposals, any objections to the proposals should be indicated by notice to the Head of Legal and Member Services in advance of any Council in order to allow more time to call a special meeting of the relevant Overview and Scrutiny Committee.](#) Where there is not sufficient time to consult the appropriate Overview and Scrutiny Committee before a meeting of Council, then any decision that fails to achieve all party support will be referred back by Council to the relevant Overview and Scrutiny Committee for scrutiny. The Cabinet will take any response ([where one is submitted](#)) from an Overview and Scrutiny Committee into account in drawing up firm proposals for submission to the Council, and its report to Council will reflect the comments made by consultees and the Cabinet's response to those comments.
- (c) Once the Cabinet has approved the firm proposals, the Head of Legal and Member Services will refer them at the earliest opportunity to the Council for decision.
- (d) In reaching a decision, the Council may adopt the Cabinet's proposals, amend them, refer them back to the Cabinet for further consideration, or substitute its own proposals in their place.
- (e) If it accepts the recommendation of the Cabinet without amendment, the Council makes a decision which has immediate effect. Otherwise, it may only make an in-principle decision. Amendments or objections will be decided on the basis of a simple majority of votes cast at the meeting.

- (f) The decision will be publicised in accordance with Article 4 and a copy shall be given to the Leader.
- (g) An in-principle decision will automatically become effective five working days from the date of the Council's decision, unless the Leader informs the Head of Legal and Member Services in writing within that time that he/she objects to the decision becoming effective and provides reasons why.
- (h) In that case, the Head of Legal and Member Services will call a Council meeting within a further five days. The Council will be required to reconsider its decision and the Leader's written submission within a further five working days. The Council may:-
 - (i) accept the Cabinet's recommendation without amendment or objections; or
 - (ii) approve a different decision which does not accord with the recommendation of the Cabinet by a simple majority of votes cast at the meeting..
- (i) The decision shall then be made public, in accordance with Article 4, and shall be implemented immediately.
- (j) In approving the budget and policy framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by the Cabinet, in accordance with paragraphs 5 and 6 of these Rules (virement and in-year adjustments). Any other changes to the budget or policy framework are reserved to the Council.

3. **Decisions outside the budget or policy framework**

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

paragraph 4 (urgent decisions outside the budget and policy framework) shall apply.

4. **Urgent decisions outside the budget or policy framework**

- (a) The Cabinet, a committee of the Cabinet, an individual member of the Cabinet or officers, area committees or joint arrangements discharging Executive functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. However, the decision may only be taken:-
 - (i) if it is not practicable to convene a quorate meeting of the full Council; and
 - (ii) if the Chair, Vice Chair and Spokesperson(s) of a relevant Overview and Scrutiny Committee jointly agree that the decision is a matter of urgency.

The reasons why it is not practicable to convene a quorate meeting of full Council and the Chair of the relevant Overview and Scrutiny Committee's consent to the decision being taken as a matter of urgency must be noted in the record of the decision.

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

5. **Virement**

- (a) The Council shall adopt budget heads as part of the annual budget setting process. This shall be done on the advice of the Director of Finance in accordance with current best practice.
- (b) Financial Regulation 2.5.2 establishes the Council Scheme of Virement between budget headings. Virement may be made between headings in accordance with the rules in FR 2.5.2.

6. **In-year changes to policy framework**

The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the Cabinet, a committee of the Cabinet, an individual member of the Cabinet or officers or joint arrangements that discharge Executive functions must be in line with it. No changes to any policy and strategy which make up the policy framework may be made by those bodies or individuals except those changes:-

- (a) which will result in the closure or discontinuance of a service to meet a budgetary constraint;
- (b) necessary to ensure compliance with the law, ministerial direction or government guidance;
- (c) in relation to the policy framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration;

- (d) which relate to policy in relation to schools, where the majority of school governing bodies agree to the proposed change.

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

- (a) Where a Overview and Scrutiny Committee is of the opinion that an Executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the Monitoring Officer and/or Chief Finance Officer.
- (b) In respect of functions which are the responsibility of the Cabinet, the Monitoring Officer's report and/or Chief Finance Officer's report shall be to the Cabinet with a copy to every member of the Council. Regardless of whether the decision is delegated or not, the Cabinet must meet to decide what action to take in respect of the Monitoring Officer's report and to prepare a report to Council in the event that the Monitoring Officer or the Chief Finance Officer concludes that the decision was a departure, and to the Overview and Scrutiny Committee if the Monitoring Officer or the Chief Finance Officer concludes that the decision was not a departure.
- (c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the Chief Finance Officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the Overview and Scrutiny Committee may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet within ten working days of the request by the Overview and Scrutiny Committee. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Finance Officer. The Council may either:-
 - (i) endorse a decision or proposal of the Executive decision taker as falling within the existing budget and policy framework . In this case no further action is required, save that the decision of the Council be minuted and circulated to all Councillors in the normal way;
 - (ii) amend the Council's financial regulations or policy concerned to encompass the decision or proposal of the body or individual responsible for that Executive function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all Councillors in the normal way;
 - (iii) where the Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in

accordance with the budget, and does not amend the existing framework to accommodate it, require the Cabinet to reconsider the matter in accordance with the advice of the Monitoring Officer and/or Chief Finance Officer.

Executive Procedure Rules

1. HOW DOES THE EXECUTIVE OPERATE?

1.1 Who may make Executive decisions?

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

- (i) the Cabinet as a whole;
- (ii) a committee of the Cabinet (the Executive Board);
- (iii) an individual member of the Cabinet;
- (iv) an officer
- (v) an area committee;
- (vi) joint arrangements.

1.2 Delegation by the Leader

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

- (i) the names, addresses and wards of the people who are recommended to be appointed to the Cabinet by the Council;
- (ii) the extent of any authority to be delegated to Cabinet members individually, including details of proposed limitation on their authority;
- (iii) the terms of reference and constitution of such Cabinet committees as the Council is recommended to appoint and the names of Cabinet members to be appointed to them;
- (iv) the names and extent of any proposed delegation of Executive functions to area committees, any other authority or any joint arrangements and the names of those Cabinet members to be appointed to any joint committee for the coming year; and
- (v) the nature and extent of any proposed delegation to officers with details of any limitation on that delegation, and the title of the officer to whom the delegation is to be made.

1.3 **Sub-delegation of Executive functions**

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

1.4 **The Council's scheme of delegation and Executive functions**

- (a) Subject to (b) below the Council's scheme of delegation will be subject to adoption by the Council and may only be amended by the Council. It will contain the details required in article 7 and set out in Part 3 of the Constitution.
- (b) If the Leader is able to decide whether to delegate Executive functions, he/she may amend the scheme of delegation relating to Executive functions at any time during the year. To do so, the Leader must give written notice to the proper officer and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation and whether it entails the withdrawal of delegation from any person, body, committee or the Cabinet as a whole. The proper officer will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.
- (c) Where the Leader seeks to withdraw delegation from a committee, notice will be deemed to be served on that committee when he/she has served it on its chair.

1.5 **Conflicts of Interest**

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

1.6 Cabinet meetings

~~The Cabinet will meet at least 12 times per year at times to be agreed by the Leader. The Cabinet shall meet at the Town Hall, Wallasey, or such other location as agreed by the Leader following appropriate consultation. The Executive Board will meet regularly, alternating with meetings of the Cabinet itself, at times to be agreed by the Leader. The Executive Board shall meet at the Town Hall, Wallasey, or such other location as agreed by the Leader following appropriate consultation. The Executive Board will meet alternate fortnights to the Cabinet, with the Cabinet meeting monthly and the Executive Board meeting in between.~~

The Cabinet will meet at least 12 times per year, usually fortnightly, at times to be agreed by the Leader. The Cabinet shall meet at the Town Hall, Wallasey, or such other location as agreed by the Leader following appropriate consultation. The Executive Board will meet as required by the Chair. The Executive Board shall meet at the Town Hall, Wallasey, or such other location as agreed by the Leader following appropriate consultation.

1.7 Quorum

The quorum for a meeting of the Cabinet shall be three (including the Leader or Deputy Leader). The quorum for a meeting of the Executive Board shall be three (including a representative from each political group represented on the Executive Board).

1.8 How are decisions to be taken by the Cabinet?

- (a) Executive decisions which have been delegated to the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of the Constitution. In the event of an equality of votes in Cabinet, a casting vote on the matter under consideration may be exercised by the relevant portfolio holder [
- (b) Where Executive decisions are delegated to a committee of the Cabinet, decisions may be taken and implemented subject to the usual arrangements for calling-in of decisions, where there is ~~all-party or~~ unanimous agreement and where the relevant portfolio holder agrees. If the portfolio holder is not a member of the Executive Board they may be invited to attend the Board for a particular item of discussion. Where there is no consensus, the matter should be referred immediately to the Cabinet for determination or for it to set a timetable for completing further discussions.

2. HOW ARE EXECUTIVE MEETINGS CONDUCTED?

2.1 Who presides?

If the Leader is present he/she will preside. In his/her absence the deputy leader of the Council shall preside.

2.2 Who may attend?

These details are set out in the Access to Information Rules in Part 4 of this Constitution

2.3 What business?

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

- (i) consideration of the minutes of the last meeting;
- (ii) declarations of interest, if any;
- (iii) matters referred to the Cabinet (whether by a Overview and Scrutiny Committee or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Part 4 of this Constitution;
- (iv) consideration of reports from Overview and Scrutiny Committees; and
- (v) matters set out in the agenda for the meeting, which shall indicate which are key decisions and which are not in accordance with the Access to Information Procedure rules set out in Part 4 of this Constitution.

2.4 Consultation

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

2.5 Who can put items on the Cabinet agenda?

- (a) The Leader will decide upon the schedule for the meetings of the Cabinet. Any member of the Cabinet may put on the agenda of any Cabinet meeting any matter which he/she wishes, whether or not authority has been delegated to the Cabinet, a committee of it or any member or officer in respect of that matter. The Head of Legal and Member Services will comply with the Leader's request
- (b) There will be a standing item on the agenda of each meeting of the Executive Board for matters referred by Overview and Scrutiny Committees.
- (c) The Monitoring Officer and/or Chief Finance Officer and/or Head of Paid Service may include an item for consideration on the agenda of a Cabinet meeting. If there is no meeting of the Cabinet within an appropriate timescale to deal with the issue in question, then they may require that a meeting be convened at which the matter will be considered.

2.6 Who can put items on the Executive Board agenda ?

- (a) Items may be referred to the Board by the three Statutory Officers and by Chief Officers.

- (b) The Cabinet may refer items to the Executive Board.
- (c) Emergency items may be referred to the Executive Board.
- (d) Portfolio holders may refer items to the Executive Board in conjunction with the relevant Chief Officer where the item would normally come within their Portfolios but where they believe the decision in question might require consideration by a wider forum.
- (e) Portfolio holders will be consulted on whether reports should be referred to the Cabinet or the Executive Board.

3.0 URGENT BUSINESS

Whenever the Cabinet or its Executive Board wishes to take a decision and have it implemented as a matter of urgency, it shall have regard to paragraphs 16 and 17 of the Overview and Scrutiny Procedure Rules relating to the calling-in of decisions. Any decision to waive those rules must be unanimous [of the Cabinet](#).

Overview and Scrutiny Procedure Rules

1. **What will be the number and arrangements for Overview and Scrutiny Committees?**

The Council will have ten Overview and Scrutiny Committees as set out in Article 6 and will appoint to them as it considers appropriate from time to time. Such committees may appoint sub-committees.

2. **Who may sit on overview and Overview and Scrutiny Committees?**

All Councillors except members of the Cabinet may be members of a Overview and Scrutiny Committee. However, no member may be involved in scrutinising a decision with which he/she has been directly involved. A member of a Overview and Scrutiny Committee may however be involved in scrutinising the recommendations of a working party, where he or she was involved in drawing up those recommendations.

3. **Co-optees**

Overview and Scrutiny Committees or their sub-committees shall be entitled to recommend to Council the appointment of a number of people as non-voting co-optees (see also 4.0 below).

4. **Children's Services and Lifelong Learning Overview and Scrutiny Committee representatives**

The Children's Services and Lifelong Learning Overview and Scrutiny Committee and any sub-committee dealing with education matters shall include in its membership the following voting representatives:-

- (a) one Church of England diocese representative;
- (b) one Roman Catholic diocese representative;
- (c) two parent governor representatives.

