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Gareth Owens LL.B Barrister/Bargyfreithiwr
Head of Legal and Democratic Services
Pennaeth Gwasanaethau Cyfreithiol a Democraidd



To: Cllr Robin Guest (Chairman)

CS/NG

Councillors: Chris Bithell, Derek Butler,
Clive Carver, David Cox, Glenys Diskin,
Ian Dunbar, David Evans, Veronica Gay,
George Hardcastle, Patrick Heesom, Joe Johnson,
Dave Mackie, Tim Newhouse, Neville Phillips,
Ian Roberts, Tony Sharps, Paul Shotton,
Nigel Steele-Mortimer, Owen Thomas and
Arnold Woolley

11 July 2013

Maureen Potter 01352 702322
maureen.potter@flintshire.gov.uk

Dear Sir / Madam

A meeting of the **CONSTITUTION COMMITTEE** will be held in the **DELYN COMMITTEE ROOM, COUNTY HALL, MOLD CH7 6NA** on **WEDNESDAY, 17TH JULY, 2013** at **2.00 PM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**
- 3 **APPOINTMENT OF VICE-CHAIR**
Nominations will be sought for a Vice-Chair for the Committee.

County Hall, Mold. CH7 6NA
Tel. 01352 702400 DX 708591 Mold 4
www.flintshire.gov.uk
Neuadd y Sir, Yr Wyddgrug. CH7 6NR
Ffôn 01352 702400 DX 708591 Mold 4
www.siryfflint.gov.uk

The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

- 4 **MINUTES** (Pages 1 - 6)
To confirm as a correct record the minutes of the last meeting.
- 5 **CONTRACT PROCEDURE RULES** (Pages 7 - 62)
For Constitution Committee to consider and comment upon the revised Contract Procedure Rules.
- 6 **REVIEW OF FINANCIAL PROCEDURE RULES** (Pages 63 - 140)
To provide Constitution Committee with the proposed updated Financial Procedure Rules (FPR's).
- 7 **UPDATING THE CONSTITUTION** (Pages 141 - 164)
To consider further updating changes to the Council's Constitution pursuant to the 3 year programme agreed at the Committee's meeting on the 24 July 2012.
- 8 **CONSULTATION ON REMOTE ATTENDANCE AT COUNCIL MEETINGS**
(Pages 165 - 176)
To determine the response to consultation by the Welsh Government on remote attendance at Council meetings
- 9 **WALES AUDIT OFFICE PEER REVIEW AND SELF EVALUATION** (Pages 177 - 184)
To inform CMT/Constitution Committee regarding the Wales Audit Office Scrutiny Improvement Study Self-evaluation of Overview and Scrutiny arrangements and feedback received from the from the peer review by the Wrexham Peer Review team of Overview & Scrutiny arrangements in Flintshire
- 10 **OVERVIEW & SCRUTINY ANNUAL REPORT** (Pages 185 - 224)
To enable the Committee to consider the draft Overview & Scrutiny Annual Report for the 2012/13 municipal year.

CONSTITUTION COMMITTEE

24 APRIL 2013

Minutes of the meeting of the Constitution Committee of Flintshire County Council held in County Hall, Mold on 24 April 2013.

PRESENT: Councillor R.J.T. Guest (Chairman)

Councillors: R.C. Bithell, D. Butler, C. Carver, A.I. Dunbar, D. Evans, G. Hardcastle, P.G. Heesom, J.M. Johnson, T. Newhouse, N. Phillips, W.P. Shotton, N.R. Steele-Mortimer, W.O. Thomas

APOLOGIES:

Councillors: D.L. Cox, V. Gay, R. Johnson, A. Woolley,

IN ATTENDANCE:

Head of Legal and Democratic Services, Democracy and Governance Manager, Member Engagement Manager and Committee Officer

29. DECLARATIONS OF INTEREST

There were no declarations of interest

30. MINUTES

The minutes of the meeting of the Committee held on 30 January 2013, were submitted.

Matters arising

Page 2/3 – the Democracy and Governance Manager reported that the response to the Review of Internal Member Fora has been to Council and Cabinet and that the Constitution had been updated to reflect changes.

Page 3 – Local Government (Democracy) (Wales) Bill – the Democracy and Governance Manager reported that a response, which included Councillor C. Carver's comments had been forwarded.

Page 4- Four Protocols for Public Engagement with Overview and Scrutiny, The Democracy and Governance Manager reported that the Welsh Government had supplied a protocol for public engagement.

Page 4 – Updating the Constitution The Democracy and Governance Manager reported that all changes agreed in the resolution had been agreed by council and the Constitution had been amended.

RESOLVED:

That the minutes be received, approved and signed by the Chairman as a correct record.

31. CONSULTATION ON DRAFT SUPPLEMENTARY REPORT BY THE INDEPENDENT REMUNERATION PANEL FOR WALES

The Chair introduced a report to determine how the Council should respond to the draft supplemental report dated 19 March 2013 issued by the Independent Remuneration Panel for Wales (“the Panel”).

The Supplementary Report related to the appropriate level of payment to the Chairs of joint Overview and Scrutiny Committees and sought views on the five issues:

- 1) Chairs of Joint Overview and Scrutiny Committees to be paid the same as the Chair of an individual council, which is £8,735 per annum.
- 2) The local authority responsible for the payment will fall to the council of which the chair is a member, but decisions on how cost is apportioned would be a matter for all the authorities that are involved.
- 3) The Chair of a Joint Overview and Scrutiny Committee would be additional to the maximum the authority is otherwise allowed.
- 4) That if a chair of a Joint Overview and Scrutiny Committee was already in receipt of one senior salary from their authority it would be reasonable for them to receive 50% of the allowance (£4,368 per annum).
- 5) That chairs of sub-committees of joint committees should receive £4,368 per annum.

Councillor P. J. Heesom said he found the proposals obscene and said that all elected members should receive a single basic salary. The Chair voiced concern at proposed payments to chairs of sub-committees of joint committees.

Councillor I.A. Dunbar said that extra responsibility should not include extra payments, particularly when some committees sat infrequently.

Councillor C. Bithell proposed the following resolution which was seconded by Councillor. Butler, to agree the proposal except for the payment of chairs of sub committees for Joint Overview and Scrutiny Committees.

On being put to the vote, the resolution was carried with 8 votes in favour and 2 against.

RESOLVED:

That the committee agree the proposals except for payment to the chairs of sub committees for Joint Overview and Scrutiny Committees.

32. CONSULTATION ON LOCAL AUTHORITIES (STANDING ORDERS) (WALES) REGULATIONS 2006 (AMENDMENT) REGULATIONS 2013.

The Head of Legal Services introduced the consultation on proposed changes in terms and conditions for Head of Democratic Services and the Monitoring Officer under the Local Government (Wales) Measure 2011.

The draft regulations proposed to afford the Head of Democratic Services the same protection as other statutory officers in relation to disciplinary proceedings. It also proposed to add Heads of Democratic Services and Monitoring Officers to the list of officers whose appointment and dismissal were dealt with by committee rather than by the Head of Paid Service and that all vacancies at Chief Officer level being made subject to public advertisement.

The Chair drew the attention of the committee to the consultation questions contained within Appendix 1 of the report and invited debate upon them.

Councillor C. Bithell said that he agreed with the proposals around the Head of Democratic Services and the Monitoring Officer. He also agreed with the proposals to publicly advertise Chief Officer roles as he believed in transparency and openness in such matters. He said that excellent internal candidates could still succeed in open competition.

In response to a question from Councillor P.J. Heesom, the Head of Legal Services said that Monitoring Officers or the Head of Democratic Services could have differences of opinion with the Head of Paid Service as well as with members.

Councillor N. Steele-Mortimer asked who maintained a list of “independent” members of a disciplinary committee and how they were identified. The Head of Legal Services advised that in England, the Department of Transport and Local Government maintained a list of panel members and expected that a similar, separate list would be held by the Welsh Government. The Head of Legal and Democratic Services agreed to find out more about this, and let members know.

Councillor Bithell proposed a resolution that the committee agree to all three of the consultation questions. On being put to the vote, all three proposals were carried.

RESOLVED:

- (a) That the committee agree that the Head of Democratic Services should be subject to the same disciplinary procedures as the Head of Paid Service, Monitoring Officer and Chief Finance Officer.
- (b) That the role of the independent person be retained in the disciplinary process applying to these officer posts.
- (c) That all vacancies at Chief Officer level should be subject to public advertisement for transparency and in the public interest.

33. CONSULTATION ON FAMILY ABSENCE FOR MEMBERS

The Democracy and Governance Manager explained that the Local Government (Wales) Measure 2011 made available to Members of local authorities entitlement to five types of family absence and that consultation was being undertaken on draft regulations and draft guidance.

Councillor C. Bithell argued that types of family absence were the same as someone being granted dispensation for non attendance for a set time due to serious personal illness or illness of a close family member.

The Head of Legal and Democratic Services advised members that the measure had already been passed in order to make councils more family friendly and to afford councillors the same rights as officers. He did acknowledge that it might be interpreted as being overly bureaucratic.

Councillor D. Evans said that he was in agreement with the right to family absence as long as it mirrored conditions of paid employees of the council. The Head of Legal and Democratic Services explained the differences.

The Head of Legal Services suggested that the Democratic Services Committee have responsibility around regulation 33 in point 3.05 of the report. On being put to the vote, this was carried with 8 votes in favour, 1 against and 1 abstention.

Discussion followed about Regulation 34 and how alleged improper usage of family leave would be managed.

Councillor C. Bithell proposed an amendment to point 3.06 of the report in that any complaint concerning abuse of family leave would be reported to the Standards Committee rather than Democratic Services Committee. On being put to the vote, this was not carried with 3 votes in favour and 7 against.

The Head of Legal and Democratic Services suggested that the committee seemed to disagree in principle with the legislation and believed the procedures in regulations 34 to 39 be as simple as possible.

RESOLVED:

(a) That Democratic Services Committee have responsibility around regulation 33.

(b) That the committee disagree in principle with the legislation and believe the procedures in regulations 34-39 should be as simple as possible.

34. STANDARDS FOR RESPONSES TO COMMUNICATIONS

The Democracy and Governance Manager's report referred to the previous meeting whereby he had been asked to supply details of standards for responses to communications. The Committee had been given a copy of the Customer Care Policy Statements and Standards (Appendix 1) and the Democracy and Governance Manager explained that it was not usual practice to

put service standards into the Constitution. His recommendation not to include the Customer Care Policy Statement and Standards in the Council's Constitution on being put to the vote was carried unanimously.

RESOLVED:

That the Customer Care Statement and Standards not be included in the Council's Constitution.

35. UPDATING ACCESS TO INFORMATION PROCEDURE RULES

The Democracy and Governance Manager introduced the report to update the forward work programme part of the access to information procedure rules.

Appendix 2 included a proposed revised wording for Section 12 to reflect current practice of updating the forward work programme amendments on an almost daily basis. As the forward work programme was published on the Council's website and was updated monthly the reference to publishing notice in at least one newspaper had been deleted.

The Committee were asked to consider updating the reference to the forward work programme contained in the access to information procedure rules with the wording in Appendix 2. This was unanimously agreed by the Committee.

RESOLVED:

That the forward work programme part of the access to information procedure rules be updated with the wording in Appendix 2.

36. PLANNING STRATEGY GROUP – TERMS OF REFERENCE

The Democracy and Governance Manager presented the report which asked the Committee to agree the draft terms of reference for the newly formed Planning Strategy Group as set out in Appendix 1.

Councillor C. Carver said that the terms of reference did not include a reference to numbers of representatives and substitutes on the group. He pointed out that the Conservative group had 1 representative and 3 substitutes and asked if this was normal practice. The Democracy and Governance Manager advised that this was a separate issue to the subject of the report. He would be happy to discuss the number of substitutes with Councillor Carver after the meeting.

RESOLVED:

That the committee agree the draft terms of reference for the Planning Strategy Group as set out in Appendix 1.

37. PRESS IN ATTENDANCE

There were no members of the press in attendance.

38. DURATION OF MEETING

The meeting commenced at 2.00 pm and finished at 3.40 pm.

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Chairman

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CONSTITUTION COMMITTEE**
DATE: **WEDNESDAY, 17 JULY 2013**
REPORT BY: **HEAD OF ICT AND CUSTOMER SERVICES**
SUBJECT: **CONTRACT PROCEDURE RULES**

1.00 PURPOSE OF REPORT

1.01 For Constitution Committee to consider the revised Contract Procedure Rules (CPRs) prior to consideration and approval by County Council.

2.00 BACKGROUND

2.01 The Council's CPRs set the framework under which all procurement activity is undertaken. In the event of statutory or other legal requirements exceeding the requirements contained within these CPRs, then statute shall take precedence over any provision in these CPRs.

2.02 Procurement is the process by which the Council manages the acquisition of all its goods, services and works of any kind. It includes the identification of need, consideration of options, the actual procurement process and the subsequent management and review of the contracts.

3.00 CONSIDERATIONS

3.01 The current version of the CPRs have not been reviewed and updated for several years, the following have been taken into account in this updated set:

- National CPR principles, which were developed in conjunction with the WLGA, as part of the Compact for Change between the Welsh Government and Welsh local government.
- Recommendations arising from FCC Internal Audit reports with respect to Procurement, Use of Consultants and Approved List Management.
- Emerging case law in Procurement.

- Implementation of the Council's new E-procurement solution.
 - Welsh Government Procurement Policy Statement
- 3.02 These revised CPRs have been developed by a Joint Working Group of Officers from Procurement, Internal Audit and Legal & Democratic Services from Flintshire, Denbighshire and Conwy Councils working in collaboration.
- 3.03 Following consideration by this committee the CPRs will be presented to the County Council for adoption on 23rd July, 2013.
- 3.04 Once adopted, a series of workshops will be held in each Directorate in order to update officers on the new CPRs and to ensure officers become fully aware of their responsibilities and obligations, when undertaking procurement activities on behalf of the Council.
- 3.05 The revised CPRs will be considered by Audit Committee on the morning before this committee meets. A verbal update will be provided at the meeting.

4.00 RECOMMENDATIONS

- 4.01 That Constitution Committee endorse the revised CPRs for adoption by County Council.
- 4.02 That the Council's Constitution be updated with the revised CPRs once approved by County Council.

5.00 FINANCIAL IMPLICATIONS

- 5.01 These revised CPRs will ensure a consistent and compliant approach is adopted for all procurement activity across the council.

6.00 ANTI POVERTY IMPACT

- 6.01 None directly as a result of this report.

7.00 ENVIRONMENTAL IMPACT

- 7.01 None directly as a result of this report.

8.00 EQUALITIES IMPACT

- 8.01 None directly as a result of this report.

9.00 PERSONNEL IMPLICATIONS

- 9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 None

11.00 CONSULTATION UNDERTAKEN

11.01 Consultation has taken place with Legal and Internal Audit colleagues, Corporate Management Team and Directorate Senior Management.