If the Overview and Scrutiny Committee/sub-committee deals with other matters, these representatives shall not vote on those other matters, though they may stay in the meeting and speak.

5. **Meetings of the Overview and Scrutiny Committees**

There shall be at least five ordinary meetings of each Overview and Scrutiny Committee in each year. In addition, extraordinary meetings may be called from time to time as and when appropriate. A Overview and Scrutiny Committee meeting may be called by the chair of the relevant Overview and Scrutiny Committee (after consulting the Party Leaders or spokespersons before the date is determined) by any three members of the committee or by the Head of Legal and Member Services if he/she considers it necessary or appropriate.

6. **Quorum**

The quorum for a Overview and Scrutiny Committee shall be as set out for committees in the Council Procedure Rules in Part 4 of the Constitution (Standing Order 29)

7. **Who chairs Overview and Scrutiny Committee meetings?**

The Chairs and Vice Chairs of Overview and Scrutiny Committees will be appointed by Council, sub-committee Chairs will be drawn from among the members sitting on the sub-committee.

8. **Work programme**

The Overview and Scrutiny Committees and any sub-committees will be responsible for setting their own work programme and in doing so they shall take into account wishes of members on those committees who are not members of the largest political group on the Council.

9. **Agenda items**

Any member of an Overview and Scrutiny Committee or sub-committee shall be entitled to give notice to the Head of Legal and Member Services that he/she wishes an item relevant to the functions of the committee or sub-committee to be included on the agenda for the next available meeting of the committee or sub-committee. On receipt of such a request the Head of Legal and Member Services will ensure that it is included on the next available agenda.

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

10. **Policy review and development**

- (a) The role of the Overview and Scrutiny Committees in relation to the development of the Council's budget and policy framework is set out in detail in the Budget and Policy Framework Procedure Rules in Part 4 of the Constitution.
- (b) In relation to the development of the Council's approach to other matters not forming part of its policy and budget framework, Overview and Scrutiny Committees or sub-committees may make proposals to the Cabinet for developments in so far as they relate to matters within their terms of reference.
- (c) Overview and Scrutiny Committees may hold inquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist them in this process. They

may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask witnesses to attend to address them on any matter under consideration and may pay to any advisers, assessors and witnesses a reasonable fee and expenses for doing so.

11. Reports from Overview and Scrutiny Committee

- (a) Once it has formed recommendations on proposals for development, the Overview and Scrutiny Committee will prepare a formal report and submit it to the proper officer for consideration by the Cabinet (if the proposals are consistent with the existing budgetary and policy framework), or to the Council as appropriate (e.g. if the recommendation would require a departure from or change to the agreed budget and policy framework).
- (b) If a Overview and Scrutiny Committee cannot agree on one single final report to the Council or Cabinet, as appropriate, then up to two minority reports may be prepared and submitted for consideration by the Council or Cabinet with the majority report.
- (c) The Council or Cabinet shall consider the report of the Overview and Scrutiny Committee within one month of it being submitted to the Head of Legal and Member Services.

12. Making sure that Overview and Scrutiny reports are considered by the Cabinet

The agenda for meetings of the [Cabinet and the](#) Executive Board will, where appropriate, include an item entitled 'Issues arising from Overview and Scrutiny Committees'. The reports of Overview and Scrutiny Committees referred to the Cabinet shall be included at that point in the agenda (unless they have been considered in the context of the deliberations on a substantive item on the agenda) within one month of the Overview and Scrutiny Committee completing its report/recommendations.

13. Rights of Overview and Scrutiny Committee members to documents

- (a) In addition to their rights as Councillors, members of Overview and Scrutiny Committees have the additional right to documents, and to notice of meetings as set out in the Access to Information Procedure Rules in Part 4 of the Constitution.
- (b) Nothing in this paragraph prevents more detailed liaison between the Executive and Overview and Scrutiny Committees as appropriate depending on the particular matter under consideration.

14. Members and officers giving account

- (a) Any Overview and Scrutiny Committee or sub-committee may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the scrutiny role, it may require any member of the Cabinet,

the Head of Paid Service and/or any officer to attend before it to explain in relation to matters within its remit:-

- (i) any particular decision or series of decisions;
- (ii) the extent to which the actions taken implement Council policy; and/or
- (iii) their performance;

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

- (b) Where any member or officer is required to attend a Overview and Scrutiny Committee under this provision, the chair of that committee will inform the Head of Legal and Member Services. The Head of Legal and Member Services shall inform the member or officer in writing giving at least three working days notice of the meeting at which he/she is required to attend. The notice will state the nature of the item on which he/she is required to attend to give account and whether any papers are required to be produced for the committee. Where the account to be given to the committee will require the production of a report, then the member or officer concerned will be given sufficient notice to allow for preparation of that documentation.
- (c) Where, in exceptional circumstances, the member or officer is unable to attend on the required date, then the Overview and Scrutiny Committee shall in consultation with the member or officer arrange an alternative date for attendance to take place within a maximum of 15 working days from the date of the original request.

15. **Attendance by others**

An Overview and Scrutiny Committee may invite people other than those people referred to in paragraph 14 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders and members and officers in other parts of the public sector and shall invite such people to attend.

16. **Call-in**

- (a) When a decision is taken by Cabinet, committee of the Cabinet or individual Cabinet member (other than one referred to the Council or which is certified urgent by a unanimous decision of the Cabinet - see paragraph 17 below) and notified to all members of the Council (by electronic and/or other means) any Leader or Deputy Leader of a political group or any five members of the Council may by notice in writing submitted to the Head of Legal and Member Services within five working days of such notification require that the decision be not implemented and be referred to the relevant Overview and Scrutiny Committee for scrutiny within a further fifteen working days from receipt of the notice. Any such notice must specify the decision in question, the reason for call-in and be signed by the members concerned. The relevant Chief Officer and all members will be notified of a call-in

immediately and no action will be taken to implement the decision until the call-in procedure has been completed. Any meeting to consider a call-in which is adjourned must be reconvened and completed within ten working days, where practically possible. A decision of Cabinet, committee of the Cabinet or individual Cabinet member may be 'called in' only once.

- (b) When a matter is referred to an Overview and Scrutiny Committee the Chair of that committee may require the presence of the relevant Cabinet member and any Council officer to answer questions on that matter and may require the production of appropriate documents or reports in the custody of the Council or may call for additional reports.
- (c) If the Overview and Scrutiny Committee disagrees with the decision it may either ask Cabinet to reconsider the decision or refer it to full Council for consideration if it considers that the decision is contrary to the policy framework or not in accordance with the budget. The Chair of the Overview and Scrutiny Committee shall have the opportunity to explain the Committee's views to the Cabinet or Council as appropriate.
- (d) If the Overview and Scrutiny Committee agrees with the decision the relevant Chief Officer may implement it. In the event of any political group not agreeing with the majority decision of the Overview and Scrutiny Committee it may prepare a written minority report for consideration by Council when the minutes of the Overview and Scrutiny Committee are considered. Any such report must be handed to the Head of Legal and Member Services in accordance with Standing Order 12(2). The Leader of the relevant group or his/her representative will have an opportunity to explain the minority report to the Council and Council may discuss and vote for or against such a report without prejudice to any decision already implemented.

17. **Call-in and urgency**

- (a) The call-in procedure set out above shall not apply where the decision being taken by the Cabinet is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interest. The record of the decision and the notice by which it is made public shall state whether, in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Chief Executive must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.
- (b) The operation of the provisions relating to call-in and urgency shall be monitored annually, and a report submitted to Council with proposals for review if necessary.

18. **The party whip**

When considering any matter in respect of which a member of an Overview and Scrutiny Committee is subject to a party whip, the member must declare the existence of the whip and the nature of it before the Overview and Scrutiny

Committee's consideration of the matter. The declaration and detail of the whipping arrangement shall be recorded in the minutes of the meeting.

19. Procedure at Overview and Scrutiny Committee meetings

- (a) Overview and Scrutiny Committees and sub-committees shall consider the following business:-
 - (i) minutes of the previous meeting(s);
 - (ii) declarations of interest (including whipping declarations);
 - (iii) consideration of any matter referred to the committee for a decision in relation to call-in of decisions;
 - (iv) response of the Cabinet to reports of the Overview and Scrutiny Committee; and
 - (v) the business otherwise set out on the agenda for the meeting.
- (b) Where the Overview and Scrutiny Committees conduct investigations (e.g. with a view to policy development), the committees may also ask people to attend to give evidence at meetings which are to be conducted in accordance with the following principles:-
 - (i) that the investigation be conducted fairly and all members of the committee be given the opportunity to ask questions of attendees, and to contribute and speak;
 - (ii) that those assisting the committee by giving evidence be treated with respect and courtesy; and
 - (iii) that the investigation be conducted so as to maximise the efficiency of the investigation or analysis.

20. Matters within the remit of more than one Overview and Scrutiny committee

Where a matter for consideration by an Overview and Scrutiny committee also falls within the remit of one or more other Overview and Scrutiny committee, the decision as to which Overview and Scrutiny committee will be responsible for the matter will be resolved by the Overview and Scrutiny committee co-ordination group. This informal group will draw its membership from the Chairs of the Overview and Scrutiny committees.

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1. INTRODUCTION

- 1.1 Article 14.1 of the Council Constitution 'Financial Management' states 'The management of the Council's financial affairs will be conducted in accordance with Financial Regulations set out in Part 4 of this Constitution'. Financial Regulations provide the framework for managing the Council's financial affairs. They apply to all Members and staff of the Council and anyone acting on its behalf.
- 1.2 All Members and staff have a responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
- 1.3 The Director of Finance is responsible for maintaining a continuous review of Financial Regulations and submitting any additions or changes necessary to the full Council for approval. The Director of Finance is also responsible for reporting, where appropriate, breaches of the Financial Regulations to appropriate committees and/or the Council.
- 1.4 Chief Officers are responsible for ensuring that all staff in their departments are aware of the existence and content of the Council's Financial Regulations and other internal regulatory documents, and that those staff comply with them. They must also ensure that an adequate number of copies are available for reference within their departments.
- 1.5 The Director of Finance is responsible for issuing advice and guidance to underpin the Financial Regulations which members, officers and others acting on behalf of the Council are required to follow.

2 FINANCIAL MANAGEMENT

2.1 General

2.1.1 *Financial Management encompasses all financial accountabilities in relation to the running of the Authority, including the budget and policy framework.*

2.2 The Role of the Director of Finance

2.2.1 The Director of Finance is statutorily responsible for the proper administration of the Authority's financial affairs. This arises from:

- (i) Section 151 of the Local Government Act 1972;
- (ii) The Local Government and Finance Act 1988;
- (iii) The Accounts and Audit Regulations as updated from time to time.

2.2.2 The Director of Finance is responsible for the proper administration of the Authority's financial affairs. This includes;

- (i) setting and monitoring compliance with appropriate financial management standards;
- (ii) advising on the corporate financial position and on the key financial controls necessary to secure sound financial management;
- (iii) providing financial information;
- (iv) preparing the revenue budget and capital programme;
- (v) treasury management;
- (vi) ensuring that an adequate and effective system of internal audit is in place.

2.2.3 Section 114 of the Local Government Finance Act 1988 requires the Director of Finance to report to the full Council, Cabinet and external auditor, if the Authority or one of its staff:

- (i) has made, or is about to make, a decision which involves incurring unlawful expenditure
- (ii) has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Authority
- (iii) is about to make an unlawful entry in the Authority's accounts

2.2.4 The Director of Finance must also make a report under this section if it appears that the expenditure of the Authority (including that which it is proposing to incur) in a financial year is likely to exceed the resources available to meet that expenditure.

2.3 The Role of Chief Officers

- 2.3.1 Chief Officers are responsible for ensuring that the Cabinet is advised of the financial implications of all proposals and that those implications have been agreed by the Director of Finance.
- 2.3.2 Chief Officers must consult the Director of Finance and seek his/her approval on any matter liable to affect the Authority's finances materially, before any commitments are incurred.

2.4 Financial Management Standards

Why is this Important?

- 2.4.1 All staff and Members have a duty to abide by the highest standards of probity in dealing with financial issues. This is facilitated by ensuring everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met. Therefore all staff and Members should comply with Financial Regulations and associated documents such as Guidelines for Financial Systems, 1 Business Protocols and Capital Investment Programme Guidelines. Failure to do so may lead to disciplinary action.

Key Controls

- 2.4.2 The key controls for financial management standards are:
 - (i) to ensure their promotion throughout the Authority;
 - (ii) to have in place a system to review compliance with Financial Regulations;

Responsibilities of the Director of Finance

- 2.4.3 To set the financial management standards for the Authority and to monitor compliance with them.
- 2.4.4 To ensure that best professional practices are laid down and followed within the Authority. He/she is the head of the profession in relation to finance staff within the Authority and as such has responsibility for their standards, performance and development.
- 2.4.5 To advise on the key strategic controls necessary to secure sound financial management.
- 2.4.6 To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators.

Responsibilities of Chief Officers

2.4.7 To promote the financial management standards set by the Director of Finance in their departments, and to monitor adherence to them, liaising as necessary with the Director of Finance.

2.5. Managing Expenditure

2.5.1 Chief Officers are expected to exercise their discretion in managing their budgets responsibly and prudently. They should avoid supporting recurring expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Chief Officers must plan to fund such commitments from within their own budgets, in accordance with the Council's scheme for virement.

Virement

Why is this Important?

2.5.2 The format of the budget is approved by the full Council and is based on advice, in accordance with best practice, from the Director of Finance. No member of staff is permitted to exceed any budget within his/her direct control, as agreed by full Council, without specific approval from full Council. However, in pursuance of good financial management and to promote a degree of flexibility Chief Officers may vire resources between budgets.

Key Controls

2.5.3 Chief Officers are permitted to vire resources between budget headings providing that:

- (i) overall budget limits are not exceeded;
- (ii) the budgets are within the direct control of the Chief Officers concerned;
- (iii) the Director of Finance, and any other relevant Chief Officer, has been consulted;
- (iv) each individual virement does not exceed £50,000;
- (v) the total of virements does not exceed £250,000 or 10% of the budget, whichever is the lower.

2.5.4 Virements may normally only be for the current financial year: virements which have implications for future years will be reported to Cabinet and full Council as part of the budget process.

2.5.5 Virements are not permitted in respect of policy changes. Policy changes have to be approved by the full Council.

Responsibilities of the Director of Finance

2.5.6 To prepare virement procedures for approval by the Council, and to monitor compliance with them.

Responsibilities of Chief Officers

- 2.5.7 To ensure compliance with agreed virement procedures.
- 2.5.8 Chief Officers, in consultation with the Director of Finance, are responsible for reporting all potential and actual overspendings and underspendings on service estimates/capital schemes to Cabinet as soon as they are identified. Any overspending on service estimates/capital schemes in total will constitute the first call on budget heads in the following year.
- 2.5.9 Underspendings, including any surpluses on internal business units, will be retained for the benefit of the Authority and proposals for their use require the approval of Cabinet.

2.6 Accounting Policies

Why is this Important?

- 2.6.1 The Director of Finance is responsible for the preparation of the Authority's annual Statement of Accounts. These have to be prepared in accordance with current legislation and good practice.

Key Controls

- 2.6.2 The key controls for accounting policies are:
- (i) systems of internal control are in place to ensure that financial transactions are lawful;
 - (ii) suitable accounting policies are selected and applied consistently;
 - (iii) proper accounting records are maintained;
 - (iv) financial statements are prepared which present fairly the financial position of the Authority and its income and expenditure.

Responsibilities of the Director of Finance

- 2.6.3 To select suitable accounting policies which are in accordance with best practice, and for ensuring that they are applied consistently. The accounting policies are set out in the annual statement of accounts.

Responsibilities of Chief Officers

- 2.6.4 To consult with, and obtain approval from the Director of Finance before making any changes to accounting records or procedures.
- 2.6.5 To maintain adequate records which provide an audit trail leading from the source of income/expenditure through to the accounting statements, in accordance with Guidelines for Financial Systems, and for supplying information required to enable the Director of Finance to complete the Statement of Accounts.

2.6.6 To adhere to the accounting policies and guidelines as approved by the Director of Finance.

2.7 Accounting Records and Returns

Why is this Important?

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

Key Controls

2.7.2 The key controls for accounting records and returns are:

- (i) all Cabinet Members, finance staff and budget managers operate within the required accounting standards and timetables;
- (ii) all the Authority's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis;
- (iii) reconciliation procedures are carried out to ensure transactions are correctly recorded;
- (iv) prime documents are retained in accordance with legislative and other requirements;
- (v) procedures are in place to enable accounting records to be reconstituted in the event of systems failure.

Responsibilities of the Director of Finance

2.7.3 To determine the accounting procedures and records for the Authority and arranging for the compilation of all accounts and accounting records under his/her direction, in accordance with best practice.

2.7.4 To comply with the following principles when allocating accounting duties:

- (i) separating the duties of providing information about sums due to or from the Authority and calculating, checking and recording these sums from the duty of collecting or disbursing them;
- (ii) staff with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

2.7.5 The Director of Finance is responsible for:

- (i) drawing up the timetable for final accounts preparation;
- (ii) preparing and publishing the Authority's statement of accounts in accordance with the statutory timetable;
- (iii) making proper arrangements for the audit of the Authority's accounts in accordance with the Accounts and Audit Regulations as updated from time to time;
- (iv) ensuring that all claims for funds, including grants, are made by the due date;
- (v) to issue guidance on the retention of financial documents relating to minimum periods for retention and ensure that these timescales are complied with.

Responsibilities of Chief Officers

- 2.7.6 To consult and obtain the approval of the Director of Finance before making any changes to accounting records and procedures.
- 2.7.7 To comply with the following principles when allocating accounting duties:
 - (i) separating the duties of providing information about sums due to or from the Authority and calculating, checking and recording these sums from the duty of collecting or disbursing them;
 - (ii) employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions
- 2.7.8 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.
- 2.7.9 To ensure the proper retention of financial documents in accordance with guidance issued by the Director of Finance relating to minimum periods for the retention of document.
- 2.7.10 To supply information required to enable the Statement of Accounts to be completed in accordance with guidelines issued by the Director of Finance.
- 2.7.11 To ensure that all claims for funds, including grants, which he or she is responsible for, are made by the due date, in consultation with the Director of Finance.

FINANCIAL PLANNING

3.1 Performance Plans

Why is this Important?

- 3.1.1 The Authority has a statutory responsibility to publish various performance plans, including the Best Value Performance Plan. The purpose of performance plans is to explain overall priorities and objectives, current performance, and

proposals for further improvement. External audit is required to report on whether the Authority has complied with statutory requirements in respect of the preparation and publication of the Best Value Performance Plan.

Key Controls

3.1.2 The key controls for performance plans are:

- (i) to ensure that all relevant plans are produced and that they are consistent and realistic;
- (ii) to produce plans in accordance with statutory requirements;
- (iii) to meet the timetables set;
- (iv) to ensure that all performance information is accurate, complete and up to date;
- (v) to provide improvement targets which are meaningful, realistic and challenging.

Responsibilities off the Director of Finance

3.1.3 To advise on and supply as appropriate, the financial information which needs to be included in performance plans, in accordance with statutory requirements and agreed timetables.

Responsibilities of Chief Officers

3.1.4 To contribute to the development of performance plans, corporate and service targets, objectives and performance information.

3.2 Budgeting

Format of the Budget

Why is this Important?

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

Key Controls

3.2.2 The key controls for the budget format are:

- (i) the format complies with all legal requirements
- (ii) the format complies with current best professional practice

(iii) the format reflects the accountabilities of service delivery.

Responsibilities of the Director of Finance

3.2.3 The Director of Finance is responsible for advising the Council. Members and officers on the format of the budget to be approved by full Council.

Responsibilities of Chief Officers

3.2.4 To comply with accounting guidance issued by the Director of Finance.

Budgets and Medium Term Planning

Why is this Important?

3.2.5 As a complex organisation delivering a wide variety of services, the Authority needs to plan effectively to enable scarce resources to be allocated in accordance with weighted priorities. The budget is in effect the financial statement of these priorities.

3.2.6 The revenue and capital budgets must be constructed to ensure that the allocation of resources properly reflects the Authority's service plans and priorities. The budget is required so that the Authority can plan and control the way in which it spends its money.

3.2.7 Medium-term planning is a three-year cycle over which managers develop their own plans. These will be rolled over each year to ensure that the Authority is planning in advance.

Key Controls

3.2.8 The key controls for budgets and medium-term planning are:

- (i) budget managers are consulted in the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by the Cabinet for their budgets and the level of service to be delivered
- (ii) a monitoring process is in place to review regularly the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

Responsibilities of the Director of Finance

3.2.9 It is the responsibility of the Director of Finance to:-

- (i) prepare and submit reports on budget prospects to the Cabinet, including resource constraints set by the Government;
- (ii) determine the detailed form of revenue estimates and the methods for their preparation after consultation with Chief Officers;
- (iii) prepare and submit reports to the Cabinet on the aggregate spending plans of departments and on the resources available to fund them, identifying, where appropriate, the implications for the level of Council tax to be levied;
- (iv) advise on the medium-term implications of spending decisions;

- (v) encourage the best use of resources and value for money by working with Chief Officers to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning;
- (vi) advise the Council on Cabinet proposals in accordance with his or her responsibilities under Section 151 of the Local Government Act 1972, as amended, and with other relevant legislation.

Responsibilities of Chief Officers

3.2.10 In conjunction with the Director of Finance, it is the responsibility of Chief Officers to:-

- (i) prepare estimates of income and expenditure, to be submitted to the Cabinet;
- (ii) prepare budgets which are consistent with the Council's annual budget cycle and within the approved Council guidelines;
- (iii) integrate financial plans into service planning, so that budgets can be supported by financial and non-financial performance measures;
- (iv) prepare detailed draft revenue and capital budgets for consideration by the Cabinet, in accordance with the laid-down guidance and timetable;
- (v) when drawing up draft budget requirements, have regard to:
 - (a) spending patterns and pressures revealed through the budget monitoring process;
 - (b) legal requirements;
 - (c) policy requirement as defined by the full Council in the approved policy framework;
 - (d) initiatives already under way.

Resource Allocation

Why is this Important?

3.2.11 Commonly available resources are not adequate to fulfil all needs and desires. It is therefore imperative that needs/desires are carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods and materials.

Key Controls

3.2.12 The key controls for resource allocation are:

- (i) resources are acquired in accordance with the law and using an approved authorisation process;
- (ii) resources are used only for the purpose intended, to achieve the approved policies and objectives, and are properly accounted for;
- (iii) resources are securely held for use when required;
- (iv) resources are used with the minimum level of waste, inefficiency or loss for other reasons.

Responsibilities of the Director of Finance

3.2.13 To advise on methods available for the funding of resources.

3.2.14 To assist in the allocation of resources to budget managers.

Responsibilities of Chief Officers

3.2.15 To work within budget limits and utilise resources allocated in the most efficient, effective and economic way;

3.2.16 To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

Revenue Budget Management

Why is this Important?

3.2.17 Budget management is the preparation, monitoring and control of budgets. It ensures that allocated resources are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, enabling the Authority to review and adjust its budget targets during the financial year. It provides the mechanism that makes managers responsible for defined elements of the budget.

3.2.18 By continuously reviewing and explaining variances against budgetary targets, the Authority can identify changes in trends and resource requirements at the earliest opportunity. The Authority operates within an annual cash limit,

approved when setting the overall budget. Each service is required to manage its own expenditure within the budget allocated to it.

3.2.19 Chief Officers are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should not support recurring revenue expenditure from one-off sources of savings or additional income, or creating future commitments for which they have not identified future resources. Chief Officers must plan to fund such commitments from within their own budgets.

3.2.20 For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required.

Key Controls

3.2.21 The key controls for managing and controlling the revenue budget are:

- (i) Expenditure should be prioritised using an appropriate methodology;
- (ii) budget managers should be responsible only for income and expenditure that they can influence;
- (iii) there is a nominated budget manager for each budget heading ;
- (iv) budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities;
- (v) budget managers follow an approved certification process for all expenditure;
- (vi) income and expenditure are properly recorded and accounted for;
- (vii) performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget;
- (viii) specific budget approval is given for all expenditure;
- (ix) budget managers are appropriately trained to carry out their budgetary control responsibilities.