12.00 APPENDICES

- Appendix 1 - Summary of key amendments / changes between the new CPR's and the current CPR's
- Appendix 2 - Copy of the proposed new Contract Procedure Rules

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

Contact Officer: Arwel Staples, Acting Head of Procurement
Telephone: 01352 702704
Email: arwel.staples@flintshire.gov.uk

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Appendix 1

Summary of key amendments / changes between the new CPR's and the current CPR's

Contract Procedure Rules clause	CPR section	Rationale / Comments	Status
2.8	Compliance with CPR's & Legislation	Recognise that schools will have their own version of the CPR's, which shall be based on these CPR's.	Addition
6.1 & 6.2 & 6.3	Electronic Procurement Solutions	To ensure that all procurement activities are undertaken on the Proactis e-procurement solutions, once the service areas have had all modules implemented. The use of any other e-procurement solution cannot be used without prior approval from Head of Procurement.	Addition
7.1 & 7.2	Corporate Purchasing Agreements and Joint Procurement Arrangements	Cabinet approval required to join membership of official purchasing consortiums. Joint procurement arrangements (excluding framework agreements) with other public sector organisations to require prior approval from either Chief Officer or Cabinet subject to contract vales.	Amendment
7.3	Corporate Purchasing Agreements and Joint Procurement Arrangements	Use of Corporate Purchasing Agreements as approved by Head of Procurement to be mandatory unless justification not to use them can made, which shall require HOP agreement.	
9.3	Exemptions from Contract Procedure Rules	Provision for Clwyd Pension Fund to be exempt from CPR's	Addition
10.2 (n)	Exemption from Tendering Requirement	Exemption from Tendering has been extended to cover provision for existing social care contracts that are due to be re-	Amendment

		tendered. This will allow for a justification to be made based provided a number of the criteria can be demonstrated in order to defend a Judicial Review challenge.	
10.3	Exemption from Tendering Requirement	Tender Exemptions can only be approved by Chief Finance Officer or Monitoring Officer depending on contract values. The approval of Cabinet for tender exemptions above £1m has been deleted, but has been replaced with a requirement for Cabinet Member consultation. This change will streamline a burdensome process e.g. cabinet report based on a technical judgement .	Amendment
10.6	Exemption from Tendering Requirement	Contracts deriving from single Tender actions, still need to be procured and evaluated on the e-sourcing solution.	Addition
11.0 (Various)	Council Approved Lists	Use of approved lists shall be restricted to contracts up to £25,000 (Goods & Services) and £250,000 (Works). There is a requirement from the Welsh Procurement Policy from Welsh Government that all procurements above £25,000 to be subject to public advertisement. The use of Approved Lists will require approval of Head of Procurement. Tender lists created from Approved Lists shall be created by a combination of random selection as well as from existing contractors who have performed to satisfactory standards. The 50% turnover restriction on the contract amount that can be allocated to contractors has been deleted, based on policy guidance from Cabinet Office.	Amendment

		Various changes have been incorporated in order to implement a number of Internal Audit Recommendations arising from the Approved List Management Audit.	
14.2	Procurement Plan Checklist Approval	All individual procurement projects above £100,000 will require a procurement plan checklist to be completed and approved as a minimum by Head of Procurement, prior to undertaking any market testing. This new process will ensure that procurement projects are procured in a robust manner and be compliant with these CPR's, OJEU rules, Welsh Procurement Policy and general procurement best practice. There will need to be extra approvals in respect of projects involving ICT, Property and Temporary staff and Interim staff (excluding Matrix). All projects below £100,000 will also require the completion of the Procurement Plan Checklist and shall be retained on contract file. However, only projects relating to ICT, Property / Works and HR need prior approval.	Addition
15.1	Sustainable Procurement	All contracts above £2,000,000 will need to consider community benefits including social, environmental and economic factors. All contracts below £2,000,000 will also need to consider these factors on an optional basis. This is in alignment with the Welsh Procurement Policy.	Addition
15.4 & 15.5	Sustainable Procurement	All contracts above £100,000 for Goods and Services shall also complete the Sustainable Risk Assessment template. This is in alignment with the Welsh Procurement Policy. However	Addition

		the Head of Service will have the option of including sustainable procurement requirement in Tenders, subject to the perceived financial considerations.	
16.0 & 20.0	Contracts less than £10,000 (Goods & Services) Contracts less than £10,000 (Works)	Request for Quotations can now only be used for contracts up to £10,000, which shall where it's not practical only require only a single quotation to be obtained. However value for money still needs to be demonstrated.	Amendment
18.0	Contracts valued between £25,001 and OJEU threshold	All contracts for goods and services above £25,000 shall be subject to a public advertisement as per Welsh Procurement Policy, unless an exemption is approved by the Head of Procurement.	Addition
21.0 & 22.0	Contracts valued between £10,000 and £25,000 (Works) Contracts valued between £25,001 and £250,000 (Works)	Approved Lists for Works can only be used up to £250,000. A public advertisement will be required generally for all contracts above this value. This is a deviation on the Welsh Procurement Policy for practical reasons in dealing with high volume of bids from construction contractors.	Amendment
27.0 & 27.2 & 27.4	Tender Opening	All tenders above £10,000 shall be opened at the same time and place after the closing time for receipt of bids has elapsed. Currently quotations up to £30,000 can be opened as they are received. This is a perceived risk that could allow officer collusion with suppliers and lead to fraud. All Tenders shall be undertaken on the e-sourcing solution (where available). All Tenders will now be opened at the same time by TWO designated officers (one of which shall be independent of the project) as selected by	Amendment

		Head of Service. There will be no further requirement for Officers from Legal and Democratic Services to be involved. The introduction of e-sourcing will prevent any tampering of any tenders, since the tender are locked once submitted electronically.	
28.3	Late Invitation to Tenders Received	Late bids may be still considered, providing the other bids have not been opened, subject to Monitoring Officer approval based on exceptional circumstances.	Amendment
29.1 & 29.2 & 29.3	Tender Evaluation	All Tenders above £100,000 shall be evaluated on price and quality. Price only evaluation can only be used for contracts below £100,000. When tenders are evaluated based on price and quality a tender evaluation team shall be arranged consisting of at least two officers. For OJEU tenders, the Corporate Procurement Unit will need to oversee the evaluation process.	Amendment
30.2	Post Tender Negotiation	A minimum of TWO officers needs to be involved in any tender negotiation for sub – OJEU tenders.	Amendment
31.0 & 31.2 & 31.5	Tender Award Approvals	Tender Award approvals have been changed to include the need for Head of Service, Monitoring Officer and Chief Finance Officer approval subject to contract values. The need for Cabinet approval for contracts above £1m has been deleted, although Cabinet Member consultation is required consultation with various stakeholders. This change has been undertaken in order to streamline the process, which is based on technical judgement. This new process will also	Amendment

		ensure that a robust quality assurance process is in place regarding tender awards, since there is an increasing risk of supplier legal challenges. All contract awarded will be required to be inputted onto a corporate contract register.	
33.1	Letter of Intent	Letters of Intent may only be used in exceptional circumstances after approval being obtained by Monitoring Officer.	Amendment
34.3	Non-concluded Terms of Conditions of Contract	The Council should not enter into contracts on the suppliers terms and conditions, without upfront approval of the Monitoring Officer.	Addition
35.1	Contracts in Writing	There is a change to the contract values in respect of contracts executed under seal. This new value is £250,000, where the previous value was £100,000. Please note there are other criteria included. FCC contract value was substantially lower than other North Wales Councils e.g. CCBC had a value of £1 million.	Amendment
35.2 & 35.3 & 35.4	Contracts in Writing	There will be a requirement for formal form of agreements to be developed and signed for various contract values. This addresses the current issues, whereby majority of contracts are not signed by both parties, and use of standalone purchase orders is not deemed robust.	Amendment
35.6	Contracts in Writing	All contracts above £10,000 shall be stored and retained by Legal and Democratic Services, since there are historical examples of contracts being sent out in Directorates and contracts have commenced before the return of signed contracts from contractors. All	Addition

		hard copy of contracts shall held by Legal Services, with responsibility of Directorates to ensure scanned contract copies are held on corporate contract register on the e-sourcing solution.	
38.2	Contract Management	All contracts that are strategically critical / high risk, high value or high profile shall be subject to monthly contract reviews.	Addition
39.1 & 39.2	Contract Performance	Contracts shall be subject regular performance reviews and if practical at the end of each contract / job a performance review shall be carried out to identify good and bad contractor performance, as well as identifying complaints etc.	Amendment
40.0	Termination of Contract	Changes to how Termination of Contracts can be approved. Now 2 levels including Head of Service and the Monitoring Officer.	Addition
41.1 & 41.3	Contract Variations	Changes to Contract Variation approvals. Now 3 levels Head of Servicer, Monitoring Officer and Chief Finance Officer subject to contract and variation values. The same 3 levels are consistent with other clauses e.g. Tender Award. Cabinet is no longer required to approve contract values including variations above £1m. Contracts below £250,000 including variations can be approved by Head of Service.	Amendment
42.8	Contract Payments	The Responsible Officer approving invoices should be different to the Responsible Officer engaging the contractor to ensure proper segregation of duties.	Addition

45.0	Land Contracts	Changes to reflect case law on Development Agreements, which may be subject to OJEU regulations.	Amendment
46.1 & 46.2	Use of Consultants	Use of consultants to be approved by Head of Service and all approvals shall be recorded on a central corporate register of consultants. Various other changes included in order to incorporate the Internal Audit Recommendations from the Consultancy Audit.	Amendment
47.0	Retention of Contract Files	Changes to reflect need to retain WEFO funded projects for 20 years.	Amendment

APPENDIX 2

CONTRACT PROCEDURE RULES

General

1. Interpretation
2. Compliance with Contract Procedure Rules and Legislation
3. Officers' and Members Duties
4. Declaration of Interests
5. Scheme of Delegation
6. Electronic Procurement Solutions
7. Corporate Purchasing Agreements (including use of Framework Agreements) and Joint Procurement arrangements (including membership of official purchasing consortiums)

Exemptions

8. Exempt Contracts
9. Exemptions from Contract Procedure Rules
10. Exemption from tendering requirement

Approved List

11. Council Approved Lists and Vetting of Contractors

Procurement Planning

12. Contract value and Aggregation
13. Pre-Tender Enquiries
14. Purchasing Need and Procurement Planning Approval
15. Sustainable Procurement

Quotations and Tenders

16. Contracts valued at less than £10,000 (Goods & Services)
17. Contracts valued between £10,001 and £25,000 (Goods & Services)
18. Contracts valued between £25,001 and OJEU Threshold (Goods & Services)
19. Contracts valued over OJEU Threshold (Goods & Services)
20. Contracts valued at less than £10,000 (Works)
21. Contracts valued between £10,001 and £25,000 (Works)
22. Contracts valued between £25,001 and £250,000 (Works)
23. Contracts valued over £250,001(Works)
24. Timescales for receiving Requests for Quotes and Tenders
25. Request for Quotes and/or Invitation to Tender Documentation
26. Tender Specifications
27. Tender opening
28. Late Tenders received
29. Tender Evaluation and alterations
30. Post Tender Negotiations and Tender Bid Clarifications
31. Request for Quotes /Tender Award Approvals
32. Notification of Tender Award and De-briefing Requests
33. Letters of Intent
34. Non-concluded Terms and Conditions of Contract

Form of Contract

- 35. Contracts in Writing
- 36. Bonds, Securities, Liquidated and other Damages
- 37. Parent Company Guarantee

Operation of Contract

- 38. Contract Management
- 39. Contract Performance
- 40. Termination of Contract
- 41. Contract Variations and Contract Extensions
- 42. Contract Payments
- 43. Assignments and Novation
- 44. Nominating Products/Contractors/Suppliers

Specific Contracts

- 45. Land Contracts
- 46. Use of Consultants.

Other

- 47. Retention of Contract Files
- 48. Review and Amendment of the CPR's

Schedule 1 Table of Values

GENERAL

1. Interpretation

1.1 In these Contract Procedure Rules, the following terms have the following meanings:

Approved List	a List drawn up for corporate use under CPR 11
Chief Finance Officer	Head of Finance
Code of Conduct	the Code regulating the conduct of officers and members as set out in the Constitution
Contract	an agreement for the supply of goods, or services, or concessions or the execution of works
Contract File	a record of all matters relating to the contract
Contractor	a supplier of goods or services or concessions or Works to the Council
Corporate Purchasing Agreement	a contract or framework agreement which has been endorsed and approved for corporate use by the Head of Procurement and its use shall be mandatory
CPR's	these Contract Procedure Rules
Day	a calendar day unless otherwise specified
Director	Chief Executive or any other Director of the Council
EU	European Union
EU contract	a contract covered by the Public Contracts Regulations 2006
Framework Agreement	an agreement which allows a Responsible Officer to call off or undertake a mini competition to provide goods, services or

works in accordance with the terms of the agreement. The Framework Agreement usually constitutes a non-binding offer with no obligations to call off from the contractor. If the Council calls off from the contractor a binding contract comes into being.

Head of Procurement	the officer who is designated to have responsibility for the Corporate Procurement Unit
Head of Service	Head of Service of the relevant Council Service Area
Invitation to Tender	invitation to tender documents in the form required by these Rules
Monitoring Officer	the officer designated by the Council as its Statutory Monitoring Officer from time to time
Month	means a calendar month
OJEU	Official Journal of the European Union incorporating the Public Contracts Regulations 2006
OJEU threshold	the values that are determined by the European Union every two years, which are shown in schedule 1 of these Rules
Quotation	a quotation of price and any other relevant matter made without the formal issue of an invitation to tender;
Relevant Head of Service	the Head of Service whose Directorate or Department is responsible for the procurement exercise in question
Responsible Officer	any permanent or temporary staff member or any other person properly authorised by the Council to carry out any of the Council's contracts functions
Sub-OJEU	the values below the threshold that are determined by the European Union every two years, which are shown in schedule 1 of these

Rules

Table of Values	the table maintained and updated by the Monitoring Officer as identified in Schedule 1
Tender	a Contractor's formal proposal submitted in response to an invitation to tender
Value for Money	means the optimum combination of whole life costs, quality and benefits to meet the Council's requirement. Such term equates to the EU procurement requirement of "most economically advantageous offer"
Working day	means any day other than a Saturday or a Sunday or a day which is a bank or a public holiday throughout Wales

1.2 Any reference to actions within these CPR's can also be undertaken by officers with the appropriate delegated authority to carry out such tasks, provided such delegated authority has been granted by the named individual.

1.3 Unless the context otherwise requires, reference to any clause, sub-clause or schedule is to a clause, sub-clause or schedule of or to these Rules.

1.4 Under these Rules, periods expressed as a certain number of days from a particular event run from the day following the day on which the event takes place. If the last day of the period falls on a Saturday, Sunday or a public holiday it will end on the next working day.

1.5 Periods will include public holidays and weekends unless these are expressly excluded or the periods are expressed as a certain number of working days.