Responsibilities of the Director of Finance

3.2.22 To establish an appropriate framework of budgetary management and control to ensure that:

- (i) budget management is exercised within annual cash limits unless the full Council agrees otherwise;
- (ii) each Chief Officer has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities;

- (iii) expenditure is committed only against an approved budget head;
- (iv) all officers responsible for committing expenditure comply with relevant guidance and the Financial Regulations;
- (v) each cost centre has a single, named manager, determined by the relevant Chief Officer. Budget responsibility should be aligned as closely as possible to the decision-making processes which commit expenditure;
- (vi) significant variances from approved budgets are investigated and reported by budget managers regularly.

3.2.23 To administer the Council's scheme of virement

3.2.24 To prepare and submit reports on the Council's projected income and expenditure compared to budget on a regular basis.

Responsibilities of Chief Officers

3.2.25 It is the responsibility of Chief Officers:-

- (i) to maintain budgetary control within their departments, in adherence to the principles outlined above, and to ensure that all income and expenditure is properly recorded and accounted for;
- (ii) to ensure that an accountable budget manager is identified for each item of income and expenditure under the control of the Chief Officer. Budget responsibility should be aligned as closely as possible to the decision-making which commits expenditure;
- (iii) to ensure that spending remains within the service's overall cash limit, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast;
- (iv) to ensure that an effective monitoring process is in place to review performance levels/levels of service in conjunction with the budget;
- (v) to prepare and submit to the Cabinet, reports on the service's projected expenditure compared with its budget, in consultation with the Director of Finance.

Capital Programmes

Why is this Important?

3.2.26 Capital expenditure involves acquiring or enhancing fixed assets with a long term value to the Authority, and includes land, buildings, major items of plant, equipment or vehicles and IT equipment. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.

Key Controls

3.2.27 The key controls for capital programmes are:-

- (i) specific approval by the Council for the capital expenditure programme which is based on clearly defined prioritisation criteria;
- (ii) a scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project;
- (iii) the reporting of the acceptance of tenders for individual schemes to the appropriate committee in accordance with Contract Procedure Rules;
- (iv) the development and implementation of the asset management plan;
- (v) accountability for each proposal is devolved to, and accepted by a named manager;
- (vi) the monitoring and reporting of progress in conjunction with expenditure and comparison with approved budget

Responsibilities of the Director of Finance

3.2.28 The Director of Finance is responsible for:

- (i) the production of the Council's capital programme as stated in paragraph 4.5.3;
- (ii) the development of corporate prioritisation methodologies to assist the Council in determining the Capital Programme within defined resource limitations;

Responsibilities of the Deputy Chief Executive / Director of Corporate Services

3.2.29 The Deputy Chief Executive / Director of Corporate Services is responsible for the production of the Council Asset Management Plan, and the overall management and control of the Council's assets.

Responsibilities of Chief Officers

3.2.30 Chief Officers are responsible for:

- (i) the development, implementation and monitoring of the capital programme in accordance with paragraph 4.5.10;
- (ii) ensuring that the Cabinet is advised of the financial implications of all proposals, and that these implications have been agreed by the Director of Finance;
- (iii) ensuring that all capital proposals have undergone a project appraisal such that projects have been properly costed, are robust and deliverable within the proposed budget. They should be presented in the form of a business case showing how the project meets Council objectives, details

of how it will be managed, including resource implications and the expected outcomes.

3.3 Maintenance of Reserves

Why is this Important?

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

Key Controls

- 3.3.2 To maintain reserves in accordance with the relevant codes of practice on local authority accounting in the United Kingdom and agreed accounting policies.
- 3.3.3 For each reserve established, the purpose, usage and basis of transactions should be clearly identified.

Responsibilities of the Director of Finance

- 3.3.4 The Director of Finance is responsible for advising the Cabinet and/or the full Council on prudent levels of reserves for the Authority.

Responsibilities of Chief Officers

- 3.3.5 Chief Officers will ensure that resources are only used for the purposes for which they were intended.

4 RISK MANAGEMENT AND CONTROL OF RESOURCES

4.1 Risk Management

Introduction

- 4.1.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Authority. This should include the proactive participation of all those associated with planning and delivering services.

Why is this Important?

- 4.1.2 All organisations face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks, and then recommending the action the organisation needs to take to control these risks effectively.

- 4.1.3 It is the overall responsibility of the Cabinet to approve the Authority's risk management strategy, and to promote a culture of risk management awareness throughout the Authority.

Key Controls

- 4.1.4 The key controls for risk management are:
- (i) the Authority has a clear Risk Management Strategy;
 - (ii) procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the Authority;
 - (iii) A monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis;
 - (iv) managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives.

Responsibilities of the Director of Finance

- 4.1.5 In conjunction with Chief Officers to prepare and promote the Authority's risk management policy statement.
- 4.1.6 To develop risk management controls in conjunction with other chief officers to ensure that the culture of Risk Management is embedded within the Authority.
- 4.1.7 To effect corporate insurance cover, through external insurance and internal funding, and to arrange for the negotiation of claims in consultation with other officers, including the Head of Legal and Member Services, where necessary.

Responsibilities of Chief Officers

- 4.1.8 Chief Officers are responsible for risk management within their departments, and ensuring that risk is reviewed at regular intervals. They must:-
- (i) notify the Director of Finance of all new risks which require insurance or of alterations to existing insurances;
 - (ii) notify the Director of Finance immediately of any loss, liability or damage that may lead to a claim by or against the Authority, together with any information or explanation required by the Director of Finance or the Authority's insurers.

4.2 Internal Controls

Why is this Important?

- 4.2.1 The Authority is large, complex organisation and requires internal controls to manage and monitor progress towards strategic objectives.
- 4.2.2 The Authority has statutory obligations, and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.
- 4.2.3 The Authority faces a wide range of financial, administrative and commercial risks which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.
- 4.2.4 The system of internal control is established in order to provide measurable achievement of:-
- (i) efficient and effective operations;
 - (ii) reliable financial information and reporting;
 - (iii) compliance with laws and regulations;
 - (iv) risk management.

Key Controls

- 4.2.5 The key controls and control objectives for internal control systems are:-
- (i) key controls should be reviewed on a regular basis and the Authority should make a formal statement annually to the effect that it is satisfied that the systems of internal control are operating effectively. This is effected by the annual 'Statement on Internal Control' which is signed off by the Chief Executive and the Leader of the Council;
 - (ii) the presence of managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities;
 - (iii) financial and operational control systems and procedures, which include physical safeguards for assets, separation of duties, authorisation and approval procedures and information systems;
 - (iv) an effective internal audit function that is properly resourced. It should operate in accordance with statutory obligations and regulations, and current best professional practice.

Responsibilities of the Director of Finance

- 4.2.6 The Director of Finance is responsible for ensuring that an appropriate control environment and effective internal controls are in place, that provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

Responsibilities of Chief Officers

- 4.2.7 To manage processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- 4.2.8 To review existing controls in the light of changes affecting the Authority and to establish and implement new ones in line with guidance from the Director of Finance. Chief Officers should also be responsible for removing controls that are unnecessary or not cost or risk effective, for example, because of duplication.
- 4.2.9 To ensure staff have a clear understanding of the consequences of lack of control.

4.3 Audit Requirements

Internal Audit

Why is this Important?

- 4.3.1 Internal audit is an independent and objective appraisal function established by the Authority for reviewing the system of internal control. It examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources
- 4.3.2 The requirement for an internal audit function for local authorities is implied by Section 151 of the Local Government Act 1972, which requires that authorities 'make arrangements for the proper administration of their financial affairs'. The Accounts and Audit Regulations 2003, Regulation 6, more specifically require that a 'relevant body shall maintain an adequate and effective system of internal audit of its accounting records and of its systems of internal control'.

Key Controls

- 4.3.3 The key controls for internal audit are:
- (i) that it is independent in its planning and operation;
 - (ii) the Chief Internal Auditor has direct access to the Chief Executive, all levels of management and directly to elected Members;
 - (iii) internal auditors comply with current best professional practice.

Responsibilities of the Director of Finance

- 4.3.4 The Director of Finance is responsible for maintaining an independent continuous audit of the financial records, operations and systems of control in accordance with current best professional practice.
- 4.3.5 The Director of Finance is responsible for ensuring that there is effective liaison between external and internal audit.

- 4.3.6 In undertaking his/her responsibility the Director of Finance or his/her authorised representative, has authority:-
- (i) to enter any premises or land without prior notification to examine all records, documents, correspondence and management systems relating to any financial and other transactions of the Council;
 - (ii) to require and receive such explanations as he/she deems necessary in order to satisfy him/herself on any matter under consideration;
 - (iii) to require production of any information or items deemed necessary for the efficient and effective conduct of the audit.

External Audit

Why is this Important?

- 4.3.7 The Local Government Finance Act 1982 set up the Audit Commission, which is responsible for appointing external auditors to each local authority in England and Wales. The external auditor has rights of access to all documents and information necessary for audit purposes.
- 4.3.8 The external auditor's objectives to review and report upon:
- (i) the financial aspects of the audited body's corporate governance arrangements;
 - (ii) the audited body's financial statements;
 - (iii) aspects of the audited body's arrangements to manage its performance, including the preparation and publication of specified performance information and compliance in respect of the preparation and publication of the Best Value Performance Plan.
- 4.3.9 The Authority's accounts are scrutinised by the external auditors, who must be satisfied that the Statement of Accounts 'presents fairly' the financial position of the Authority, its income and expenditure for the year in question, and complies with legal requirements.

Key Controls

- 4.3.10 External auditors are appointed by the Audit Commission normally for a minimum period of five years. The Audit Commission prepares a Code of Audit Practice, which external auditors follow when carrying out their audits.

Responsibilities of the Director of Finance

- 4.3.11 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets that the external auditors consider necessary for the purposes of their work.
- 4.3.12 To work with the external auditor and advise the full Council, Cabinet and Chief Officers on their responsibilities in relation to external audit.

Responsibilities of Chief Officers

- 4.3.13 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purposes of their work.
- 4.3.14 To ensure that all records and systems are up to date and available for inspection.
- 4.3.15 To ensure that the receipt and action taken in response to the recommendations within external audit reports, relating to services for which they are responsible, are reported promptly to the appropriate committee.

4.4 Preventing Fraud and Corruption.

Why is this Important?

- 4.4.1 The Authority will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Authority.
- 4.4.2 The Authority's expectation of propriety and accountability is that Members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 4.4.3 The Authority also expects that individuals and organisations (e.g. suppliers, contractors, service providers) with whom it comes into contact will act towards the Authority with integrity and without thought or actions involving fraud and corruption.

Key Controls

- 4.4.4 The key controls regarding the prevention of financial irregularities are that:-
 - (i) the Authority has an effective anti-fraud and anti-corruption policy and maintains a culture that will not tolerate fraud or corruption;
 - (ii) all Members and staff act with integrity and lead by example;
 - (iii) senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Authority or who are corrupt;
 - (iv) high standards of conduct are promoted amongst Members by the Standards Committee;
 - (v) the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded;
 - (vi) whistle blowing procedures are in place and operate effectively ;
 - (vii) all relevant legislation is followed.

Responsibilities of the Director of Finance

- 4.4.5. The Director of Finance has responsibility to develop and maintain relevant anti-fraud and anti-corruption policies and monitor the effectiveness of internal control arrangements.

Responsibilities of Chief Officers

- 4.4.6. Chief Officers must ensure that all suspected irregularities and financial improprieties are reported to the Director of Finance.

4.5. Assets

Why is this Important?

- 4.5.1. The Authority holds assets in the form of land, buildings, major items of plant, equipment, vehicles, IT equipment and other items worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations.

Key Controls

- 4.5.2. The key controls for the security of resources such as land, buildings, fixed plant machinery, equipment, software and information are:-
- (i) resources are used only for the purposes of the Authority and are properly accounted for;
 - (ii) resources are available for use when required;
 - (iii) resources no longer required are disposed of in accordance with the law and the regulations of the Authority so as to maximise benefits;
 - (iv) an asset register is maintained for the Authority, assets are recorded when they are acquired by the Authority and this record is updated as changes occur with respect to the location and condition of the asset;
 - (v) all staff are aware of their responsibilities with regard to safeguarding the security of the Authority's computer systems, including maintaining restricted access to the information held on them and compliance with the Authority's information security and internet security policies;
 - (vi) assets for disposal are identified and are disposed of at the most appropriate time, and only when it is the best interests of the Authority, and best price is obtained.

Responsibilities of the Director of Finance

- 4.5.3 The Director of Finance is responsible for:-
- (i) the production of the Council's Capital Programme and associated revenue budgets;

- (ii) the development of corporate prioritisation methodologies to assist the Council in determining the Capital Programme within defined resource limitations;
- (iii) ensuring that an asset register is maintained in accordance with accepted best current professional practice for all fixed assets in excess of a cost of £5000.

4.5.4 The Director of Finance will develop and disseminate good practice in relation to the acquisition, management and disposal of fixed assets in accordance with the documents 'Capital Investment Programme Guidelines' and 'Guidelines for Financial Systems'.

4.5.5 The Director of Finance will disseminate best practice in relation to the Council's intellectual property procedures.

Responsibilities of the Deputy Chief Executive / Director of Corporate Services

4.5.6 The Deputy Chief Executive / Director of Corporate Services is the designated Corporate Property Officer.

4.5.7 The Deputy Chief Executive / Director of Corporate Services is responsible for:

- (i) the production of the Asset Management Plan;
- (ii) the overall management and control of the Council's assets;
- (iii) ensuring that an appropriate register is maintained of all land and buildings owned by the Authority to ensure that they are:
 - (a) safeguarded;
 - (b) used efficiently and effectively;
 - (c) adequately maintained;
- (iv) the valuation of all land and buildings owned by the Authority on a rolling programme at appropriate intervals. This should be carried out in accordance with the relevant codes of practice for local authority accounting, and best professional practice.

Responsibilities of Chief Officers

4.5.8 Chief Officers must maintain a property database in a form approved by the Director of Finance for all properties, plant and machinery and moveable assets currently owned or used by the Council. Any use of property by a department or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.

4.5.9 Chief Officers have a responsibility to:

- (i) ensure that lessees and other prospective occupiers of Council land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Chief Officer in consultation with the Director of Finance, has been established as appropriate;
- (ii) ensure the proper security of all buildings and other assets under their control;
- (iii) identify land or buildings which are surplus to requirements;
- (iv) pass title deeds to the Head of Legal and Member Services;
- (v) ensure that no Council asset is subject to personal use by an employee without written authority from the Chief officer;
- (vi) ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Council;
- (vii) ensure that the Department maintains a register of moveable assets in accordance with arrangements defined by the Director of Finance;
- (viii) ensure that assets are identified, their location recorded and that they are appropriately marked and insured;
- (ix) consult the Director of Finance in any case where security is thought to be defective or where it is considered that special security arrangements may be needed;
- (x) ensure cash holdings on premises are kept to a minimum;
- (xi) ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times; loss of any such keys must be reported to the Director of Finance as soon as possible;
- (xii) arrange for the valuation of assets for accounting purposes to meet requirements specified by the Director of Finance;
- (xiii) ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Council in some way.

4.5.10 Chief Officers are responsible for ensuring that the procedures in respect of assets, detailed in Guidelines for Financial Systems, are followed. It is imperative to:-

- (i) maintain inventories and record an adequate description of furniture, fittings, equipment, plant and machinery;

- (ii) carry out an annual check of all items on the inventory in order to verify location, review their condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers and cameras should be identified with security markings as belonging to the Council;
- (iii) make sure that property is only used in the course of the Council's business, unless the Chief Officer concerned has given written permission otherwise;
- (iv) to notify the Corporate Procurement Manager of all surplus items and dispose of them in accordance with 'Guidelines for Financial Systems'.

4.5.11 Chief Officers are responsible for making appropriate arrangements for the care and custody of stocks and stores in their department. This should include the keeping of adequate records and regular physical checks

4.5.12 Chief Officers are responsible for establishing controls to ensure that staff do not carry out private work in Council time and that staff are aware of an employer's rights with regard to intellectual property.

4.5.13 The detailed procedures for the disposal of land and property are contained within the Council's Standing Orders and Guidelines for Financial Systems and should be adhered to.

4.6 Treasury Management

Why is this Important?

4.6.1. Local Authority's are responsible for handling many millions of pounds of public money in the course of a year. It is essential that this money is properly managed in a way that balances risk with return. This has resulted in the establishment of codes of practice to provide this assurance. The overriding consideration is the security of the Authority's capital sum.

Key Controls

4.6.2. The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 4 of that Code, and as subsequently amended.

4.6.3. Accordingly, the Council will create and maintain the following, to ensure effective treasury management:

- (i) a treasury management policy statement, stating the principles and objectives of its treasury management activities;
- (ii) suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve this policy and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in the Code, subject only to amendment where

necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key recommendations.

- 4.6.4. The Council (full Council via the Cabinet) will receive reports on its treasury management policies, practices and activities, including as a minimum an annual strategy and plan in advance of the year, and an annual report after its close, in the form prescribed in its TMPs.
- 4.6.5. Responsibility for the implementation and monitoring of treasury management policies and practices is delegated to the Cabinet, and for the execution and administration of treasury management decisions to the Director of Finance. He/she must act in accordance with the Council's policy statement and TMPs and current best professional practice.
- 4.6.6. Other controls are:-
- (i) no bank account can be opened or operated without the express consent of the Director of Finance;
 - (ii) no loans may be made to, or interests acquired in third parties without the approval of the Director of Finance;
 - (iii) no income received on behalf of the Authority may be paid into an imprest account or used to defray expenditure

Responsibilities of the Director of Finance

- 4.6.6. The Director of Finance is responsible for:-
- (i) arranging the borrowing and investments of the Authority in accordance with the CIPFA 'Code of Practice on Treasury Management' and with the Authority's treasury management policy statement and strategy;
 - (ii) reporting annually on treasury management activities to the Cabinet;
 - (iii) opening and operating all bank accounts in the name of the Council, as he/she considers necessary and for the ordering and issuing of cheques: this includes variations in the Council's banking terms and overdraft arrangements. All cheques drawn on behalf of the Council may only be signed by the Director of Finance or specifically approved officers. Such officers are responsible for the safe and proper custody of cheques.
 - (iv) providing cash or imprest accounts to meet petty cash payments. The maximum value for payment from petty cash imprest accounts, and the type of payments which may be made, is detailed in Guidelines for Financial Systems.
- 4.6.7. Any indemnity required by the Council's bankers regarding the signature of cheques by a computer or where the services of a security firm are used for the deposit or receipt of cash at the bank may only be given by the Director of Finance or other duly authorised officer.

Responsibilities of Chief Officers

4.6.8. It is the responsibility of Chief Officers to:-

- (i) ensure that loans are not made to, or interests acquired in third parties without the approval of the Council following consultation with the Director of Finance;
- (ii) to follow instructions on banking issued by the Director of Finance;
- (iii) to operate imprest accounts in accordance with 'Guidelines for Financial Systems';
- (iv) arrange for all trust funds to be held, wherever possible, in the name of the Council. All Officers acting as trustees by virtue of their official position shall deposit securities, etc., relating to the trust with the Director of Finance, unless the deed otherwise provides;
- (v) arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Director of Finance and Cabinet, and to maintain written records of all transactions;
- (vi) ensure that trust funds are operated within any relevant legislation and specific requirements for each trust;

5 FINANCIAL SYSTEMS AND PROCEDURES

5.1 General

Why is this Important?

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

Key Controls

5.1.3 The key controls for systems and procedures are:

- (i) basic data exists to enable the Authority's objectives, targets, budgets and plans to be formulated, and for performance information to be communicated to the appropriate managers on an accurate, complete and timely basis;
- (ii) early warning is provided of deviations from target, plans and budgets that require management attention;
- (iii) operating systems and procedures are secure
- (iv) data is backed up on a regular basis

Responsibilities of the Director of Finance

5.1.4 The Director of Finance has responsibility to determine the Council's accounting systems, forms of accounts and supporting records, and to ensure that financial systems are robust. This includes issuing advice, guidance and procedures for staff and others acting on the Authority's behalf.

Responsibilities of Chief Officers

5.1.5. Chief Officers must ensure that:-

- (i) accounting records are properly maintained and are secure;
- (ii) all financial transactions have audit trails, which allow tracing from accounting records to original documents;
- (iii) Arrangements are made for the documentation of systems and relevant staff training and to ensure that effective contingency arrangements exist for computer systems within their scope of activity.

5.2 Income and Expenditure

Income

Why is this Important?

5.2.1 Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Authority's cash flow and also avoids the time and cost of administering debts.

Key Controls

5.2.2 The key controls for income are:

- (i) all income due to the Authority is identified and charged correctly, in accordance with an approved charging policy;

- (ii) all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery;
- (iii) all money received by the Authority is paid without delay to the Authority's bank account, and is properly recorded;
- (iv) proper separation of duties exists between cash collection, identifying the amount due, and for reconciling the amount due to the amount received;
- (v) effective action is taken to pursue non-payment within defined timescales;
- (vi) formal approval for debt write-off is obtained and actioned within defined timescales;
- (vii) all appropriate income documents are retained and stored for the defined period in accordance with guidance issued by the Director of Finance;
- (viii) money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

Responsibilities of the Director of Finance

5.2.3 The Director of Finance is responsible for:-

- (i) approving all systems relating to the collection of income on behalf of the Council. These arrangements are detailed in Guidelines for Financial Systems and 1 Business Protocols;
- (ii) establishing and initiating appropriate recovery procedures, including legal action, for debts that have not been paid within the normal timescales;
- (iii) agreeing the write-off of bad debts up to an approved limit or refer larger amounts to the appropriate committee.

Responsibilities of Chief Officers

5.2.1. Chief Officers are responsible for establishing a charging policy for the supply of goods and services, and, in consultation with the Director of Finance, for reviewing annually the levels of fees and charges relating to services under their control.

5.2.2. Chief Officers are responsible for identifying, billing and collecting income in accordance with the detailed procedures set out in 'Guidelines for Financial Systems' and 1 Business Protocols. In particular they must ensure that the responsibility for identifying amounts due and the responsibility for collection is separated as far as possible.

Expenditure

Why is this Important?

- 5.2.3. Public money should be spent with demonstrable probity and in accordance with the Authority's policies. The Authority's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Authority's Contract Procedure Rules and with the Guidelines for Financial Systems and 1 Business Protocols.

Key Controls

- 5.2.4. The key controls for ordering and paying for work, goods and services are:-
- (i) all goods and services are ordered only by appropriate persons and are correctly recorded;
 - (ii) all goods and services shall be ordered in accordance with the Authority's Contract Procedure Rules;
 - (iii) goods and services received are checked to ensure they are in accordance with the order. Goods should not be received by the person who placed the order;
 - (iv) payments are not made unless goods have been received to the correct price, quantity and quality standards;
 - (v) payments are made to the correct person/supplier, for the correct amount and are properly recorded, regardless of the payment method;
 - (vi) appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with guidance issued by the Director of Finance;
 - (vii) expenditure is accurately recorded against the approved budget;
 - (viii) no expenditure should be incurred where there is no approved budget.

Responsibilities of the Director of Finance

- 5.2.5. To approve all the systems relating to the making of payments on behalf of the Council. These arrangements are detailed in Guidelines for Financial Systems and 1 Business Protocols.
- 5.2.6. The Director of Finance may examine, so far as he/she considers necessary, all accounts passed to him/her for payment and is entitled to receive any information and explanations as he/she may require. The Director of Finance will pay all accounts which he/she is satisfied represent legal payments and are in order.

Responsibilities of Chief Officers

- 5.2.7. Chief Officers are responsible for ensuring that all goods and services are properly ordered, received and paid for in accordance with Guidelines for

Financial Systems and 1 Business Protocols. In particular they must ensure that:

- (i) goods have been ordered against an appropriate, approved budget;
- (ii) wherever possible, proper segregation of duties is maintained over the ordering, receiving and payment process.

5.2.8. Chief Officers are responsible for ensuring that invoices are processed in sufficient time to enable payment to be made to the supplier within the agreed payment period.

Payments to Employees and Members

Why is this Important?