1.6 The Monitoring Officer may amend any minor or consequential changes or any amount shown in £ sterling in these Rules (other than the Table of Values), subject to Article 19.02 of the Constitution.

2. Compliance with Contract Procedure Rules and Legislation

2.1 These Contract Procedure Rules apply to all contracts entered into by or on behalf of the Council with the intention of procuring goods, services, concessions or works.

2.2 The Head of Procurement, Monitoring Officer or Chief Finance Officer

shall advise on the implementation and interpretation of the Council's Contract Procedure Rules.

2.3 Every contract entered into by the Council or on its behalf shall be entered into pursuant to, or in connection with, the Council's functions and shall comply with:

- (a) all relevant statutory provisions
- (b) the relevant EU law and the EU public procurement rules (including the EC treaty, the general principles of EU law and the EU public procurement directives implemented by the UK regulations)
- (c) the Council's constitution including these CPR's and the Council's Financial Procedure Rules
- (d) schemes of delegation
- (e) the Council's strategic objectives and policies,
- (f) the Council's Corporate Procurement Strategy and any other relevant Council policies

2.4 Should there be a conflict between the provisions of the Council's Contract Procedure Rules and any provision of an EU directive or any domestic legislation, the latter shall prevail.

2.5 It shall be a condition of any agreement between the Council and anyone who is not an officer of the Council including Temporary Agency staff and Consultants, but who is authorised to carry out any of the Council's contracts functions, that they comply with the Council's Contract Procedure Rules and Financial Regulations as if they were an officer of the Council.

2.6 Any failure by officers / members to comply with any of the provisions of these Contract Procedure Rules or Financial Regulations or associated guidance adopted by the Council or UK and European legal requirements may result in disciplinary action.

2.7 All failures to comply with these CPR's by officers or consultants shall be reported immediately to the relevant Head of Service / Director or Chief Finance Officer or Head of Procurement or Internal Audit Manager. All failures to comply by Members shall be reported immediately to the Monitoring Officer.

2.8 Arrangements for Contracts made by schools operating under local management arrangements shall not be subject to these CPR's but shall be subject to their own Contract Procedure Rules.

3. Officers' and Members Duties

- 3.1 The highest standards of probity are required of all officers and Members involved in the procurement, award and management of Council Contracts.
- 3.2 Officers shall always:
- (a) seek value for money
 - (b) show no undue favour to any contractor, nor discriminate against any contractor
 - (c) ensure that all procurement is in accordance with the highest standards of propriety and proper practice (including respecting the confidentiality of commercial information)
 - (d) do nothing that contravenes EU or domestic law
 - (e) ensure that adequate Contract Files are kept for Contracts upon which they are engaged
 - (f) ensure that Contracts are packaged to ensure Best Value for Money
- 3.2 As a general rule, Members and officers must not accept from Contractors or potential Contractors, or from any firm or organisation with whom the Council has had, is having or may have any dealings of any kind,
- (a) any gift; or
 - (b) any hospitality

Without the written authorisation of the Head of Service / Director who is responsible for that officer, or in the case of Members, unless the matter has been reported to the Monitoring Officer.

- 3.3 Members shall comply with the Member's Code of Conduct and Officers shall comply with the Officers Code of Conduct
- 3.4 Members and officers may seek advice from the Monitoring Officer in respect of any matter arising out of CPR 3.2

4. Declaration of Interests

- 4.1 No member, employee or agent of the council shall improperly use their position to obtain any personal or private benefit from any contract entered into by the council
- 4.2 The following shall declare any interests which may affect the contract process;
- (a) all officers who play an influential role in any aspect of the contracts process, including those designated under a scheme of delegation in CPR 5.3;
 - (b) Cabinet Members involved in the contract process;

- (c) external consultants.
- (d) anyone else who is not an officer of the Council but who is authorised to carry out any of the Council's Contract Functions

4.3 Head of Service / Director shall ensure that Cabinet Members, Officers, Consultants and anyone else who is not an officer of the Council appointed or agreed by them make declarations on their appointment and on any change in circumstances (and annually in the case of officers), and shall either certify them as acceptable or take any necessary action in respect of potential conflicts of interest.

4.4 Head of Service shall keep a register of declarations indicating the names and grades of those declaring and the nature of their declaration. Responsible Officers shall keep completed consultants' declarations on the Contract File. All declarations shall also be recorded on the e-sourcing solution (where available).

5. Scheme of Delegation

5.1 Any procurement carried out on behalf of the Council may only be undertaken by officers with the appropriate delegated authority to carry out such tasks.

5.2 Each Head of Service / Director shall receive from Cabinet delegated powers from General Scheme of Delegation of Executive and non-Executive functions to Officers, to enter into contracts (CPR 31), to grant waivers and exemptions (CPR 8, CPR 9 and CPR 10) and to approve contract variations (CPR 41) on behalf of the Council to specified financial limits.

5.3 Each Head of Service shall compile and maintain a scheme of delegation specific to their Department, detailing the names and grades of officers approved for the purposes of obtaining quotations, tendering, entering into contracts and placing orders on behalf of the Council and the maximum contract/ order value allocated to each officer for these purposes.

5.4 Each Head of Service shall supply to and agree with the Head of Procurement their scheme of delegation before the start of each financial year, and on making any amendment.

5.5 The Head of Procurement shall keep a register of all schemes of delegation and shall ensure the appropriate scheme of delegation is replicated within the purchase to pay solution (for ordering, receipting and payments) and the e-sourcing solution (for sourcing and contracting).

6. Electronic Procurement Solutions

- 6.1 All purchase-to-pay processes including requisitioning, ordering, receipting and invoice payments shall be conducted via the corporate purchase-to-pay solution (where available), which has been approved by the Head of Procurement.
- 6.2 All e-sourcing processes including request for quotations, tendering, e-auctions, contract management, supplier performance management and approved list management shall be conducted via the corporate e-sourcing solution (where available), which has been approved by the Head of Procurement.
- 6.3 The use of any alternative e-procurement solutions cannot be carried out without the prior approval of the Head of Procurement.
- 7. Corporate Purchasing Agreements (including use of Framework Agreements) and Joint Procurement arrangements (including membership of official purchasing consortiums)**
- 7.1 Any membership of an official purchasing consortium which requires upfront Council commitment shall be approved by Cabinet prior to the involvement by or on behalf of the Council.
- 7.2 Any joint procurement arrangement, with any other public sector organization that results in the Council being committed to contractual obligations (not including Framework Agreements) shall be approved in the following manner prior to the commitment stage:
- 7.2.1 by the Head of Service / Director based on a report from the Responsible Officer having consulted with the Chief Finance Officer and Head of Procurement if the Council's estimated overall contribution over the contract duration is less than £250,000
- 7.2.2 by the Head of Service / Director based on a report from the Responsible Officer having consulted with the Chief Finance Officer and Head of Procurement and relevant Cabinet Member, if the Council's estimated contribution over the contract duration is over £250,000 and less than £1,000,000
- 7.2.3 by Cabinet based on a report from the Head of Service having consulted with the Chief Finance Officer and Head of Procurement, if the Council's estimated contribution over the contract duration is over £1,000,000
- 7.3 The use of the following Corporate Purchasing Agreements as endorsed by the Head of Procurement shall be mandatory, unless a justification not to use them has been made in writing and has been approved by the

Head of Procurement:

- Corporate Purchasing Agreements resulting from the National Procurement Service or any other approved Official purchasing consortiums
- Any other Framework Agreements and any subsequent call-off arrangements,
- Joint Procurement Arrangements,
- Electronic catalogues within the purchase-to-pay solution and
- Contracts listed within the corporate contract register

7.4 The use of any Framework Agreements and /or Joint Contracts resulting from a procurement exercise involving other public bodies as the lead authority shall be approved by the Head of Procurement prior to using such arrangements. All such requests shall be made in writing to the Head of Procurement, and once approved the responsible officer shall ensure that the Framework Agreements and/or Joint Contracts shall be inputted onto the Corporate Contract Register within the e-sourcing solution (where available).

7.5 The Head of Service will ensure that the CPR's or equivalent of the lead authority / body will be acceptable to the Council and are to be followed throughout the procurement exercise.

EXEMPTIONS

8. Exempt Contracts

8.1 Exemptions are where contract procedure rules do not apply to certain contracts

8.2 The following contracts are exempt from the requirements of these CPR's:

- (a) individual agency contracts for the provision of temporary staff;
- (b) employment contracts;
- (c) contracts relating solely to disposal or acquisition of an interest in land with exception to Development Agreements (see CPR 45),
- (d) internal purchases or service provision
- (e) contracts formalising the funding of particular voluntary sector bodies, where the purpose of the contract is to provide Grant in Aid funding by the Council;
- (f) contracts for the engagement of Counsel;
- (g) contracts for the engagement of Expert Witness;

9. Exemptions from Contract Procedure Rules

- 9.1 Waiver is where the Contract Procedure Rules are partly suspended to enable a particular course of action. This does not obviate the need to ensure that adequate and robust process is undertaken in accordance with the principles of these Contract Procedure Rules. The Council's rules and guidance will still apply.
- 9.2 Waiver from any Contract Procedure Rules requirements including obtaining quotations or tendering based on any reason that is not listed in CPR 10.2 can only be obtained from Chief Finance Officer or Monitoring Officer in accordance with CPR 10.3.
- 9.3 The Council (as lead authority for the Clwyd Pension Fund) has adopted these Contract Procedure Rules unless other actions are required by Government LGPS Regulations for England and Wales or they do not apply within the governance arrangements for a local government pension fund, Monitoring compliance is the responsibility of the Chief Finance Officer in the role of Treasurer and Administrator to the Fund

10 Exemption from Tendering Requirement

- 10.1 Exemption from Tendering is where the requirement to seek market competition as per CPR 17, 18, 19, 21, 22 & 23 is suspended provided a justification can be demonstrated as per CPR 10.2
- 10.2 Where an exemption is sought by an Responsible Officer in respect of obtaining tenders (CPR 10.2), a report must be provided setting out the reason for requiring the exemption and to notify which exception under CPR 10.2 is applicable. The responsible officer shall consult with the Head of Procurement in preparing the report and the report shall also include a statement from Chief Finance Officer.

In order to justify an exemption it will need to demonstrate that one or more of the following reasons is applicable:

- (a) In the absence of tenders, suitable tenders (irregular or unacceptable) or applications in response to an invitation to tender by the contracting authority using the open procedure or the restricted procedure but only if the original terms of the proposed contract offered in the discontinued procedure have not been substantially altered.
- (b) The contract involved is purely for the purpose of research, experiment, study or development under the conditions stated in Public Contracts Regulations 2006
- (c) The works/goods/services can be provided only by a particular contractor for reasons that are technical, artistic, or connected with the protection of exclusive rights.

- (d) Extreme urgency brought about by events unforeseeable by the contracting authority and in accordance with the strict conditions stated in the Public Contracts Regulations 2006.
- (e) Additional works/deliveries/services are ordered under the strict conditions stated in Public Contracts Regulations 2006, which do not exceed 50% of the value of the original contract and are required which, through unforeseen circumstances, were not included in the original contract and which either are strictly necessary for the completion of the contract or, for technical or economic reasons, cannot be carried out separately;
- (f) New works/services, constituting a repetition of existing works/services and ordered in accordance with the strict conditions stated in the Public Contracts Regulations 2006. Such that new works or services are required which are a repetition of works or services carried out under the original contract (provided in the case of EU contracts they are required within three years of the original contract and the contract notice stated that a new contract might be awarded by negotiation);
- (g) That goods are required as a partial replacement or addition to existing goods or installations and obtaining them from another contractor would result in incompatibility or disproportionate technical difficulties in operation or maintenance;
- (h) That the rules of a design contest require the contract to be awarded to one of the successful candidates, provided all successful candidates are invited to negotiate;
- (i) For supplies quoted and purchased on a commodity market or for the supply of goods or materials the goods or materials are proprietary articles or are sold at a fixed price and no reasonable satisfactory alternative is available;
- (j) For the purchase of supplies on particularly advantageous terms from a supplier which is definitely winding up its business activities, or from the receivers or liquidators of a bankruptcy, an arrangement with creditors or a similar procedure.
- (k) Where delay attributable to the tendering process would, in the estimation of the Head of Service concerned, result in the Council incurring net expenditure or forfeiting net income in excess of the savings on the contract sum that might reasonably be expected to accrue from competitive tendering;
- (l) The engagement of actors and performers
- (m) Where the delay attributable to the Tendering process would create or increase danger to life or limb or would, in the opinion of the Head of Service / Director concerned, result in or continue an unacceptable level or standard of service.

- (n) that services are required which are categorised as Part B Health and Social Services in accordance with EU and UK legislation, and which represent a clear continuation of specific services required under an existing contract, and that a decision to both exempt the required services from obtaining quotations or tendering and award a new contract to the existing contractor **can** be justified as reasonable following **a balanced consideration in conjunction with guidance from the Monitoring Officer on the relevant public law principles, of the extent to which the new requirement meets the following criteria:**
- i. evidence demonstrates that obtaining quotations or tendering for the required services is unlikely to secure significant improvements in value for money, or else is unlikely to secure sufficient improvement in value for money to justify the cost of obtaining quotations or tendering, or else any likely improvement in value for money will be outweighed by the potential cost of changing contractor;
and/or
 - ii. the specification for the new requirement does not differ substantially from that of the existing contract;
and/or
 - iii. the contract terms and conditions of the new requirement do not differ from those of the existing contract except where required by changes to the Authority's Financial Regulations (including these Contract Procedure Rules) or relevant standard contracting practices;
and/or
 - iv. the equivalent annual value of the contract for the new requirement does not differ from that of the existing contract by more than +10% unless required by law;
and/or
 - v. the services required have previously been tendered or been subject to competitive quotations no more than five years prior to the end of the original contract having regard to the term of the contract to be offered and the volatility of prices and quality in the relevant sector;
and/or
 - vi. no more than two previous contracts for the required services have been exempted from obtaining quotations or tendering;
and/or
 - vii. the performance of the existing contractor in delivering the required services under the existing contract has been monitored and assessed as satisfactory or better;

and/or

- viii. the quality of the required services as provided by the existing contractor under the existing contract has been assessed as satisfactory or better;

and/or

- ix. improvements in value for money in respect of contract specification or contract price or service quality have already been secured or else will be secured under the terms of the new contract for the required services.

and/or

- x. the required services, where applicable, are necessarily delivered in specific accommodation and there is a significant risk that a change in contractor would result in the loss of that accommodation to the required services or service user(s) and also a significant risk that alternative accommodation will not be secured within a reasonable and practical timescale.

and/or

- xi. there is a reasonable probability that obtaining quotations or tendering the required services would result in significant distress or other detriment to the welfare of the service user(s) or would reverse or undermine the attainment of successful outcomes for the service user(s).

and/or

- xii. any other valid and relevant considerations which may be identified by the Responsible Officer in consultation with the Monitoring Officer as pertinent to the relevant contractor.

10.3 Exemptions from tendering on the basis of one or more of the reasons listed in CPR 10.2 may be granted in the following manner:

- (a) by the Chief Finance Officer, based on a written report from the Head of Service having consulted with the Head of Procurement and the Monitoring Officer, if the contract value is under £250,000;
- (b) by the Monitoring Officer, based on a written report from the Head of Service, having consulted with the Head of Procurement and the Chief Finance Officer, if the contract value is between £250,000 and £1,000,000.
- (c) by the Monitoring Officer and Chief Finance Officer, based on a written report from the Head of Service having consulted with Head of Procurement, Other Statutory Officer and Portfolio Lead Member if the contract value is over £1,000,000.

The Chief Finance Officer and Monitoring Officer in consultation with Head of Procurement may agree blanket exemptions in relation to frequently occurring exemptions of a similar nature.

10.4 No exemptions may be granted:

- (a) which would result in a breach of European or domestic law;
- (b) from CPR 3 (Officers' duties), CPR 4 (Declaration of Interests); CPR 5 (Scheme of Delegation), CPR 7 (Corporate Purchasing Agreements and Joint Procurement Arrangements);
- (c) from CPR 41 requiring approval of certain contract variations.

10.5 Exemptions from the CPR's can only be granted in the following circumstances:

- (a) at the direction of the Chief Finance Officer and Monitoring Officer subject to CPR 10.2 and CPR 10.3; or
- (b) in order to meet the requirements of European Union legislation or any domestic legislation including any regulations or directives from the National Assembly for Wales.

10.6 All single Tenders resulting from Exemption from the CPR's, Exemption from tendering or CPR waivers, shall be procured and evaluated via the e-sourcing solution (where available).

10.7 Each Head of Service shall keep a copy of the approved exemptions and waivers granted in respect of their Department, detailing the nature and value of the contract, the circumstances justifying the approval and the name of the contractor awarded. A central register of the same information will also be held on the Corporate Contract Register via the e-sourcing solution (where available).

APPROVED LISTS

11. Council Approved Lists and Vetting of Contractors

- 11.1 Quotations and Tenders for contracts which are not subject to EU Thresholds may be invited from Contractors included on the Council's Approved Lists.
- 11.2 The use of Approved Lists for various category spend areas will need the prior approval from the Head of Procurement and must be sought prior to set up or adoption of an Approved List.
- 11.3 All Approved Lists shall be compiled and maintained by named officers via the Approved List Management module within the e-sourcing solution (where available).
- 11.4 The Council's Approved Lists shall include all contractors that meet the Council's pre-qualification questionnaire requirements only and must not include any commercial / pricing elements.
- 11.5 Council Approved Lists shall:
 - (a) be compiled for any goods, services or works categories as the relevant Head of Service may require up to the contract value of £25,000 (Goods and Services) and £250,000 (Works). Higher contract values can only be undertaken with prior approval of the Head of Procurement
 - (b) include contractor who must have expressed and submitted a written request for the inclusion on the Council Approved List.
 - (c) indicate whether the contractors listed are approved for all contracts or for only some of the specified categories, values or amounts
 - (d) be publicly advertised and reviewed in full at least every three years. A public advertisement must be advertised as a minimum either on the Council's own website/National Procurement Website, or at least one local newspaper circulating in the locality or in at least one appropriate trade journal
 - (e) be open to receive new expressions of interest from any contractor,
 - (f) be an approved list prepared by another public body providing that it has been composed in a proper manner by that body and that the Responsible Officer is satisfied that the procedure used does not conflict with the Council's procedures.

- 11.6 The financial standing of Contractors shall be subject to continuous financial monitoring through a third party financial vetting service (where available); alternatively a manual financial checking process will need to be put in place. Whenever reasonable doubts arise as to the financial standing or technical capabilities of a contractor on a Council Approved List, Framework Agreement or Contract, the appropriate Head of Service may, in consultation with the Head of Procurement, immediately suspend that contractor from the Approved List / Framework Agreement or Contract (in exceptional circumstances).
- 11.6.1 Investigations of the contractor must take place immediately. If the suspicions are confirmed, the contractor may be removed from the Approved List / Framework Agreement or, if the suspicions are dispelled, the Head of Service must immediately reinstate the contractor to the List / Framework Agreement. The Head of Procurement shall be kept informed of any decision made in respect of the contractor. In the event that a Contractor is removed from the List/ Framework Agreement, then the Corporate Management Team shall also be notified of the decision.
- 11.7 If a contractor consistently declines to tender when invited or consistently submits tenders who are so high as to suggest that the contractor is not genuinely competing for the contracts, the Head of Service shall seek an explanation from the contractor. Subject to the explanation given by the contractor, the Head of Service may consider whether removal from the List / Framework Agreement must be recommended. Such recommendation must be made to the Head of Procurement who will decide whether to remove the contractor from the List / Framework Agreement. In the event that a Contractor is removed from the List / Framework Agreement, then the Corporate Management Team shall also be notified of the decision.
- 11.8 A contractor may be removed from the List / Framework Agreement if the appropriate Head of Service considers that the contractor or its staff have breached standards of conduct that are relevant to the nature of the work performed by the contractor. Action may be taken under this paragraph even if there are no doubts about the financial standing or technical capability of the contractor. Any decision to remove a contractor from a List / Framework Agreement under this paragraph shall be reported to the Head of Procurement. In the event that a Contractor is removed from the List / Framework Agreement, then the Corporate Management Team shall also be notified of the decision.
- 11.9 In the event that is deemed that the use of a specific Framework Agreement is more beneficial than the use of an Approved List for the same category of work as per CPR 7.3, the corresponding category of work on the Approved List including the Contractors shall be removed from use.

- 11.10 The consideration and / or use of contractors which are not on an Approved List, but where an Approved Lists for the relevant category is deemed to be in place shall not be allowed, unless the contractors are subject to a separate Pre-Qualification Questionnaire vetting exercise as part of a specific Tender.
- 11.11 Contractors shall be invited to tender by random selection by using the e-sourcing solution (where available), save that up to 50% of tender shortlist may also include contractors:
- (a) who has carried out similar work or has worked on an earlier stage of the project for the Council in the last two years and there is evidence that they have demonstrated the required performance standards. Once there is sufficient feedback available on the Contractor performance standards via the e-sourcing solution (when available), the best performing contractors shall be identified for the relevant category of work, and shall be considered for the tender short-list.
- 11.12 Contractors shall be selected from within the appropriate work category or, where the contract involves several categories, from all or most of the categories needed for the work. If this does not produce the minimum number of tenderers required, contractors shall be selected from any work category under the appropriate main heading.
- 11.13 In all cases, the Responsible Officer shall demonstrate on the Contract File how they compiled the tender invitation.
- 11.14 With respect to Contractors that are on Approved Lists, Framework Agreements or that have a Contracts in place, the financial standing (see CPR 11.6), level of Insurance cover including any policy exclusions, Accreditations, level of Prosecutions any other relevant information that may be subject to change / renewal, must be continuously checked and verified by Approved List Owner, Contract Manager or responsible officer that uses the relevant Framework Agreement.

PROCUREMENT PLANNING

12. Contract Value and Aggregation

- 12.1 Before conducting any procurement exercise the Responsible Officer will estimate and record the total monetary value and expected cost of a proposed contract, including any contract extensions, incidental or ancillary costs, net of VAT, over the full duration of the contract (not the annual value). For construction contracts, the estimate must be produced by a suitably qualified officer.
- 12.2 Where a service or supply contract does not stipulate a total price, the

contract value shall be estimated as follows:

- (a) fixed term service contracts of up to 48 months: total consideration payable over the term;
- (b) service contracts, or contracts for the hire of goods, for an indefinite (or uncertain) period or for a fixed term of more than 48 months: consideration payable in respect of each month multiplied by 48.

12.3 The contract value of regular or renewable service or supply contracts shall be estimated either:

- (a) by aggregating the value of similar contracts for the same categories of services or supplies awarded by the Council over the previous financial year or 12 months, adjusted where possible for anticipated changes in quantity or value over the next 12 months; or
- (b) by taking the estimated aggregate value during the twelve months following the first supply or service performed, or during the term of the contract where this is greater than 12 months

12.4 A contract can not be artificially divided into two or more separate contracts, nor a valuation method selected, with the intention of avoiding these CPR's. Contracts shall be packaged to ensure best service delivery, competition and value for money.

12.5 Where a purchasing requirement is subdivided into several contracts, the estimated value of each shall be aggregated to estimate the total contract value; however:

- (a) any works contract that has an estimated value of less than the small lots provision in the Table of Values; or
- (b) any service contract that has an estimated value of less than the small lots provision in the Table of Values need not be aggregated, provided that the aggregate value of all those contracts is less than 20% of the total contract value.

12.6 The Responsible Officer must be satisfied that authority exists within the Council's approved budget for such expenditure, or will exist before expenditure is committed and that he has the delegated authority to spend from such budget.

13. Pre-Tender Enquiries

13.1 Enquiries of contractors may be made before tenders are invited in order to:

- (a) establish whether goods, works or services that the Council wishes to purchase are available, and within what price range;
- (b) prepare tender documents, price estimates and contracts;

- (c) establish whether particular contractors wish to be invited to tender or quote.

13.2 In making enquiries:

- (a) no information shall be disclosed to one contractor which is not then disclosed to all those of which enquiries are made, or who are suitably invited to tender or quote;
- (b) no contractor shall be led to believe that the information they offer will necessarily lead to them being invited to tender or quote, or awarded the contract;
- (c) a written record, including notes of any meetings held, the responses and the names of all individuals present shall be kept by the Responsible Officer on the Contract File.

14. Purchasing Need and Procurement Planning Approval

14.1 The Head of Service shall, having established and identified a purchasing need, nominate a Responsible Officer to fully assess the purchasing need.

14.2 Before undertaking a procurement exercise, the Responsible Officer, shall ensure that:

- (a) All individual procurements projects over the value of £100,000 will require that a Procurement Plan checklist is completed by the Responsible Officer and sent to for approval to the Head of Procurement prior to undertaking any competitive market testing or negotiation.
- (b) With respect to procurement projects below the value of £100,000 a Procurement Plan checklist must still be completed and retained on contract file for inspection. Other than for Projects outlined in CPR 14.2 (c), where approval is required by the relevant Head of Service listed below, no further approval will be required.
- (c) With respect to the following specific procurement projects, additional approval to the above will be required as follows:
 - ICT procurement projects - additional approval to the above will be required from the Head of ICT & Customer Services or their designated Responsible Officer
 - Property and Works related procurement projects – additional approval will be required from the Head of Assets & Transportation or their designated Responsible Officer
 - Temporary staff Agencies (excluding Matrix) and Interim staff Agencies – additional approval will be required from Head of Human Resources & Occupational Development or their designated Responsible Officer

15. Sustainable Procurement

- 15.1 For all contracts exceeding £2,000,000 in value it will be mandatory to deliver a social, economic and environmental return on investment through the adoption of a community benefits approach.
- 15.2 For all contracts below £2,000,000 in value it will be optional to deliver a social, economic and environmental return on investment through the adoption of a community benefits approach. However, even for these contracts it will be desirable to deliver relevant community benefits.
- 15.3 All contractors that will be required to deliver Community Benefits shall be required to complete the Community Benefits Toolkit as part of their contractual requirements.
- 15.4 For all contracts over £100,000 for Goods and Services the Council shall take account of social, economic and environmental issues when making procurement decisions using the sustainable risk assessment template (SRA) as part of Procurement Plan Checklist approval (CPR 14).
- 15.5 The inclusion of Sustainable Procurement requirements arising from the Sustainable Risk Assessment (SRA) under CPR 15.4 shall be at the discretion of the relevant Head of Service, having taken into considerations any financial impact of including such requirements.

QUOTATIONS AND TENDERING

16. Contracts Valued at less than £10,000 (Goods & Services)

- 16.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.
- 16.2 Where practical, competition is required for contracts with an estimated value of less than £10,000. The need to obtain written request for quotation shall be at the Head of Service's discretion although this does not alleviate the Head of Service of his responsibility in being able to demonstrate that value for money has been obtained. The Responsible Officer shall obtain, where practical, a minimum of one request for quotation, which must be sourced from an Approved List of Contractors where such a list exists or alternatively if no Approved List is in place from the general list of registered suppliers on the e-sourcing solution (where available) or by public advertisement on the National Procurement Website.
- 16.3 The Request for Quotation shall be received through the e-sourcing solution (where available) or alternatively by written submissions by paper or secure locked e-mail. In the event that only ONE Request for Quotation is sought, then it can be received in writing on paper or

through e-mail which is not locked.

16.4 The Request for Quotation shall include as a minimum a technical specification, pricing schedule and Terms and Conditions.

16.5 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following acceptance of the Request for Quotation / signing of the contract.

17. Contracts Valued between £10,001 and £25,000 (Goods & Services)

17.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.

17.2 The Responsible Officer shall invite as a minimum three Tenders, which must be sourced from an Approved List of Contractors where such a list exists or alternatively if no Approved List is in place from the general list of registered suppliers on the e-sourcing solution (where available) or by public advertisement on the National Procurement Website.

17.3 The Tenders shall be received electronically through the e-sourcing solution (where available) or alternatively through written submissions by paper or secure locked e-mail. All Tenders received shall NOT be opened until the specified closing time and date has elapsed.

17.4 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following signing of the contract.

18. Contracts Valued between £25,001 and OJEU threshold (Goods & Services)

18.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.

18.2 The Responsible Officer shall invite as a minimum four Tenders which must be sourced as a minimum through a public advertisement via the National Procurement Website. Exceptions to this, shall be the use Approved Lists or the supplier directory on the e-sourcing solution (where available) by prior agreement with the Head of Procurement.

18.3 The Tenders shall be received through the e-sourcing solution (where available) or alternatively through written submissions by paper or secure locked e-mail. All Tenders received shall NOT be opened until the specified closing time and date has elapsed.

18.4 A Purchase Order Must be sent via the Purchase-to-Pay solution

(where available) following signing of the contract.

19. Contracts Valued over OJEU threshold (Goods & Services)

- 19.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.
- 19.2 The Responsible Officer shall invite as a minimum five Tenders which must be sourced as a minimum through a public advertisement via the National Procurement Website, which will also publish the same advertisement in the Office Journal of European Union (OJEU).
- 19.3 The Tenders shall be received through the e-sourcing solution (where available) or alternatively through written submissions by paper or through secure locked e-mail. All Tenders received shall NOT be opened until the specified closing time and date has elapsed.
- 19.4 All Tender notices for projects above the OJEU threshold (Goods and Services) shall be administered by the Head of Procurement.
- 19.5 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following signing of the contract.