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

Key Controls

5.2.10. The key controls for payments to employees and Members are:-

- (i) proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to: starters, leavers, variations and enhancements, and that payments are made on the basis of timesheets or claims;
- (ii) frequent reconciliation of payroll expenditure against approved budgets and bank accounts;
- (iii) all appropriate payroll documents are retained and stored for the defined period, in accordance with guidance issued by the Director of Finance;
- (iv) all expenditure is accurately recorded against the correct accounts codes, and any errors identified and corrected;
- (v) that HM Revenue and Customs regulations are complied with.

Responsibilities of the Director of Finance

5.2.11. The responsibilities of the Director of Finance are:-

- (i) to arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by him or her, on the due date;

- (ii) to record and make arrangements for the accurate and timely payment of tax, national insurance, superannuation and other deductions;
- (iii) to make arrangements for payment of all travel and subsistence claims;
- (iv) to make arrangements for paying Members' allowances, travel, and subsistence upon receiving the prescribed form, duly completed and authorised by the Head of Legal and Member Services.

5.2.12. The Director of Finance is responsible for approving the format of timesheets or other pay documents and the associated procedures.

Responsibilities of Chief Officers

5.2.13. The Chief Officers shall provide the Director of Finance with all information necessary to maintain records of service, pensions, income tax, National Insurance, statutory sick pay, etc.

5.2.14. Chief Officers have responsibility to ensure that all requests to pay employees are:-

- (i) in respect of employees within authorised establishments or approved redeployments or in respect of temporary or casual employees engaged for periods of sickness or emergency;
- (ii) at salary and wage rates in accordance with nationally negotiated rates except where otherwise approved.

5.2.20. Chief Officers are responsible for notifying the Director of Corporate Services / Deputy Chief Executive of all appointments, promotions, regradings, resignations, redundancies, dismissals, retirements, suspensions, secondments and absences from duty or any other circumstances affecting the salaries, wages or emoluments of any employee in the Council. The Director of Corporate Services / Deputy Chief Executive must be consulted on matters relating to the application of salaries and wages scales.

5.3 Taxation

Why is this Important?

5.3.1 The authority is responsible for ensuring its tax affairs are in order. Tax issues are complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all staff to be aware of their role and the current legislation and best practice relating to taxation.

Key Controls

5.3.2 The key controls for taxation are:-

- (i) budget managers are provided with relevant information and kept up to date on tax issues;
- (ii) budget managers are instructed on required record keeping;

- (iii) all taxable transactions are identified, properly carried out and accounted for within stipulated timescales;
- (iv) records are maintained in accordance with instructions;
- (v) returns are made to the appropriate authorities within the stipulated timescale.

Responsibilities of the Director of Finance

5.3.2. It is the responsibility of the Director of Finance to:-

- (i) to maintain to date guidance for employees on taxation issues;
- (ii) to complete all HM Revenue and Customs returns regarding PAYE, and for providing details to the Inland Revenue regarding the Construction Industry Scheme;
- (iii) to complete the required returns of VAT inputs and outputs to H.M. Revenue and Customs.

Responsibilities of Chief Officers

5.3.4 It is the responsibility of Chief Officers to:-

- (i) ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with H.M. Revenues and Customs regulations;
- (ii) ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary Construction Industry Scheme requirements;
- (iii) ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency;
- (iv) follow the guidance on taxation issued by the Director of Finance in the Council's Accounting Manual and VAT Manual.

5.4. Trading Accounts and Business Units

Why is this Important?

5.4.1 Trading accounts and business units have become more important as local authorities have developed a more commercial culture. Under best value, authorities are required to keep trading accounts for services provided on a basis other than straightforward recharge of cost. They are also required to disclose the results of significant trading operations in the Best Value Performance plan.

Responsibilities of the Director of Finance

- 5.4.2 The Director of Finance is responsible for the provision of advice on the establishment and operation of trading accounts and business units.

Responsibilities of Chief Officers

- 5.4.3 It is the responsibility of Chief Officers to:

- (i) observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged;
- (ii) ensure that the same accounting principles are applied in relation to trading accounts as for other services or business units;
- (iii) ensure that each business unit prepares an annual business plan.

5.5 Voluntary and Unofficial Funds

Definition

- 5.5.1 The term 'voluntary' or 'unofficial' fund refers to any fund, other than an official fund of the Council, which is controlled wholly or partly by an officer or teacher employed by the Council, or by the managers or governors of a school maintained by the Council.

Responsibility of the Director of Finance

- 5.5.2 To determine the accounting requirements under which unofficial and voluntary funds shall be held and operated. These shall include a provision for such funds or investments to be held in the names of at least two people. They are detailed in the Guidelines for Financial Systems.
- 5.5.3 To determine the audit arrangements for these accounts in consultation with the Chief Officer concerned.

Responsibilities of Chief Officers

- 5.5.4 To provide the Director of Finance with details of all voluntary or unofficial funds at schools or other establishments. This does not apply to funds which managers or governors of schools are entitled to control.

Responsibilities of Fund Managers

- 5.5.5 To ensure the accounts of voluntary and unofficial funds are made up annually, if possible by people not directly involved in administering the fund. These accounts shall be published on the notice board of the establishment or school and included in a report to the managers or governors, where appropriate.
- 5.5.6 To inform the appropriate Chief Officer that the accounts have been audited and published.

6 EXTERNAL ARRANGEMENTS

6.1 Partnerships

General

6.1.1 A Partnership is defined as:

“an arrangement with another organisation (public or private) to carry out duties with, or on behalf of, the Council. This includes delivery and funding of services”

6.1.2 The main reasons for entering into a partnership are:-

- (i) the desire to find new ways to share risk;
- (ii) the ability to access new resources;
- (iii) to provide new and better ways of delivering services;
- (iv) to forge new relationships.

Why is this Important?

6.1.3 Partnerships are playing an increasingly key role in delivering community strategies and in helping to promote and improve the well-being of the area. Local authorities are working in partnership with others – public agencies, private companies, community groups and voluntary organisations. Local authorities still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders. They therefore need to deliver a shared vision of services based on user wishes.

6.1.4 Local authorities will mobilise investment, bid for funds, and often take a key financial management role by agreeing to act as the Accountable Body for externally funded projects. They will champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what they achieve in partnership with others.

Key Controls

6.1.5 The nature of the partnership must be clearly stated in a partnership agreement and must include formal agreement and acceptance of each partner's roles and responsibilities. The Head of Legal and Member Services should be consulted when drawing up any such agreement.

6.1.6 The partnership agreement must be subject to a risk management process to establish and manage all known risks.

6.1.7 Standards of financial administration must be consistent with those operated by the Council. This may mean that Financial Regulations and tendering/contract procedures need to be shared with partner organisations.

6.1.8 A performance monitoring framework must be established to ensure that the objectives of the partnership are met.

- 6.1.9 A formal reporting procedure must be established to inform the Council of the financial and performance position.
- 6.1.10 Access protocols to records and documents must be established to ensure effective audit and inspection processes.

Responsibilities of the Director of Finance

- 6.1.11 To ensure that accounting arrangements are satisfactory and meet all requirements of the funding agencies.
- 6.1.12 To advise authority partners of their responsibilities under the Authority's financial regulations.
- 6.1.13 To advise on the key elements of funding a project.
- 6.1.14 Where the Authority is the Accountable Body for an externally funded project, to ensure that all financial management arrangements take full account of the Authority's responsibilities, and are approved by the Cabinet.

Responsibilities of Chief Officers

- 6.1.15 To maintain a register of all arrangements entered into with external organisations after prior consultation with the Director of Finance.
- 6.1.16 To ensure that all partnership agreements are properly documented, do not impact adversely upon the services provided by the Council and that a risk appraisal has been undertaken, in conjunction with the Director of Finance, prior to entering such agreements.
- 6.1.17 To ensure compliance with the Authority's financial regulations where the Authority acts as the Accountable Body for any scheme, project or programme.

6.2 External Funding

Why is this Important?

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

Key Controls

6.2.2 The key controls for external funding are:-

- (i) to ensure that key conditions of funding and any statutory requirements are followed and that the responsibilities in relation to the Accountable Body are clearly understood;
- (ii) to ensure that funds are acquired only to meet priorities approved in the corporate plan by the full Council;
- (iii) to ensure that any match-funding requirements are given due consideration prior to entering into the agreements and that they are reflected in future revenue budgets;
- (iv) to ensure that there is a realistic exit strategy for time limited projects when the external funding ceases.

Responsibilities of the Director of Finance

6.2.3 The responsibilities of the Director of Finance are:-

- (i) to ensure that all funding notified by external bodies is received and properly recorded in the Authority's accounts;
- (ii) to ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements;
- (iii) to ensure that time limited projects have a realistic exit strategy,
- (iv) to ensure that any external audit requirements are met;
- (v) where he or she is specifically responsible for submitting grant claims, to ensure that all claims for funds are made by the due date.

Responsibilities of Chief Officers

6.2.4. Chief Officers must ensure that:-

- (i) adequate supporting documentation is maintained to enable claims for funding to be maximised, in consultation with the Director of Finance;
- (ii) all claims for funds and returns are made by the due date;
- (iii) that all expenditure is properly incurred, authorised and recorded and that the project progress is appropriately recorded.

6.3 Work for Third Parties

Why is this Important?

6.3.1 Current legislation enables the Authority to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is within the Authority's legal powers.

Key Controls

6.3.2 The key controls for working with third parties are:-

- (i) to ensure that proposals are costed properly in accordance with guidance provided by the Director of Finance;
- (ii) to ensure that contracts are drawn up using guidance provided by the Director of Finance and that the formal approvals process is adhered to;
- (iii) to issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

Responsibilities of the Director of Finance

6.3.3 The Director of Finance will issue guidance on the financial aspects of third party contracts.

Responsibilities of Chief Officers

6.3.4 Chief Officers must:-

- (i) ensure that such contracts do not impact adversely upon the services provided for the Council;
- (ii) ensure that the department/unit has the appropriate expertise to undertake the contract;
- (iii) ensure that no contract is subsidised by the Council;
- (iv) that appropriate insurance arrangements are made;
- (v) ensure that the Council is not put at risk from any bad debts;
- (vi) ensure that the approval of the Cabinet is obtained before negotiations are concluded to work for third parties;
- (vii) to ensure that all contracts are properly documented;
- (viii) to provide appropriate information to the Director of Finance to enable compliance with best accounting practice;

- (ix) ensure that, wherever possible, payment is received in advance of the delivery of the service;
- (x) maintain a register of all contracts entered into with third parties in accordance with the procedures laid down by the Director of Finance.

Contract Procedure Rules

1 General

1.1 Legislative Compliance

- 1.1.1 Every procurement contract made by the Council, the Cabinet, a regulatory committee (including the Pensions Committee on behalf of the Merseyside Pension Fund) or Officer acting for the Council, shall comply with any relevant Directives of the European Community in force in the United Kingdom, and with UK Statutes and Statutory Instruments.
- 1.1.2 In the event of a conflict arising between European Union Directives, UK Statutes and Statutory Instruments and the remainder of these Rules, the Directive, Statute or Statutory Instrument will prevail.
- 1.1.3 Within the framework of these requirements the Council has adopted the recommendations of the Egan Report and where appropriate will apply a partnering approach to its procurement arrangements, and seek to conclude arrangements which accord with the principles of best value.

1.2 Compliance with Contract Procedure Rules

- 1.2.1 Article 14.2 of the of the Council Constitution 'Contracts' states 'Every contract made by the Council will comply with the Contract Procedure Rules set out in Part 4 of this constitution', unless it conflicts with Statutory provisions.
- 1.2.2 The Contract Procedure Rules do not apply to:
- (i) Contracts of employment (see Employment Procedure Rules).
 - (ii) The acquisition or disposal of land.
- 1.2.3 No exception from any of the provisions in these Contract Procedure Rules shall be made unless directed by the Council, Cabinet or regulatory committee, or permitted under powers delegated by them.
- 1.2.4 Every exception made shall be reported to the Council, Cabinet or regulatory committee. This should detail the circumstances that justify the exception.

1.3 Procurement on Behalf of the Merseyside Pension Fund

- 1.3.1 Procurement of work, goods and services on behalf of the Merseyside Pension Fund shall comply with these Contract Procedure Rules.
- 1.3.2 Contracts valued at less than £500,000 will be awarded by the Director of Finance. Contracts above this amount will be awarded by the Pensions Committee.