20. Contracts Valued at less than £10,000 (Works)

- 20.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.
- 20.2 Where practical, competition is required for contracts with an estimated value of less than £10,000. The need to obtain written request for quotations shall be at the Head of Service's discretion although this does not alleviate the Head of Service of his responsibility in being able to demonstrate that value for money has been obtained. The Responsible Officer shall obtain, where practicable, a minimum of one request for quotation, which must be sourced from an Approved List of Contractors where such a list exists or alternatively if no Approved List is in place from the general list of registered suppliers on the e-sourcing solution (where available) or by public advertisement on the National Procurement Website.
- 20.3 The Request for Quotation shall be received through the e-sourcing solution (where available) or alternatively through written submissions by paper or secure locked e-mail. In the event that only ONE Request for Quotation is sought, then it can be received in writing on paper or through e-mail which is not locked.
- 20.4 The Request for Quotation shall include as a minimum a technical specification, pricing schedule and Terms and Conditions.

20.5 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following acceptance of the successful Request for Quotation/ signing of the contract.

21. Contracts Valued between £10,001 and £25,000 (Works)

21.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.

21.2 The Responsible Officer shall invite as a minimum three Tenders, which must be sourced from an Approved List of Contractors where such a list exists or alternatively if no Approved List is in place from the general list of registered suppliers on the e-sourcing solution (where available) or by public advertisement on the National Procurement Website.

21.3 The Tenders shall be received through the e-sourcing solution (where available) or alternatively through written submissions by paper or secure locked e-mail. All Tenders received shall NOT be opened until the specified closing time and date has elapsed.

21.4 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following signing of the contract.

22. Contracts Valued between £25,001 and £250,000 (Works)

22.1 The Responsible Officer shall check whether a Corporate Purchasing Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.

22.2 The Responsible Officer shall invite as a minimum four Tenders, which must be sourced from an Approved List of Contractors where such a list exists or alternatively if no Approved List is in place then from the general list of registered suppliers on the e-sourcing solution (where available) or by public advertisement on the National Procurement Website.

22.3 The Tenders shall be received through the e-sourcing solution (where available) or alternatively through written submissions by paper or secure locked e-mail. All Tenders received shall NOT be opened until the specified closing time and date has elapsed.

22.4 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following signing of the contract.

23. Contracts Valued over £250,001 (Works)

23.1 The Responsible Officer shall check whether a Corporate Purchasing

Arrangement is in use for the particular purchasing requirement. If so, an order shall be placed under the Arrangement accordingly.

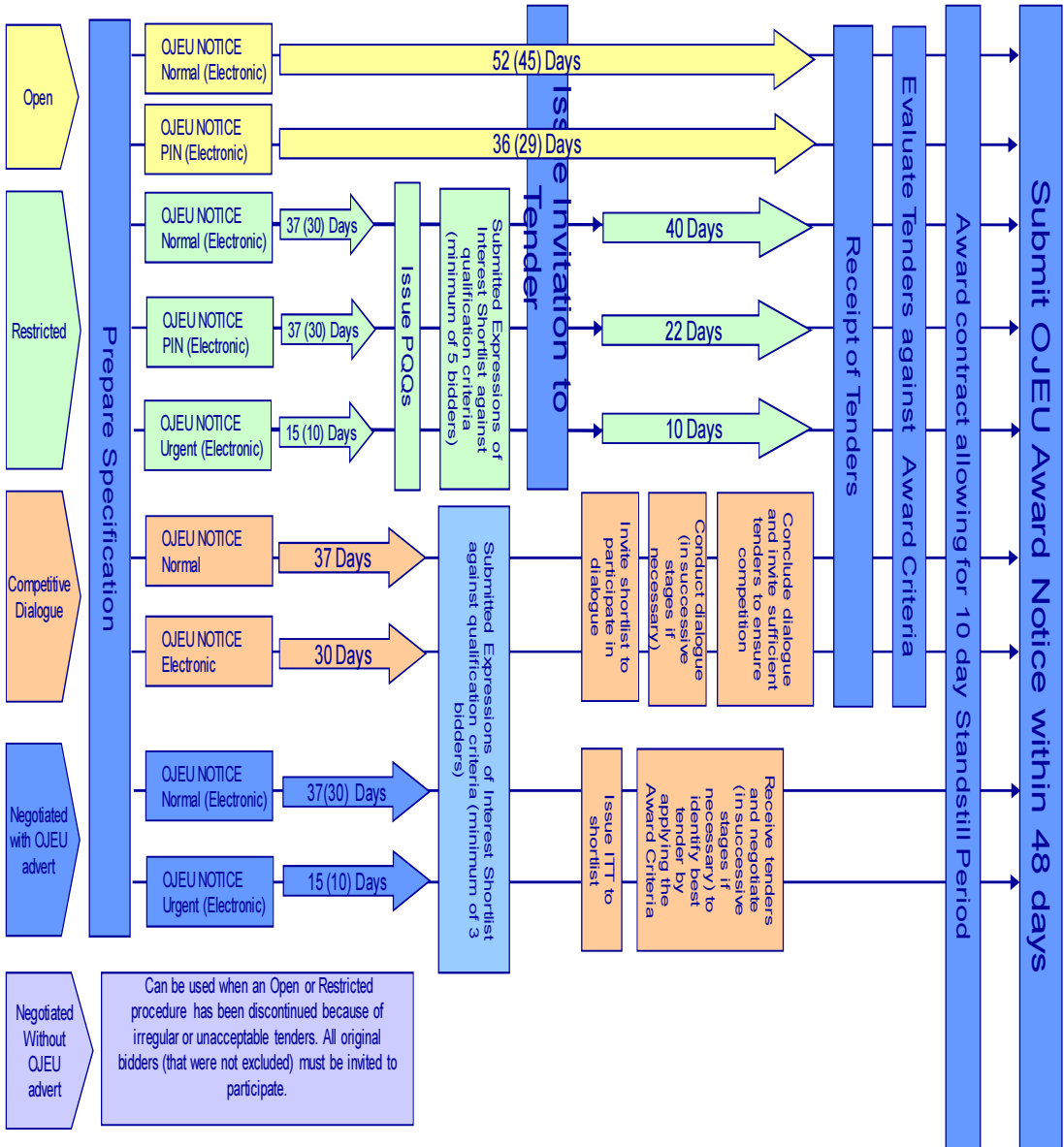
- 23.2 The Responsible Officer shall invite as a minimum five Tenders which must be sourced as a minimum through a public advertisement via the National Procurement Website. With respect to contracts above the OJEU threshold the same advertisement shall be published in the Office Journal of European Union (OJEU). Exceptions to public advertisement shall be the use of Approved Lists or the supplier directory on the e-sourcing solution (where available) only following approval from the Head of Procurement for contracts below the OJEU threshold (Works) only.
- 23.3 The Tenders shall be received through the e-sourcing solution (where available) or alternatively through written submissions by paper or secure locked e-mail. All Tenders received shall NOT be opened until the specified closing time and date has elapsed.
- 23.4 All notices for projects above the OJEU threshold (Works) shall be administered by the Head of Procurement.
- 23.5 A Purchase Order Must be sent via the Purchase-to-Pay solution (where available) following signing of the contract.

24. Timescales for receiving requests for Requests for Quotes and Tenders

- 24.1 For all Tenders below the OJEU threshold for Goods, Services and Works there is NO prescribed timescale duration for receipt of documentation e.g. Pre Qualification Questionnaire and / or Tender documentation, since all projects need to be assessed based on its own complexity and to allow sufficient timescales for contractors to provide suitable bids.
- 24.2 For all Tenders (Goods, Services and Works) above the OJEU threshold the timescales for various procedures MUST follow the following process chart:

OJEU Process Chart

Click the first arrow of each procedure to link to a more detailed flowchart



Scottish Public Procurement Toolkit

25. Request for Quotes and/or Invitation to Tender Documentation

- 25.1 The Invitation to Tender documentation (including Pre Qualification Questionnaire, Invitation to Tender and Award Letters) and all other procurement documentation used shall be in compliance with the corporate standard documentation as approved or amended from time to time by the Head of Procurement.

26. Tender Specifications

- 26.1 The Responsible Officer shall ensure the tender specifies the quality, performance, safety and other characteristics required of the works, services, or supplies. Specifications may include requirements relating to methods of construction, design and costing, tests, testing methods, inspection and acceptance, quality assurance, packaging, marking and labelling.
- 26.2 Technical specifications shall be defined by reference to relevant European specifications or, where they do not exist, in the following order: to British technical specifications, British standards implementing international standards, other British standards and technical approvals or any other standards. Where an appropriate standard is current at the date of tender, all works services and supplies shall be at least of equal quality.
- 26.3 Specifications shall not refer to supplies of a particular make or source unless:
- (a) it is justified by the tender requirement; or
 - (b) the tender requirement cannot otherwise be described precisely and intelligibly, provided references are accompanied by the words 'or equivalent'

27. Tender Opening

- 27.1 All Tenders with exception to Request for Quotations under £10,000 where there is only ONE quote invited shall be opened at the same time and place after the closing time for receipt as stated in the documents or as early as reasonably practical thereafter. The bids shall be accessed via the e-sourcing solution (where available) or alternatively by paper bids or secure locked e-mail.
- 27.2 Where the estimated value of a Contract is above £10,000, Tenders shall be opened at the same time in the presence of at least two officers of the Council designated for the purpose by the Head of Service concerned. At least one of the Officers present must be independent of the project and not had involvement in document

preparation or be involved in the evaluation of Tenders received. The Tender opening will be arranged by the Head of Service.

- 27.3 Every Invitation to Tender shall state that a Bid will only be considered if it is received by a specified time and date via the E-sourcing solution (where available) or e-mail or with respect to paper tenders in a sealed plain envelope with the word "Tender" and the name of the contract written on it. If the envelope bears any distinguishing matter or mark intended to indicate the identity of the sender, the Bid may be deemed invalid.
- 27.4 All Tenders shall be submitted via the e-sourcing solution (where available), secure locked e-mail or by paper. All paper Tenders shall be delivered to the named Head of Service who shall be responsible for the safe custody of Tenders until such time as they are officially opened.
- 27.5 On receipt, all bids received (electronically or paper based) shall be endorsed with the time and date of receipt and kept secure by the Responsible Officer until the time specified for Tender opening.
- 27.6 If a paper based Tender is opened in error, no attempt shall be made to ascertain any contents of the bid or its origin and the matter shall be reported to the appropriate Head of Service. The envelope shall be resealed immediately and signed by the designated Responsible Officer who opened the envelope and the Head of Service. If the Head of Service has reason to suspect a breach of confidentiality or irregularity has occurred, the Head of Service shall consider arranging for re-Invitation to Tender and report without delay to Internal Audit.
- 27.7 The designated persons present at the Tender opening shall record the following details of each tender:
 - (a) the last date and time for the receipt of bids;
 - (b) the name of each Bidder and the amount of each bid;
 - (c) the date the Tenders were opened;

And the record shall be signed by all designated persons present at the Tender opening.

28. Late Tenders received

- 28.1 Any bid received after the specified time shall be endorsed with the time and date of receipt.
- 28.2 If all other bids have been opened, the late bid shall not be considered for evaluation and shall be opened only to ascertain the name of the contractor. No other details of the Bid shall be disclosed. The Responsible Officer shall arrange for the bid to be returned (if paper based) to the Contractor immediately. A notification letter explaining

why the bid has not been considered shall be sent to the Contractor.

28.3 The late bid may be considered, providing that the other bids have not been opened and that the Monitoring Officer is satisfied:

- (a) that there is evidence that the late bid was posted / submitted in time for delivery by the due date in the normal course of postal service/ internet service or
- (b) that exceptional circumstances surrounds the submission of the late bid.

28.4 Any decision made under CPR 28.3 is to be recorded on the Contract File signed by the Monitoring Officer and a copy of the decision is to be forwarded to the Head of Procurement.

29. Tender Evaluation and Alterations

29.1 All Tenders above £100,000 (Goods, Services and Works) shall be evaluated and awarded on the basis of MEAT (Most Economically Advantageous Tender) only, which shall include a combination of Price and Quality criteria, unless an Exemption to this requirement has been approved by the Head of Procurement. (See CPR 29.3)

29.2 Lowest price evaluation will only be used as an option for contracts below £100,000 and shall solely be awarded on price only in those circumstances. Any Exemption to this requirement shall need prior approval by the Head of Procurement.

29.3 Where a contract is to be awarded on the basis of Most Economically Advantageous Tender (MEAT), the Bids shall be evaluated by an Evaluation Team consisting of a minimum of TWO Responsible Officers, in accordance with the criteria stated in the Tender Evaluation documents. With respect to OJEU Tenders, the Corporate Procurement Unit (CPU) staff shall be notified of the evaluation process by the Evaluation Team and the CPU staff shall be involved in overseeing the tender evaluation process, in order to ensure robustness of process.

29.4 Any particular scoring or weighting attributable to any criteria or sub criteria must be clearly stated in the Invitation to Tender documentation. In addition, the criteria shall be strictly observed (and remain unchanged) at all times throughout the evaluation stage. It must be noted that prior disclosure of and adherence to award criteria and weightings is a fundamental requirement of the core principle of transparency. The core procurement principles (transparency, equal treatment, non-discrimination) apply even to sub-OJEU threshold procurements.

29.5 As a general rule no adjustment or qualification to any bid is permitted. Errors found during the examination of bids shall be dealt

Within one of the following ways:-

- 29.6 Where there is an error of clerical or arithmetical transcription or computation manifest upon the face of the document which would affect the tender figure in an otherwise successful tender, the tenderer shall be given details of such errors in writing and shall be allowed the opportunity of correcting those errors;
- 29.7 Where examination of Tenders reveals other errors not stated in CPR 29.6 or omissions which would affect the Tender figure, the Tenderer shall be given details of such errors and an opportunity of confirming or withdrawing its Tender. Where it is in the best interests of the Authority the Tenderer may be given the opportunity to correct its tender.
- 29.8 In relation to Works Contracts, The Relevant Responsible Officer shall be responsible for scrutinising the forms of Tender in order to identify any errors or other discrepancy affecting the validity of the Tender. Where Tender amounts are compiled from a detailed Bill of Quantities the Responsible Officer shall also scrutinise the priced Bill of Quantities supporting the lowest Tender received and any others he considers appropriate. Where scrutiny reveals a discrepancy between a Tender amount and a priced Bill of Quantities the Responsible Officer shall notify the Tenderer who shall be offered the option of either correcting the Tender amount, the rates entered in the Bill of Quantities remaining unaltered or withdrawing the Tender. If it is in the best interests of the Authority, the Tenderer may be given the opportunity to correct the Tender. Where a standard form of contract is being used, errors in the contract will be dealt with in accordance with the rule applicable to that form of contract.
- 29.9 With relation to Works Contracts, if the contractor withdraws, or the corrected bid is no longer the highest ranking bid, the bid from the next highest ranking contractor in competitive order will be called in to be examined in more detail.

30. Post Tender Negotiations and Tender Bid Clarifications

- 30.1 Where the procurement is conducted pursuant to the Public Contracts Regulations 2006 through either the open, restricted or competitive dialogue procedures, no post-tender negotiations are permitted. The responsible officer may seek clarification from tenderers where appropriate in consultation with the Head of Procurement. Negotiations on price are never permissible except where the negotiated procedure or electronic auctions are used. The negotiated procedure must only be used in those exceptional cases where it is lawful to do so under the Public Contracts Regulations 2006 (Regulation 14).
- 30.2 Where Sub OJEU contracts are conducted within these CPRs (i.e. they are below the relevant OJEU thresholds) the Head of

Procurement may authorise negotiations if he/she considers that it is in the Council's interest to do so. Such negotiations must be undertaken by TWO responsible officers and must not distort competition, and it must be remembered that the core principles of transparency, non-discrimination and equal treatment apply to below-threshold contracts, therefore negotiations must be kept to a minimum. Negotiations must stay strictly within the boundaries authorised by the Head of Procurement and a written record must be kept of all negotiations and the final outcome.

- 30.3 At all times during the procurement process the Council shall ensure that all contractors are treated equally and in a non-discriminatory and transparent manner.
- 30.4 The Responsible Officer may negotiate a revised bid in the manner set out in CPR 30.2, provided the specification and terms of the contract remain substantially unaltered:
- (a) where tendering produced no tenders or inappropriate tenders, for example where the tender figure in an otherwise successful tender exceeds approved or budgeted expenditure, or where the sum has changed since tenders were invited; or
 - (b) where tendering was discontinued because of irregular bids, for example because contractors failed to meet the requirements specified in the bidding documents or offer variations on them, or the works, supplies or goods fail to meet the technical specification.
- 30.5 The Responsible Officer shall invite all contractors to amend their bids, in writing, in such matters (e.g. unit price, delivery, discounts or by removing elements of the old bill of quantities) as the Responsible Officer specifies. All negotiations shall be conducted by at least two officers of different disciplines, one of whom is not involved in the contract award. The Responsible Officer shall keep a written record of all negotiations, including notes of all meetings and the names of all individuals present.
- 30.6 Where post-tender negotiation results in a fundamental change to the specification or contract terms, then advice must be sought from the Head of Procurement or Monitoring Officer, since the contract must not be awarded but re-tendered.

31. Request for Quotations / Tender Award Approvals

- 31.1 No contract may be awarded unless the expenditure involved has been included in approved estimates or on capital or revenue accounts, or has been otherwise approved by, or on behalf, of the Council. The Responsible Officer shall ensure that evidence of authority to spend and the budget code to be used is recorded on the Contract File.

- 31.2 When awarding contracts, framework agreements or mini competitions based on MEAT which are the most economically advantageous (based on price and quality criteria) or Lowest Price; Award approvals must be undertaken in the following manner:
- (a) by the Head of Service / Director, based on a written report from the Responsible Officer if the contract value is under £250,000;
 - (b) by the Head of Service / Director, based on a written report from the Responsible Officer, having consulted with the Head of Procurement, Chief Finance Officer and Monitoring Officer if the contract value is between £250,000 and £1,000,000.
 - (c) by the Monitoring Officer and Chief Finance Officer, based on a written report from the Head of Service / Director having consulted with Head of Procurement, Other relevant Statutory Officer(s) and relevant Cabinet Member if the contract value is over £1,000,000.
- 31.3 When awarding contracts, framework agreements or mini competitions based on lowest price only; Award approvals must be made to the Contractor submitting the lowest price, unless the quote or tender is deemed to be an abnormally low bid which cannot be sustainable in order to deliver the contract
- 31.4 The Responsible Officer shall following obtaining approval for Tender Award and having received no legal challenges during the “Standstill” period, ensure all Contracts are in writing as per CPR 35 and that a Purchase Order is entered on to the Purchase-to-Pay solution (where available), once the contract has been signed.
- 31.5 The Responsible Officer shall record all contracts awarded by their Department, on a Corporate Contract Register via the E-sourcing solution (where available).
- 31.6 The Responsible Officer shall send a Contract Award Notice to the OJEU within 48 days of the award with respect to an above OJEU contract and shall publish a Contract Award Note to be published on the National Procurement Website for any other contracts below the OJEU threshold. The requirement to publish a contract award notice also applies to “Part B” services contracts (such as health and social care, and legal services) where the value exceeds the relevant OJEU threshold.
- 31.7 If a contract is to be awarded to a department of the Council, a record of the contract must be published in the Corporate Contract Register on the e-sourcing solution (where available) and a Service Level Agreement must be signed between the relevant Head of Services.

32. Notification of Tender Award and De-briefing requests

- 32.1 'Standstill' letters issued as part of the OJEU tender process under the Public Contracts Regulations 2006 or optionally as part of any Sub-OJEU tender process must not be issued prior to confirmation of tender award.
- 32.2 There must be a mandatory standstill period between communicating the award decision to all tenders and conclusion of the contract with respect to OJEU tenders. This standstill period shall be 10 calendar days if sent electronically or 15 days for notices sent by other methods. Where the last day of the standstill period is not a working day, the standstill period is extended to midnight at the end of the next working day.
- 32.3 With respect to tender awards involving mini competition's undertaken within a Framework Agreement or tender awards with respect to Sub-OJEU tenders, it's still advisable to include a Standstill period as per CPR 32.1 and CPR 32.2.
- 32.4 The Notification letters which are sent to any Contractor who was successful and unsuccessful at either Pre Qualification or Tender Award stage shall be sent promptly once the decision has been made at either selection or award stage. The Contractor shall be informed of the reasons for being unsuccessful and shall also be informed of the characteristics and relative advantages of the successful contractor as well as the name of contractor awarded the contract.

33. Letters of Intent

- 33.1 Letters of Intent must only be used in exceptional circumstances after prior approval in writing has been obtained from the Monitoring Officer and shall only be used in exceptional circumstances as follows:
- (a) where the contractor is required to provide services goods or works prior to formal written acceptance by the Council; or
 - (b) where all the contractual terms and conditions have been agreed and there would be an unacceptable delay in waiting for the contractual documentation to be completed.

34. Non-concluded Terms and Conditions of Contract

- 34.1 The council must always ensure that terms and conditions are fully agreed, by including them in the bidding documents and requiring contractors to accept them as part of the bidding process.
- 34.2 Where the Terms and Conditions of contract are not fully agreed, no contractor shall be allowed to commence delivery of goods, works or services until all Terms and Conditions have been agreed and signature or written agreement of both parties obtained.

- 34.3 The Council must in no circumstances contemplate entering into a contract on the contractor's own standard terms and conditions, or negotiate terms which are significantly different to those included or referred to at tender stage, without the prior approval of the Monitoring Officer and subject to CPR 30.

FORM OF CONTRACT

35. Contracts in Writing

- 35.1 The following contracts shall be in writing and executed under seal:
- (a) if the Council wishes to enforce the contract for more than six years after its end;
 - (b) where the price paid or received under contract is a nominal price or there is no consideration and does not reflect the value of the works goods or services;
 - (c) where there is any doubt about the authority of the person signing for the other contracting party;
 - (d) where it is required by law; or
 - (e) where the total value of the Contract exceeds £250,000.

The seal must not be affixed without the authority of Cabinet or of a Cabinet Member or Director or a Head of Service acting under delegated powers. All contracts under seal will also require an official Purchase Order to be created on the Purchase-to-Pay solution (where available).

- 35.2 All other contracts between £25,000 and £250,000 shall be in writing and in a form Contract approved by the Monitoring Officer and signed by at least two authorised officers. All contracts in excess of £25,000 will also require an official Purchase Order to be created on the Purchase-to-Pay solution (where available).
- 35.3 All contracts above £10,000 and below £25,000 in value shall also be in writing and in a form of contract approved by the Monitoring Officer and be signed by the relevant Head of Service / Director or their nominated representative. All contracts above £10,000 and below £25,000 will also require an official Purchase Order to be created on the Purchase-to-Pay solution (where available).
- 35.4 All contracts below £10,000 in value shall be in the form of an official Purchase Order which refers to the Council's relevant General Terms of Conditions or such other Terms and Conditions included in Request for Quotation. All such contracts and shall be created on the Purchase-to-Pay solution (where available) and can be approved / signed by the relevant Head of Service / Director or their nominated representative.
- 35.5 Emergency contracts awarded under CPR 10.2(d) need not be in writing before commencement but must be confirmed in writing as soon

as possible.

- 35.6 All original contracts in writing above £10,000 shall be stored and retained within Legal and Democratic Services. However, the responsibility to scan all contracts in writing above £10,000 and input onto the Corporate Contract Register on the e-sourcing solution (where available) and also to send original contracts to Legal and Democratic Services shall vest with the Responsible officer.
- 35.7 Where there is an appropriate national standard form of contract, that standard form shall be used, subject to any amendments as may be agreed with the Monitoring Officer in consultation with relevant Head of Service.
- 35.8 Commencement of any contract shall not take place until the written contract is finalised except in cases of emergency, in which case the written contract shall be finalised as soon as practicable.

36. Bonds, Securities, Liquidated and Other Damages

- 36.1 The Responsible Officer shall undertake a risk assessment to determine whether a performance bond or performance guarantee is required.
- 36.2 All such Contracts include a provision where applicable for liquidated damages to be paid by the contractor in case the terms of the contract are not duly performed, save where the Monitoring Officer approves another type of remedy.

37. Parent Company Guarantee

- 37.1 The Responsible Officer shall seek a Parent Company Guarantee when a Contractor is a subsidiary of a parent company and/or
- 37.2 The award is based on evaluation of the parent company; or
- 37.3 There is some concern over the stability of the Contractor.

OPERATION OF CONTRACT

38. Contract Management

- 38.1 All contracts must have a named contract manager for the entirety of the contract. Contract managers must follow the procedures set out by the Head of Procurement.
- 38.2 All contracts which are strategically critical and / or high risk and / or high value and / or high profile as determined by the relevant Head of Service within their own service area, are to be subject to a minimum monthly formal contract review with the contractor.
- 38.3 All contract management activities shall be undertaken via the e-sourcing solution (where applicable).

39. Contract Performance

- 39.1 All Contractors shall be subjected to regular contract performance reviews, which shall be undertaken via the e-sourcing solution (where available) through feedback received from external and internal stakeholders. If practical, a performance review shall be undertaken at the end of each completed contract / job. This shall include a requirement to record good and bad performance including complaints, issues and defects arising under a contract and to monitor the aggregation of contractor defaults including performance issues.
- 39.2 Incidents of poor performance shall first be raised with the contractor in writing, or at a meeting where notes are made and sent to the contractor, before the annual report is despatched. In cases of particularly poor performance, or persistent poor performance, the Responsible Officer shall consider whether to recommend suspension or exclusion from the Council's Approved List or Framework Agreement (CPR 11) or to terminate early the contract as per CPR 40.
- 39.3 A customer satisfaction form should be devised and issued on a random and periodic basis to contractors in order for them to express their views and opinions on the operation of the approved list, framework agreement or contract.

40. Termination of Contract

- 40.1 Contracts of less than £250,000 may be terminated early by the relevant Head of Service / Director in consultation with the Monitoring Officer based on a written report by the Head of Service / Director.
- 40.2 Contracts with a value above £250,000 may be terminated early only by the Monitoring Officer in consultation with the Chief Finance Officer, Head of Procurement and Portfolio Lead Member based on a written report by the Head of Service / Director.
- 40.3 Any contracts that are terminated early must be recorded against the contract entry on the Corporate Contract Register.

41. Contract Variations and Contract Extensions

- 41.1 No variation or extension may be made to the Contract if the proposed variation would:
- (a) extend the Contract period by more than 50% or more than three calendar months, whichever is the greater; or

- (b) add more than 20% to the agreed Contract sum; or
- (c) mean the works, services or goods to be added to or deleted from the original Contract are substantially different in scope: or
- (d) be in breach of EU Regulations.

UNLESS IT HAS BEEN APPROVED BY:

- 1) By the relevant Head of Service / Director if the Contract value is under £250,000 (including the aggregated value of variations) based on a written report by the Responsible Officer providing that the variation costs can be met within the budget;
 - 2) By the Monitoring Officer, in consultation with the Chief Finance Officer based on a written report from the Head of Service / Director, if the Contract value is between £250,000 and £1,000,000 (including the aggregated value of variations), providing that the variation costs can be met within budget;
 - 3) by the Monitoring Officer and Chief Finance Officer, based on a written report from the Head of Service having consulted with Head of Procurement, Other Statutory Officer(s) and Cabinet Member if the contract value is over £1,000,000 (including aggregated value of variations), providing the variation costs can be met within budget.
- 41.2 The value of a variation or extension shall be calculated by taking the aggregate value of all variations or extensions made to the Contract. No variation, which adds to the cost of the Contract, shall be made until funding has been identified by the relevant Head of Service / Director.
- 41.3 Subject to CPR 41.1 and the provisions of the Contract, every other variation or extension shall, unless otherwise deemed appropriate, be authorised in writing by the relevant Head of Service / Director or the Responsible Officer as delegated by the Head of Service / Director, providing that the variation costs can be met within budget.
- 41.4 CPR 41.1 shall not apply in cases of emergency or where the cost of Contract delay would exceed the variation/extension costs. In such cases, the variation or extension may be approved by the appropriate Head of Service / Director providing that the same is reported as soon as practicable under the applicable thresholds as in CPR 41.1 to report on the impact of a variation order on a Contract, including budget implications.
- 41.5 For the avoidance of doubt, no variation may be made to a contract if the proposed variation would mean the works, services or goods to be added to the original contract are substantially different in scope or type to those contemplated by the original procurement exercise.

- 41.6 As soon as it becomes known or apparent that the total cost of a scheme including variations will or is likely to exceed the contract sum by more than 5%, the Chief Finance Officer or delegated Accountant must be informed immediately for financial monitoring purposes and may inform the responsible officer of any further financial requirements to be complied with.
- 41.7 Contract variations which change any significant term of the contract (particularly as to price, quality or balance of risk) have the potential to amount to a new contract variations must therefore only be considered where:
- (a) The proposed variation is within the scope of the original tender (including any possible extensions or options which were included in the contract notice/advertisement or tender documents);
 - (b) The proposed variation does not significantly exceed the value of the original tender (including any possible extensions or options which were included in the contract notice/advertisement or tender documents);
 - (c) Variations of the type proposed were contemplated at the time the original procurement exercise was carried out; or
 - (d) The variation is permitted under the terms and conditions of the contract (provided that those terms and conditions were known to tenderers at the time of the original tender).
- 41.8 However, variations which alter the balance of risk in favour of the Council may in certain circumstances be judged not to be anti-competitive and thus may be permissible. Permission of the Monitoring Officer in consultation with Head of Procurement must always be sought to determine if the variation is deemed significant.
- 41.9 The decision to extend the contract period (term) may only be made before the original expiry date, where it is in accordance with the terms and conditions of the original contract.
- 41.10 Where the terms of the contract and or original procurement exercise do not expressly provide for extension then such contract may only be extended in exceptional circumstances, where legislation permits and value for money issues have been addressed. Such decision shall be made by the relevant Responsible Officer in consultation with the Head of Procurement and Monitoring Officer.
- 41.11 All contract variations shall be entered on the e-sourcing solution (where available) and an amendment shall be made to the original Purchase Order via the Purchase-to-Pay solution (where available).