2 Role of the Corporate Procurement Unit

- 2.1 The Corporate Procurement Unit (CPU) is the Authority's specialist section for procurement, and is comprised of procurement professionals. The unit is available to give expert advice on procurement matters and shall be consulted on all occasions where Authority employees are involved in the procurement process. On line procurement advice is available on the Procurement Services webpage on the Authority's intranet.

3 Prerequisite for Entering a Contract

- 3.1 Before entering into any contract a Chief Officer shall be satisfied that budgetary provision exists before any expenditure is incurred.
- 3.2 Before entering into any contract where the value is likely to exceed the relevant threshold under the European regulatory regime for 'works', 'supplies' or 'services', an advertisement will be placed in the Official Journal of the European Union.

4 Procurement Procedures and Thresholds

- 4.1 The procurement of works, supplies or services valued at more than £50,000 (excluding VAT) must be made in accordance with Rules 5 to 17 below.
- 4.2 The procurement of works, supplies or services valued at less than £50,000 (excluding VAT), if not carried out in accordance with Rules 5 to 17, must be made by Official Order in accordance with Rule 18 and 19 below.
- 4.3 In calculating the values in 4.1 and 4.2, contracts must not be divided to avoid the competitive procurement requirements as above.

5 Exceptions to Procurement Procedure

- 5.1 The procurement of works, supplies and services valued at greater than £50,000, but less than any applicable thresholds under European Regulations, may be made by Official Order in accordance with Rules 18 and 19 in the following circumstances:
- 5.1.1 Where there is only one viable supplier and there would be no genuine competition. This action must be reported to Cabinet or the appropriate regulatory committee.
- 5.1.2 Where the supply is an extension of an existing contract. This must be approved by Cabinet or the appropriate regulatory committee and provide value for money for the Council.
- 5.1.3 Where the supply is required so urgently that it is not possible to invite tenders. This must be reported to the next Cabinet or appropriate regulatory committee.
- 5.1.4 Where tenders have already been invited by a Local Government consortium or other public body e.g. the Office of Government Commerce, in accordance with the procurement procedures of that organisation, being subject to the provisions of any European or UK procurement legislation.

- 5.2 Where in the opinion of the Cabinet or appropriate regulatory committee it is in the Council's interests to do so, a single tender may be invited from a contractor or supplier, or negotiated with a supplier already engaged by the Council. The justification for this must be reported to the Council.

6 Obtaining Expressions of Interest

- 6.1 With the exception of the Standing List procedure in Rule 10, before entering into any contract a Chief Officer shall invite potential contractors to express their interest in tendering for the supply of works, supplies or services by:
- 6.1.1 Where the extent of the supply is valued at more than the threshold sum determined by the European Community the appropriate advert shall be placed in the Official Journal of the European Union: or
- 6.1.2 By advertisement in one or more local newspaper and in at least one newspaper or trade journal as considered suitable by the Chief Officer, giving at least four weeks for contractors to reply.
- 6.1.3 By any other means that the Chief Officer deems equally effective or appropriate providing that 6.1.1 does not apply.
- 6.2 All advertisements shall state:
- (i) the nature and purpose of the works, goods and services to be supplied;
 - (ii) the criteria by which contractors will be assessed. This will include their technical ability and financial standing.

7 Assessment of Technical Ability and Financial Standing

- 7.1 On receipt of expressions of interest in tendering for a contract, and prior to dispatching invitations to tender, the relevant Chief Officer shall make appropriate enquiries as to the contractor's technical ability and financial standing.
- 7.2 No invitation to tender documentation shall be sent to a contractor who does not meet any pre-qualification criteria either under restricted procurement arrangements of the European Community or as set out in the original advertisement.
- 7.3 The relevant Chief Officer shall record the reasons for disqualifying any contractor from tendering.

8 Invitation to Tender

- 8.1 If restricted procurement rules are followed the relevant Chief Officer shall dispatch identical tender documentation to each contractor who has expressed an interest in the contract.
- 8.2 In cases other than the above, the relevant Chief Officer shall select wherever no fewer than four potential contractors from the list and dispatch identical tender documentation to them.

- 8.3 A record should be made of those contractors who have been invited to tender. A copy shall be sent to the Head of Legal and Member Services.

9 Corporate Contracts

- 9.1 Corporate Contracts are to be used for the supply of goods and services. The responsibility for negotiating Corporate Contracts is vested in the Corporate Procurement Unit. Once negotiated the contract must be approved by the Cabinet. (See Definition in 20.6).
- 9.2 The award of a Corporate Contract is subject to the normal tendering procedures as detailed in CPR's 6, 7, 8 and 10. The contract will be retendered at appropriate intervals.
- 9.3 Where Corporate Contracts are in existence, they must be used by a Chief Officer wishing to purchase goods within the scope of the contract. Any requirement to purchase such goods from suppliers other than the Corporate Contract must be approved by the Director of Finance through the Corporate Procurement Unit. (See definition 20.6).

10 Standing Lists of Contractors

- 10.1 With the agreement of the Cabinet, Executive Board or appropriate regulatory committee that a series of contracts of a similar nature are to be awarded, the relevant Chief Officer may invite expressions of interest from contractors to be entered onto a standing list for the supply of specified works, supplies and services.
- 10.2 In reaching a decision in 10.1 above, Cabinet, Executive Board or appropriate regulatory committee shall be satisfied that the standing list shall be subject to continuous review by the relevant Chief Officer.
- 10.3 Any contractor, who requests inclusion on a standing list shall, subject to assessments of technical ability and financial standing, be added to the standing list.
- 10.4 Any standing list of contractors shall be compiled and maintained by the responsible Chief Officer. This list should give details as to which type and value of contracts a contractor is approved to tender for. On the completion of a contract the responsible Chief Officer shall review the performance of the contractor and their continuing entry on the standing list.
- 10.5 Any standing list of contractors shall be reviewed and amended as required from time to time, following advertisement or such arrangements that the Chief Officer considers appropriate. The results shall be reported to the relevant select committee.
- 10.6 For the purpose of construction related projects, only those contractors who are Constructionline registered and CHAS accredited are to be used when compiling a list of tenderers.
Constructionline is owned by the Department of Trade and Industry and is the UK's largest register of pre-qualified construction contractors.
CHAS is the Contractor's Health & Safety Assessment Scheme.

11 Receipt and Opening of Tenders

- 11.1 No tender will be considered unless it is returned in a pre-printed tender envelope, or in a plain sealed envelope addressed to the Head of Legal and Member Services, marked tender for.....” (specifying the contract), to the specified Council office by the closing date and time for receipt. These requirements shall be stated in the invitation to tender. On receipt the Head of Legal and Member Services shall keep the tenders in safe custody until the nominated time for opening them.
- 11.2 Tenders received within the time limit shall be opened at the same time and only in the presence of two of the following:
- (i) the Head of Legal and Member Services or his/her nominated representative;
 - (ii) any member of the Council;
 - (iii) the responsible Chief Officer or his/her nominated representative;
 - (iv) the Director of Finance or his/her internal audit representative if he/she so requires.
- 11.3 The Head of Legal and Member Services or his/her nominated representative shall record the names of the persons who submitted tenders and the amounts submitted. A copy of this list should be supplied to the responsible Chief Officer who shall check it for accuracy and report the amounts but not the names of unsuccessful tenderers, to the person/body authorised to accept the tender, if the contract is to be awarded by reference to price alone. The original record shall be kept by the Head of Legal and Member Services.

12 Late, Improper or Alternative Tenders

- 12.1 Subject to rule 12.2, no tender shall be considered or accepted if it is received after the specified closing date and time specified in the invitation to tender, or is in contradiction of Rule 11.1.
- 12.2 Tenders received at the specified location after the specified close, may be considered at the discretion of the Head of Legal and Member Services in consultation with the Director of Finance, and opened in accordance with the procedures in Rule 11. The Head of Legal and Member Services must be satisfied that any such tender was secure, and whilst in transit, out of control or access of the tenderer.
- 12.3 Any unacceptable tenders shall be opened by the responsible Chief Officer only to ascertain where the documents should be returned.
- 12.4 Responsible Chief Officers may permit contractors to submit a modified tender. This should not be considered unless a tender is also submitted based strictly on the invitation to tender documents.

- 12.5 Any tenderer who improperly canvasses members or employees of the Authority with regard to the tender process, may at the discretion of the Head of Legal and Member Services, be disqualified.

13 Errors in Tenders

- 13.1 Subject to rule 14.10, no tender shall be amended after it has been received except to correct bona fide errors. This shall be endorsed by the Director of Finance.

14 Acceptance of Tenders

- 14.1 The responsible Chief Officer is authorised to accept tenders on one of the two following bases:

- (i) Subject to the thresholds below, the lowest tender (or highest if the payment is to be received by the Authority): or
 - (ii) The most economically advantageous tender should be accepted using as a basis an appropriate evaluation model. The evaluation model should be approved by the evaluation panel established under 14.3 (below) which should have regard to guidance issued by the CPU.
- 14.2 (i) The Chief Officer when determining the evaluation model shall decide upon the appropriate balance between quality and price, having due regard to the nature of the services and the complexity of each contract.
- (ii) The scoring methodology must be included within any invitation to tender, and set to achieve the optimum combination of whole life costs and benefits to meet the Council's requirements.

- 14.3 The responsible Chief Officer, after consultation with the CPU, shall decide whether the importance of a contract justifies the formation of an evaluation panel. The composition of the panel will depend on the nature of the contract. Consideration should be given to the inclusion of the following:

- The Project Manager
- Operational Manager(s)
- Finance
- Human Resources
- Legal Services
- Procurement
- Specialist Consultant (where appropriate)

- 14.4 Subject to paragraph 14.6, the responsible Chief Officer, under delegated powers, may accept tenders and quotations below £500,000 provided that:

- (i) the appropriate provision in the budget has not been reserved for further consideration by the Council, and the tender does not exceed that provision by more than 10% and

- (ii) in the case of tenders or quotations between £50,000 and £500,000 the acceptance is reported to the next meeting of the appropriate [select Overview and Scrutiny](#) committee.
- 14.5 If the responsible Chief Officer wishes to accept a tender other than the lowest/most economically advantageous, the matter shall be referred to Cabinet for decision, or urgent cases to the Leader and /or Deputy Leader of the Council unless:
 - (i) the tender or quotation does not exceed £20,000 and
 - (ii) the Chief Officer considers that it would be in the best interests of the Council to accept it.
- 14.6 In cases where the tender recommended for acceptance is in excess of £500,000 the matter shall be reported to the Cabinet, Executive Board or appropriate regulatory committee for decision.
- 14.7 Where the Cabinet, Executive Board or appropriate regulatory committee resolves to accept a tender other than the lowest, the reason for its decision shall be recorded in the minutes of that meeting.
- 14.8 Where it is proposed to accept a tender exceeding the budget provision by more than 10%, or where the Director of Finance reports that difficulties in financing the project would result from any excess, acceptance of the tender shall be reported to the appropriate select committee and then to Cabinet, Executive Board or appropriate regulatory committee for approval.
- 14.9 Acceptance of the tender is subject to the completion of a formal contract.
- 14.10 Post tender negotiations shall be carried out where the Chief Officer considers that post tender negotiations with tenderers would be of advantage. The following provisions will apply:
 - (i) all negotiations must be carried out by at least two officers from a list of those specially nominated by the Chief Officer as suitable. They must be approved by the Director of Finance and the Head of Legal and Member Services;
 - (ii) all negotiations must take place only with the two lowest tenderers. This shall be in accordance with procedures approved by the Director of Finance;
 - (iii) a suitable record should be maintained of the negotiations.

15 **Contract Conditions**

- 15.1 The Head of Legal and Member Services or a nominated representative shall sign all contracts and agreements made by or with the Council, with a value above £50,000. Contracts greater than £100,000 in value shall be sealed with the Common Seal of the Council.

15.2 All contracts greater than £50,000 shall be in writing in a form approved by the Head of Legal and Member Services. This shall incorporate such plans, drawings, specifications and other documents as may be necessary.