42. Contract Payments

- 42.1 The relevant Head of Service shall notify the Chief Finance Officer the contract value as soon as possible after any formal contract has been

entered into by either ensuring a Purchase Order is submitted on the purchase-to-pay solution (where available) or by written notification, and shall make available the contract documents and accepted tenders to the Internal Audit Manager for inspection as and when required.

- 42.2 Where contracts provide for payment to be made by installments, the relevant Head of Service shall arrange for the keeping of a Contract Register to show the state of account on each Contract between the Council and the Contractor in respect of all Contracts.
- 42.3 Payments to contractors on account of contracts shall be made only on a certificate issued by the relevant Head of Service / Director (or private consultant whenever engaged by the Council) as appropriate, or by an officer nominated by him. The names of officers authorised to approve such records shall be sent to the Chief Finance Officer by each Head of Service, together with specimen signatures (if applicable), and shall be amended on the occasion of any change.
- 42.4 The Internal Audit Manager shall, to the extent he considers necessary, examine final accounts for contracts and he shall be entitled to make all such enquiries and receive such information and explanations as he may require, in order to satisfy himself as to the accuracy of the accounts.
- 42.5 The Chief Finance Officer may at his discretion set off any sums due from a contractor to the Council against any sums due from the Council to the contractor.
- 42.6 Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Monitoring Officer and Chief Finance Officer before a settlement is reached.
- 42.7 Where completion of a contract is delayed beyond the original contract period or extended contract period within the terms of the contract, it shall be the duty of the relevant Head of Service / Director, in consultation with the Chief Finance Officer and Monitoring Officer, to consider what appropriate action, if any, must be taken in respect of a claim for liquidated damages by the Council under the contract.
- 42.8 The Responsible Officer approving invoices should be different to the Responsible Officer engaging the contractor to ensure proper segregation of duties

43. Assignments and Novation

- 43.1 When any request for Assignment or Novation is made it must be referred to the Monitoring Officer at the earliest possible instance.

44. Nominating Products/Contractors/Suppliers

- 44.1 The core procurement principles of transparency, non-discrimination and equal treatment are undermined by the nomination of products and suppliers.
- 44.2 Councils must first of all seek to specify goods and services by reference to objective, non-product specific descriptions. Equivalent goods or services are nearly always capable of being specified. If this is not possible for genuine technical reasons, and a particular type of product or service or method of production or delivery has to be stated, then the words “or equivalent” must always be added.
- 44.3 As regards nomination of suppliers, contractors or sub-contractors, this can be done provided Request for Quotations or Tenders has been obtained as per these CPR’s.
- 44.4 It is permissible to provide potential main or principal contractors with lists of council-approved suppliers or sub-contractors provided that it is made clear to the main/principal contractors that they are completely free to sub-contract to whoever they wish subject to the Council’s right to consent which shall not be withheld unreasonably subject to meeting the council’s reasonable requirements, such as technical standards, financial standing or insurance levels.
- 44.5 These CPR’s apply to the nomination of a sub-contractor or supplier for carrying out works or services or supplying goods. Sub-contractors or suppliers shall send with the tender an undertaking to work for the main contractor and indemnify them for the sub-contracted works, services or goods.

45. Land Contracts

- 45.1 All land transactions must comply with Section 120 -123 of the Local Government Act 1972.
- 45.2 Any Land Contracts which are deemed to be Development Agreements, where:
- the Council requires or specifies works to be undertaken by the Developer
 - the Developer enters into an enforceable written obligation (under a development agreement to carry out the work and
 - there is some pecuniary interest –which need not necessarily be a cash payment- in carry out the work

The appointment of a Developer may be subject to the Public Contracts Regulations 2006 and CPR 20, 21, 22 & 23 of these Rules. Any Land Contracts which involve Development Agreements shall be notified to the Monitoring Officer and advice sought.

46. Use of Consultants

- 46.1 The engagement of consultants must be approved, in the first instance, by the Relevant Head of Service / Director and such approval shall be recorded on a Corporate Register of Consultants that may be in place centrally.
- 46.2 When calculating the estimated value of the contract due consideration must be given to any follow on work that may result from the original contract. Where it is proposed that consultants are engaged by the Council, the Relevant Head of Service shall ensure that:-
- (a) there is a clear identification of need. In particular, the availability of in-house resources must be considered before seeking to engage external consultants;
 - (b) a budget has been agreed;
 - (c) a project brief has been prepared;
 - (d) Tenders have been invited in accordance with these CPRs, including any in-house bids unless CPR 10 applies;
 - (e) comprehensive criteria, against which proposals will be evaluated, are set
 - (f) the selection decision is clearly documented;
 - (g) a formal agreement or detailed letter of engagement is prepared and signed;
 - (h) fee payments and progress are monitored;
 - (i) a detailed Contract File is maintained;
 - (j) performance is reviewed and adequate management monitoring and reporting is in place, including implementation of any recommendations made by consultants.
 - (k) there is a clear requirement for knowledge and skills transfer from the consultant to in-house staff
- 46.3 Consultants shall be required to provide evidence of and maintain professional indemnity policies to the satisfaction of the Relevant Head of Service for the periods specified in the respective agreement. The sum insured shall be not less than £5 million but Head of Service may require a greater sum in appropriate cases. The excess for any one claim shall be no more than £50,000 except with the approval of the Chief Finance Officer
- 46.4 For the engagement of technical external staff as architects, surveyors, engineers and lawyers, the Relevant Head of Service shall annually review the level of use of such external staff
- 46.5 Where consultants or technical external staff as architects, surveyors, engineers or lawyers are appointed to be responsible for supervision of a contract on behalf of the Council, it shall be a condition of appointment that they shall comply with these Rules and Financial Procedure Rules, in relation to that contract, as if they were an Officer of the Council and that, on completion of the contract, they shall submit all relevant records to the Relevant Head of Service.

47. Retention of Contract Files

- 47.1 The Contract File prepared for all contracts over £10,000 must be kept for six years from the end of the contract term unless the contract was executed under seal, in which case the contract must be kept for twelve years from the end of the contract term. With respect contracts funded by Wales European Funding Office grants, the Contract Files shall be kept for twenty years from the end of the contract term.
- 47.2 Documents relating to unsuccessful tenderers may be micro filed or electronically scanned or stored by some other suitable method after 12 months from award of contract, provided there is no dispute about the award.

48. Review and Amendment of the CPR's

- 48.1 The Head of Procurement in conjunction with the Monitoring Officer shall continually review Contract Procedure Rules and shall undertake a formal review every three years.

Schedule 1

Table of Values

The relevant EU Thresholds for the period between 1st January 2012 and 31st December 2013 are as follows:

Contract provisions

Works	SDR € 5,000,000	£4,348,350
Supplies and Services	SDR € 200,000	£ 173,934

Small lots provisions

Works	€1,000,000	£869,670
Services	€ 80,000	£ 69,574

Prior Information Notices Thresholds

Works	€ 5,000,000	£4,348,350
Supplies and Services	€ 750,000	£ 652, 253

The EU Thresholds are published in the “C” series of the Official Journal of the European Union in the November preceding the 1st January revision.

Any queries regarding the thresholds must be referred to the Council’s Corporate Procurement Unit.

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CONSTITUTION COMMITTEE**

DATE: **WEDNESDAY, 17 JULY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVIEW OF FINANCIAL PROCEDURE RULES**

1.00 PURPOSE OF REPORT

1.01 To provide Constitution Committee with the proposed updated Financial Procedure Rules (FPR's) for comment and endorsement prior to approval at County Council on 23rd July 2013. The updated FPR's are attached as Appendix A.

2.00 BACKGROUND

2.01 Section 151 of the Local Government Act 1972 and the Accounts and Audit (Wales) Regulations require the Council to make arrangements for the proper administration of its financial affairs.

2.02 On 29th June 2011 the Council approved and adopted the current FPR's.

2.03 The FPR's state that: 'The Chief Finance Officer is the Officer responsible for the interpretation of these Procedure Rules, responsible for ensuring that they remain appropriate to the Council's activities. An annual review will take place and each individual rule will be reviewed at least every two years. The outcome of each review will be reported to Council, along with any recommendations for changes. Should there be any urgent changes required; these will be recommended to Council between annual reviews.'

2.04 This report details the recommended changes following the fifth review. A review was due in 2012; this did not take place due to delays in the implementation of the Finance Function Review.

2.05 The proposed changes have been prepared in consultation with the Corporate Finance Management Team, Finance Officers, Internal Audit Officers, Corporate Services Officers and Head of Legal and Democratic Services.

3.00 CHANGES TO EXISTING RULES

3.01 General

The revised regulations reflect the following issues which have arisen since the last review:

- (a) There are amendments to wording throughout the report such as replacing Executive with Cabinet and updating job titles to update the document to reflect the current organisational structure and constitution.
- (b) Issues arising following internal audit work.
- (c) The introduction of the Council's Purchase to Pay system and revised Contract Procedure Rules.
- (d) The Strengthening of budget management arrangements in relation to accountability, forecasting and reporting.
- (e) Updated arrangements in relation to the Council's approach to risk management.
- (f) A Glossary of Terms has been added which covers the technical terms used within the document.

3.02 As reported in the Annual Corporate Governance Statement (identified through the Self Assessment process by each Director) briefing sessions and awareness raising for staff will commence in October 2013.

Once approved the updated FPR's will be published on the Infonet.

The review is a two stage process. The first part of the review has been to update all FPR's to reflect the general issues above and FPR's 2,3,4, 10 and 19 have been considered in greater depth as detailed in 3.03 to 3.07 below.

The second stage will involve an in depth review of the following FPR's:

- FPR 7 – Treatment of Year End Balances
- FPR 16 – Trading Accounts
- FPR 21 – External Funding
- FPR 22 – Value for Money

In addition a new FPR is required on Capital Funding to reflect the ongoing work in relation to the capital strategy.

This work will be completed for approval by Council in September 2014.

It is also recognised that some FPR's are worded as operational procedures and there is lack of consistency in the style of FPR's. A future review will look at ways of modernising the document.

3.03 **FPR 2 – Financial Planning**

The Financial Procedure Rule has been updated to include reference to the Medium Term Financial Strategy and Medium Term Financial Plan in the Council's budget setting process.

The role of the Director of Environment has been reflected in the capital programme.

3.04 **FPR 3 – Budget Management (Revenue & Capital)**

This rule has been substantially rewritten to emphasise that Heads of Service are accountable for monitoring and controlling income and expenditure against the budget heads approved in the annual budget, and clarifies the use of budget action plans.

The changes in Corporate Finance following the Finance Function Review with regard to Directorate based Finance Staff are also reflected.

The changes also outline the responsibilities of the Corporate Management Team; the Council's more modern and corporate approach to budget monitoring and associated risks with the removal of ring fenced budgets.

3.05 **FPR 4 – Budget Virements**

The FPR has been reviewed to provide clarification of what constitutes a budget a budget virement through the use of examples to illustrate.

3.06 **FPR 10 – Risk Management, Business Continuity and Insurance**

The FPR has been revised to reflect the current practice in managing risk and to include the responsibility for reviewing business continuity planning.

3.07 **FPR 19 – Procurement**

This FPR has been reviewed by the Head of Procurement to reflect the introduction of the P2P system and revised Contract Procedure Rules.

3.08 The revised FPRs will be considered by Audit Committee on the morning before this committee meets. A verbal update will be provided at the meeting.

4.00 RECOMMENDATIONS

4.01 That Constitution Committee endorse the updated Financial Procedure Rules and recommend they are submitted to Council.

4.02 That following approval at County Council the Council's Constitution be updated to reflect the changes.

5.00 FINANCIAL IMPLICATIONS

5.01 The implementation of these rules ensures robust, consistent financial processes across the Authority.

6.00 ANTI POVERTY IMPACT

6.01 None directly as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None directly as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None directly as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

10.00 All Directorates and Corporate Management Team.

11.00 CONSULTATION UNDERTAKEN

11.01 The proposed changes have been prepared in consultation with the Corporate Finance Management Team, Finance Officers, Internal Audit and Head of Legal and Democratic Services. A draft was submitted for approval to Corporate Management Team in June 2013.

12.00 APPENDICES

12.01 Appendix A – Copy of the updated Financial Procedure Rules.
Appendix B – Glossary of Financial Terms.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

Flintshire County Council – Constitution
Flintshire County Council – Financial Procedure Rules

Contact Officer: Liz Thomas
Telephone: 01352 702289
Email: liz.thomas@flintshire.gov.uk

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FINANCIAL PROCEDURE RULES (FPRs)

I N D E X

	Status of Financial Procedure Rules
FPR 1	Financial Management
FPR 2	Financial Planning
FPR 3	Budget Management (Revenue and Capital)
FPR 4	Budget Virements
FPR 5	Additional Budget Allocations (Revenue and Capital)
FPR 6	Financial Implications of Reports to Members
FPR 7	Treatment of Year End Balances
FPR 8	Accounting Policies, Procedures and Systems
FPR 9	Income and Expenditure
FPR 10	Risk Management and Insurance
FPR 11	Internal Control, Including Audit Requirements
FPR 12	Security of Assets
FPR 13	Imprest Accounts
FPR 14	Treasury Management, Banking, Trust Funds and Funds held on behalf of Third Parties.
FPR 15	Taxation
FPR 16	Trading Accounts
FPR 17	Staffing
FPR 18	Payments to Employees and Members
FPR 19	Procurement
FPR 20	Partnerships
FPR 21	External Funding
FPR 22	Value for Money
FPR 23	Other Funds
FPR 24	Protection of Clients Assets

Status of Financial Procedure Rules

1. These Financial Procedure Rules are part of the Council's Rules of Procedure. They must be read in conjunction with the rest of the Constitution, of which they form part, including the Contract Procedure Rules.
2. They are made in accordance with the provisions of both Section 151 of the Local Government Act 1972 and the Accounts and Audit (Wales) Regulations. These statutory provisions require the Council to make arrangements for the proper administration of its financial affairs. These Financial Procedure Rules state the principles of financial control and administration for the Council. They must be followed by the Council, Cabinet, every Member and Officer of the Council, its Committees and Sub-Committees. Where specific situations are not covered they must act with the best interests of the Council as a whole and within the spirit of these Rules. They must also be followed by anyone acting either on its behalf (i.e. where such a person or organisation has been given delegated authority to carry out identified functions on the Council's behalf) or in partnership with it.
3. If, in considering entry into a partnership agreement, there is a risk of conflict with any of the Council's Financial Procedure Rules, the Chief Executive, relevant Director/Head of Service and the Chief Finance Officer must first report to the Cabinet about such implications.
4. This requirement (to consider possible conflicts) also applies to those arrangements where the Council is to enter into arrangements for which it is to be either the accountable or the host body, or where the Council is considering 'pooled budgets' with other authorities. If the Council has not been nominated as the lead authority, then it is the responsibility of the Chief Finance Officer to assess and advise accordingly on the Financial Procedure Rules of the designated lead authority.
5. These Financial Procedure Rules and other regulatory rules exist to assist all levels of the organisation, including its partners, to ensure that the Council has proper financial and managerial controls in place and that it uses public monies in an accountable and transparent way.