15.3 Where appropriate contracts shall specify:

- (i) the goods or services to be supplied or the works to be done;
- (ii) the time or times within which the contract is to be performed;
- (iii) the price to be paid with a statement of discount and other deduction;
- (iv) where the Chief Officer considers necessary the liquidated and ascertained damages to be paid by the contractor if the contract is not completed at the specified date, or the deduction in payments where defined service levels are not met. The amount payable shall be determined in consultation with the Director of Finance.
- (v) Compliance with other relevant legislation such as the Race Relations (Amendment) Act 2000, Health and Safety at Work legislation.
- (vi) Require all workmanship, goods and services to be supplied in accordance with any appropriate standard, specification or code of practice in force at the date of the invitation to tender;
- (vii) state that the contractor shall not assign the contract without the approval of the Council;
- (viii) state that except where otherwise provided, the contractor will not sub-let any part of the works without the approval of the responsible Chief Officer. The contractor shall be responsible for the acts, defaults and neglect of any sub-contractor, his agents, tenants or employees as fully as if they were his own acts, unless the contract provides otherwise;
- (ix) require all tenderers to provide for a bond or sufficient security for due performance of any contract valued at £500,000 or more, and also where the Director of Finance considers it appropriate. 'Sufficient security' shall be at least 10% of the value of the contract. These requirements may be waived with the consent of the Director of Finance;
- (x) empower the Council to terminate the employment of a contractor if the contractor has offered, given or agreed to give any person any gift or consideration as an inducement to obtain the contract where an offence under the Prevention of Corruption Acts 1889 to 1916 or any amendment to them has been committed or given any fee or reward the receipt of which is an offence under the Local Government Act 1972;
- (xi) require the contractor to hold appropriate public liability and other insurance. Proof of this is to be supplied to the Council throughout the life of the contract.

16 Variation Orders and Extra Work Orders

- 16.1 The responsible Chief Officer shall record every Variation Order or extra works order immediately it is raised. If the issue of Variation Order(s) would at the date of the order cause the final contract price to exceed the original contract sum by more than £50,000 or 10%, whichever is the lower, the Chief Officer must immediately inform the Director of Finance. The issue of the variation must subsequently be reported to Cabinet, Executive Board or regulatory committee as appropriate for noting within the following three months. This rule applies to all contracts as defined in Contract Procedure Rule 4.1, including those based on an 'Agreed Maximum Price'. The report must adequately explain the reasons for the variation.
- 16.2 Where the contract sum fluctuates in accordance with an index linked to measure of inflation, the £50,000 or 10% relates to the original tender sum as adjusted under the terms of the contract.
- 16.3 Where the contract price includes a sum for contingencies, the limits in paragraph 16.1 shall relate to the total contract price inclusive of contingencies.

17 Interim Payments and Final Certificate

- 17.1 Where contracts provide for payment to be made by instalments, the responsible Chief Officer shall arrange for the keeping of a Contract Register to show the state of the account between the Council and the Contractor, together with any other payments and related fees.
- 17.2 Payments to contractors on account of contracts shall be made only on a certificate signed by the responsible Chief Officer or other authorised departmental officer, or by a consultant responsible to the authority for the supervision of the contract, showing the total value of the contract, the value of the work executed to date, retention money, amount paid to date, and the amount now certified.
- 17.3 The responsible Chief Officer shall not issue a certificate for the final payment due to the contractor under a contract until he/she is satisfied as to the accuracy of the detailed statement of account. This should show how the amount of the final payment is calculated, and the completeness of supporting vouchers and documents that verify the statement. The final statement shall be supplied to the Director of Finance for examination.
- 17.4 The Director of Finance shall, to the extent he/she considers necessary, examine interim and final accounts for contracts and shall be entitled to make such enquiries and receive information and explanations necessary to be satisfied as to the accuracy of the accounts.

18 Orders for Goods, Works and Services

- 18.1 All official orders shall be recorded in a manner approved by the Director of Finance. The order shall clearly state the quantity and description of the goods, materials or services ordered. The contract price or price quoted shall be specified on the order issued to the supplier. Telephone or verbal orders shall be confirmed by a written order as soon as practicable. Copies of all orders

shall be retained and, in addition to that sent to the supplier, should show the relevant expenditure code.

18.2 Official orders shall be issued by the Chief Officer responsible for the budget to which the expenditure is to be charged, subject to any Corporate Procurement Unit arrangements or other exceptions approved by the Council. Orders shall be authorised by the Chief Officer or by a nominated officer within the department.

18.3 Where orders are required for a period in excess of a financial year, a new official order shall be raised at 1st April each year.

19 Procurement Valued at Less Than £50,000

19.1 Procurement of goods, works and services where the contract value does not exceed £50,000 shall be carried out as follows:

- (i) where the estimated value is less than £10,000, by three verbal or written quotations, provided a note of such quotations is made on the relevant copy orders;
- (ii) between £10,000 and £50,000, following consideration by the responsible officer of three written, faxed or e-mailed quotations.

In both the above cases, the Department should be able to demonstrate that genuine attempts have been made to obtain three quotes. If for any reason less than three quotes have been obtained the Chief Officer can accept the lowest quote providing that he is satisfied that the reasons for this are acceptable.

20 Definitions

In these Contract Procedure Rules:

20.1 'Contract' means an agreement constituting;

- (i) an offer to do or forbear from doing anything by one party;
- (ii) an acceptance of that offer by the other party, turning the offer into a promise.

A party suing on a promise must show that he has given consideration for the promise unless the promise was given under seal. Contracts are not restricted to capital expenditure or large transactions. They are more commonly entered into for small revenue items.

20.2 'The Council' or 'Authority' shall be deemed to include reference to the Cabinet or the appropriate regulatory committee, or person acting in accordance with delegated authority on behalf of the Council.

20.3 'The responsible Chief Officer' shall mean the Chief Executive and/or a Chief Officer or person nominated by them, responsible to the council for supervising the execution by the contractor; or who issues an official order.

20.4 'A Consultant' means any person other than an employee, engaged by the Council under a contract for services, to provide professional advice to, and on behalf of, the Council.

[20.5](#) 'Assign' means the transfer to a third party of the Contractor's interest in the contract.

[20.6](#) A Corporate Contract is one for the supply of goods and/or services which can most economically be procured by one central contract and not by Chief Officers acting independently of each other in relation to their department's requirements.

[20.7](#) 'Competitive Tendering' means the obtaining of more than one tender.

[20.8](#) 'Invitation to Tender' means the sending of documents to a contractor asking him/her to make an offer to the Council.

[20.9](#) 'Tender' means an offer made by a contractor or supplier to the Council to execute works, provide goods, materials or services on terms specified by the Council.

[20.10](#) 'Sub-let' means the allocation of the whole or part of the works to a third party. However:

- (i) the contractor retains the right of control over the performance of the contract;
- (ii) the contractor is ultimately responsible to the Council for the execution of the contract.

[20.11](#) 'Serial Tender' means a procedure for dealing with a series of tenders.

[20.12](#) 'Goods' includes materials, vehicles, plant and equipment.

[20.13](#) 'Procurement' means arrangements with a view to completing a contractual agreement for the supply of work, goods and services.

[20.14](#) 'Quotation' means a tender submitted in respect of works, goods or services below £50,000

Officer Employment Procedure Rules

1. Recruitment and appointment

(a) Declarations

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

(b) Seeking support for appointment

- (i) The Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.
- (ii) No Councillor will seek support for any person for any appointment with the Council.
- (iii) Nothing in paragraphs (i) and (ii) above will preclude a councillor from giving a written reference for a candidate for submission with an application form.

2. Recruitment of Head of Paid Service and Chief Officers

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

(a) draw up a statement specifying:-

- (i) the duties of the officer concerned; and
- (ii) any qualifications or qualities to be sought in the person to be appointed;

(b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified for it; and

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

3. **Appointment of Head of Paid Service**

The full Council will approve the appointment of the Head of Paid Service following the recommendation of such an appointment by a committee or sub-committee of the Council. That committee or sub-committee must include at least one member of the Executive.

4. **Appointment of Chief Officers and Deputy Chief Officers**

(a) Where a committee is discharging on behalf of the Authority the appointment of a Chief or Deputy Chief Officer as defined below, it must include at least one member of the Executive

(b) For the purposes of sub-paragraph 4(a) above, Chief Officer means the following posts:

Chief Executive/Head of Paid Service
Deputy Chief Executive/Director of Corporate Services
Director of Finance
Director of Adult Social Services
Director of Children's Services
Director of Regeneration
Director of Technical Services

(c) An offer of appointment as a Chief Officer or as a Deputy Chief Officer must not be made until the Director of Corporate Services has notified every member of the Cabinet of

- (i) the name of the person to whom the offer is to be made;
- (ii) any other particulars relevant to the appointment;
- (iii) the period within which any objection to the making of the offer is to be made by the Executive Leader on behalf of the Executive to the Director of Corporate Services;

and either

- (iv) the Executive Leader has within the period specified in the notice under sub-paragraph (c)(iii) notified the Director of Corporate Services that neither he/she nor any other member of the Executive has any objection to the appointment; or
- (v) the objection has been received by the Director of Corporate Services within the period from the Executive Leader; and
- (vi) the appointing committee is satisfied that any objection received from the Executive Leader within that period is not material or is not well-founded.

5. **Other appointments**

- (a) **Officers below Deputy Chief Officer** - Appointments of officers below Deputy Chief Officer, other than assistants to political groups, is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Councillors.
- (b) **Assistants to political groups** - Appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

6. **Disciplinary action**

- (a) No disciplinary action in respect of the Authority's Head of Paid Service, its Monitoring Officer or its Chief Finance Officer, except action described in paragraph 6(b) below, may be taken by the Authority or by a committee/sub-committee or any other person acting on behalf of the Authority, other than in accordance with a recommendation in a report made by a designated independent person.

[Explanatory Note: A designated independent person is a person appointed in accordance with Regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001 (investigation of alleged misconduct). His or her role is to prepare a report before any conclusion on disciplinary action is reached.]

- (b) The action mentioned in Paragraph 6(a) is suspension of the officer for the purpose of investigating the alleged misconduct occasioning the action; and any such suspension must be on full pay and terminate no later than the expiry of two months beginning on the day on which the suspension takes effect.

7. **Disciplinary action and dismissal of, and disciplinary action against, chief officers and deputy chief officers**

- (a) Councillors will only be involved in disciplinary action against the Head of Paid Service, Chief Officers and Deputy Chief Officers where such involvement is necessary for any investigation or inquiry into alleged misconduct through the Council's disciplinary, capability and related procedures.
- (b) Except as outlined 7(a) above, the Head of Paid Service or an officer nominated by him/her will discharge the functions of dismissal of, and taking disciplinary action against, Chief Officers and Deputy Chief Officers.
- (c) Notice of dismissal of the Head of Paid Service, or any Chief Officer or Deputy Chief Officer must not be given by the dismitter, being the Committee or officer discharging the function of dismissal, until
 - (i) the dismitter has notified the Chief Executive of the name of the person whom the dismitter wishes to dismiss or any other

- particulars which the dismisser considers are relevant to the dismissal;
- (ii) the Chief Executive has notified every member of the Executive of the Authority of
 - (a) the name of the person whom the dismisser wishes to dismiss;
 - (b) any other particulars relevant to the dismissal which the dismisser has notified to the Chief Executive; and
 - (c) the period within which any objection to the dismissal is to be made by the Executive Leader on behalf of the Executive, to the Chief Executive; and
- (iii) either
 - (a) the Executive Leader has, within the in the period specified in the notice under sub-paragraph (ii)(c) above, notified the dismisser that neither he/she nor any other member of the Executive has any objection to the dismissal;
 - (b) the Chief Executive has notified the dismisser that no objection was received by him/her within that period from the Executive Leader; or
 - (c) the dismisser is satisfied that any objection from the Executive Leader within that period is not material or is not well-founded.

8. **Dismissal of and disciplinary action against other officers**

Councillors will not be involved in the dismissal of any officer, or the taking of any disciplinary action against officers below Deputy Chief Officer.

9. **Appeals**

Nothing in these Officer Employment Procedure Rules shall prevent a member from serving as a member of any committee or sub-committee established by the Authority to consider an appeal by

- (a) another person, against any decision relating to the appointment of that other person as a member of staff of the Authority; or
- (b) a member of the staff of the Authority against any decision relating to the dismissal of or taking of disciplinary action against that member of staff.