6. These Financial Procedure Rules and other regulatory rules apply to schools except in so far as the specific arrangements under 'Fair Funding' (1998 Education Act) and Scheme for Financing Schools 2005 take precedence over them. In every other respect schools with local management arrangements must follow these Financial Procedure Rules.
7. These Financial Procedure Rules and other regulatory rules apply to the Clwyd Pension Fund except where separate legislation exists, e.g. Local Government Investment Regulations.
8. Financial Procedure Rules and Contract Procedure Rules must be followed where the Council acts as agent for any other body unless the agency agreement specifies otherwise.
9. Where there are references to the Chief Executive, Directors or Heads of Service the responsibility is as follows:
 - The Chief Executive as Head of Paid Service at a strategic level provides oversight, coordination and direction across the organisation.
 - Directors (including the Chief Executive in respect of Corporate Services) at a strategic level provide overview and coordination of resources, performance and service delivery across corporate services or a Directorate as appropriate.
 - Heads of Service are accountable at an operational level for, resource management, performance management and delivery of services relating to the division for which they have responsibility.
10. Where there are references to posts, the post holders are as follows:
 - The Head of Paid Service is the Chief Executive
 - The Chief Finance Officer is the Head of Finance
 - The Monitoring Officer is the Head of Legal and Democratic Services
 - The Chief Education Officer is the Director of Lifelong Learning

FINANCIAL PROCEDURE RULES

FINANCIAL PROCEDURE RULE 1: FINANCIAL MANAGEMENT

1.1 The Council is responsible for making and amending the financial procedure rules and the contract procedure rules as it considers necessary and desirable for the proper administration of its financial affairs, taking into account any advice from the Chief Finance Officer, the Cabinet and the Audit Committee.

1.2 Each Cabinet Member, the Chief Executive and each Director/Head of Service is responsible to the Council for the proper observance of the Council's Financial Procedure Rules and Contract Procedure Rules in regard to their respective responsibilities.

1.3 Each Head of Service shall:

- (a) Ensure that all staff in their Service are fully aware of these Procedure Rules and are aware of the requirement to comply fully with them.
- (b) Maintain a record of those officers to whom these Procedure Rules have been issued.
- (c) Take all reasonable steps to ensure that the Financial Procedure Rules and Contract Procedure Rules are observed throughout their Service.

1.4 Any staff who fail to observe Financial Procedure Rules and/or Contract Procedure Rules may be subject to disciplinary action.

1.5 The Chief Finance Officer is the Officer responsible for the interpretation of these Procedure Rules, responsible for ensuring that they remain appropriate to the Council's activities. An annual review will take place and each individual rule will be reviewed at least every two years. The outcome of each review will be reported to Council, along with any recommendations for changes. Should there be any urgent changes required these will be recommended to Council between annual reviews.

1.6 The Chief Finance Officer may waive the need to comply with any of these Financial Procedure Rules; recording the reasons for the waiver and setting out the scope and duration of the waiver and any substitute Procedure Rules. Alternatively, the Chief Finance Officer may refer an application for waiver to the Cabinet or the County Council. Whilst considering any waiver, the Chief Finance Officer must consult all relevant Director/Heads of Service and the Cabinet Member with responsibility for Finance.

1.7 Any significant departure which has not been previously approved by the Chief Finance Officer (or by the Cabinet or the County Council or under urgent powers) from the Council's Financial Procedure Rules or Contract Procedure Rules that is brought to the attention of a Head of Service shall be reported to the Chief Finance Officer. A joint report of the Director/Head of Service and the Chief Finance Officer shall be submitted to the Cabinet and to the Audit Committee.

1.8 These Financial Procedure Rules apply to the Council Fund (revenue and capital), the Housing Revenue Account (revenue and capital), all Trading Accounts and all other financial records held.

1.9 The Chief Finance Officer has statutory responsibility for the proper administration and stewardship of the financial affairs of the Council. This statutory responsibility cannot be overridden. The statutory duties arise from:

- Section 151 of the Local Government Act 1972
- The Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Accounts and Audit (Wales) Regulations currently in force

1.10 The Chief Finance Officer among other functions is responsible for:

- The proper administration of the Council's financial affairs.
- Setting and monitoring compliance with financial management standards.
- Advising on the corporate financial position and on the key financial controls necessary to secure sound financial management.
- Advising on all matters which affect, or potentially affect, the finances or financial administration of the Council.
- Providing financial information.

- Making recommendations to the Cabinet and County Council for the preparation of the revenue budget and capital programme.
- Preparing the approved revenue budget and capital programme.
- Treasury management.

1.11 The Chief Executive, Directors and Heads of Service are responsible for promoting the financial management standards set by the Chief Finance Officer in their Service and monitoring adherence to the standards and practices, liaising as necessary with the Chief Finance Officer.

1.12 Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to every Member of the Cabinet or the Council as appropriate and to the External Auditor, if the Council, a Committee or Officer of the Council, or a Joint Committee on which the Council is represented:

- Has made, or is about to make, a decision which involves or would involve the Council incurring expenditure which is unlawful.
- Has taken, or is about to take, a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the Council.
- Is about to make an unlawful entry in the Council's accounts.

The Chief Finance Officer must consult with the Head of Paid Service and the Monitoring Officer as far as practicable in preparing any report under Section 114.

1.14 The Chief Finance Officer shall make a report under this Section if it appears to him or her that the expenditure of the Council incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

1.15 Section 114 of the 1988 Act also requires:

- The Chief Finance Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under Section 114 personally, due to absence or illness.
- The Council to provide the Chief Finance Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.

(All references to a Committee (joint or otherwise) include

Sub-Committees).

1.16 Where a report has been issued by the Chief Finance Officer under Section 114 of the Local Government Finance Act 1988, the Council and the Council's Head of the Paid Service shall then follow the requirements of Sections 115 and 116 of the said Act.

FINANCIAL PROCEDURE RULE 2: FINANCIAL PLANNING

Flintshire's Medium Term Financial Strategy (MTFS) provides a framework for the financial principles through which revenue and capital resources will be forecast, organised and managed to deliver the Council's vision and strategic objectives.

Integral to the Medium Term Financial Strategy, is the Medium Term Financial Plan (MTFP) which uses detailed intelligence led forecasting. The MTFP estimates available resources; investment needs linked to the Council's Improvement Plan and priorities, demand and externally led cost pressures and opportunities for efficiencies / savings for both revenue services and the capital programme over a five year period. The plan enables the gap between forecast funding levels and resource requirements to be identified over the medium term.

Detailed work is undertaken on an annual basis by Corporate Finance Team, in conjunction with the Corporate Management Team and Heads of Service, to build on the MTFP to enable a balanced revenue budget and capital programme is approved by Council for the following financial year.

2.1 The process for developing the budget is set out in the Budget and Policy Framework Rules in Part 4 of the Constitution.

2.2 The Chief Finance Officer is responsible for ensuring that a revenue budget is prepared on an annual basis, together with a revenue projection over a five-year period, for consideration by the Cabinet, which will make recommendations to the Council. The Council is responsible for the approval of the revenue budget.

2.3 The Chief Finance Officer in conjunction with the Director of Environment is responsible for ensuring that a rolling capital programme is prepared on an annual basis for consideration by the Cabinet, which will make recommendations to the Council, and that this is updated regularly throughout the year to reflect any capital resources which become available subsequently together with any programme slippage identified in year. The Council is responsible for the approval of the capital programme.

2.4 The Chief Finance Officer is responsible for developing and maintaining a resource allocation process that ensures due consideration by Members, at each stage of the revenue budget and capital programme processes, of the Council's policy framework.

2.5 The revenue budget will include the proposed level of unallocated Council Fund reserves, proposed taxation levels and the proposed budgets for each Head of Service and for central and corporate budget heads. The capital programme will include scheme details and estimated capital resources.

2.6 It is the responsibility of the Chief Finance Officer to advise the Cabinet and the Council on prudent levels of reserves for the Council, taking into account any advice from the External Auditor.

2.7 Directors are responsible for drawing up annual service plans linked to the improvement plan and council priorities. and identifying any budgetary implications for inclusion in the MTFP for member consideration

2.8 Heads of Service will ensure that credit arrangements, such as leasing agreements, are not entered into without agreement with the Chief Finance Officer (via the Treasury Management team) and, if applicable, approval of the scheme through the capital programme. For the purchase of all items which are not brand new, Heads of Service will ensure that a Hire Purchase Information (HPI) check has been undertaken to ensure that there is no outstanding finance.

2.9 All projects seeking inclusion in the Capital Programme will be subject to a project appraisal prior to consideration by Cabinet for inclusion in the capital programme.

2.10 Heads of Service will proceed with capital projects only when approval has been received for the project to proceed.

2.11 The Director of Environment will provide an estimate of capital receipts generation for inclusion within the capital programme, its subsequent updates (as per paragraph 2.3), and capital monitoring reports.

FINANCIAL PROCEDURE RULE 3: BUDGET MANAGEMENT (REVENUE AND CAPITAL)

3.1 Heads of Service are the accountable officers for budgets for the delivery of the services in the Division for which they have responsibility. Heads of Service are authorised to incur expenditure and generate income in accordance with the budget approved by Council, as amended by any virement made under Financial Procedure Rule 4, or any supplementary budgets approved under Financial Procedure Rule 5 by the Cabinet and/or Council as appropriate. It is the responsibility of the Head of Service to consult with the Chief Finance Officer and seek advice on further action to be taken before any commitments are incurred, where these are not covered by the Council's approved budget.

3.2 Heads of Service will ensure that all income and expenditure is accounted for against the budget head to which it relates, irrespective of where budget has been allocated. Where necessary, Heads of Service should request a budget virement (FPR4).

3.3 Heads of Service are accountable for monitoring and controlling both revenue and capital, income and expenditure against budget heads as approved in the Budget. Variances in excess of £50k should be reported with an explanation to the Chief Finance Officer

3.4 The Chief Finance Officer is responsible for the adequacy and effectiveness of budgetary control arrangements across the Council, ensuring appropriate systems are in place to provide timely and sufficiently detailed reports to Managers to fulfil their budget monitoring responsibilities. Directors and Heads of Services are responsible for ensuring that the budgets for which they are responsible are monitored and reported on to the Chief Finance Officer in accordance with the agreed budgetary control arrangements. The Chief Finance Officer will report to the Cabinet on the Council's overall position on a regular basis.

3.5 Heads of Service should ensure that each budget head, and below that, each cost centre, has a single named manager, who will be responsible for monitoring and investigating variances (positive and negative) against budget and bringing these to the attention of the Head of Service and the relevant Finance Manager or Accountant for action as required.

3.6 Heads of Service should take action as necessary to avoid exceeding their budget allocation for the particular service area thus operating within their available resources, and ensure that Managers and all staff understand their financial responsibilities.

3.7 Heads of Service should prepare budget action plans where a significant overspend is forecast. The action plan should identify how expenditure will be brought back into line with budget, either by taking corrective action, or, through the proposed use compensating savings elsewhere in their budget. Heads of Service should also report areas of forecast under spend, along with the implications for future years, for corporate consideration of where any available resources should be re-allocated. The use of budget savings other than in accordance with the approved budget is not permitted without Cabinet approval.

All significant variations from budget will be reported to the Chief Finance Officer, who will report the position and any budget action plans in the overall budget monitoring report to Cabinet. In certain circumstances it may be that the significance of the variance requires a separate report to Cabinet for consideration or approval. The report will outline the reasons for the projected variance, the implications for future years' budgets, along with the budget action plan to bring expenditure in line with budget.

Budget action plans will be monitored by the relevant Head of Service who will notify the Chief Finance Officer should it emerge that a budget action plan will fail to prevent an overspend. The Chief Finance Officer will report the position to Cabinet.

3.8 In exceptional cases, Head of Services will submit reports to the Cabinet and to the Council, in consultation with Chief Finance Officer, where a Head of Service is unable to balance expenditure and resources within existing approved budgets under his or her control, requesting a supplementary budget allocation for the current financial year only. Financial Procedure Rule 5 provides further details.

3.9 Nothing in the Financial Procedure Rules shall prevent expenditure being incurred which is essential to meet any immediate needs arising from an emergency, including any expenditure under Section 155 of the Local Government and Housing Act 1989 (Emergency Financial Assistance Scheme, formerly known as the "Belwin" scheme). Such action shall only be taken after consultation with the Chief Finance Officer, and any such expenditure must be reported retrospectively to the Cabinet, and the funding for such expenditure must be agreed as soon as possible.

RULES RELATING TO CAPITAL

3.10 The Chief Finance Officer is responsible for the monitoring of the Capital Programme, in conjunction with the Director of Environment. A report updated on a quarterly basis will be submitted to Cabinet, identifying changes in capital resources, including the generation of capital receipts and the effect of rollover together with quantifying contractually uncommitted values by scheme.

3.11 Whole schemes, or distinct parts thereof, which are identified as slipping into the following financial year, shall be included in the Capital Programme assessments for the later year.

3.12 The approved Capital Programme will include information on grant funded schemes, as estimated.

FINANCIAL PROCEDURE RULE 4: BUDGET VIREMENTS

4.1 Heads of Service may vire between revenue budget heads which they are responsible for up to a cumulative maximum of £75,000 during the year, providing that there will be no resultant change of policy and subject to the restrictions outlined in 4.3 below

Notification of all such virements should be given to the Chief Finance Officer in the format specified by the Chief Finance Officer.

4.2 Budget virements in excess of £75,000 require the approval of the Cabinet, or, where there are implications to the policy framework, approval of the Council a joint report by the Chief Finance Officer and the Head of Service should be submitted for approval.

4.3 The approval of the Cabinet, or, where there are policy implications, of the Council, is required for any virement, of whatever amount, where it is proposed to:

- Vire between budgets of different Cabinet Portfolio holders.
- Vire between budgets managed by different Heads of Service.

4.4 Virements simply to minimise variances are specifically precluded. For example to minimise an under spend or reduce an overspend for the purpose of reporting rather than to meet the required level of service.

4.5 Where an approved budget is a lump-sum provision or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that:

- (a) The amount is used in accordance with the purposes for which it has been established.
- (b) The Cabinet has approved the basis on which it will be allocated, for example a recommendation that a one off investment from a contingency reserve be allocated to a service to support costs in the first year of operation (leisure services)

4.6 Requests for Capital virement, of any amount, between capital budget heads, must be submitted to the Corporate Asset Management Group who will consider the proposal as part of its remit to maintain an overview of the capital programme, giving due consideration to the changes in capital resources, contractually uncommitted values and projected rollover. Following assessment of the proposal, Corporate Asset Management Group will make recommendations to the Chief Finance Officer and the Director of Environment who will report to Cabinet.

4.7 A school's governing body may transfer budget provision between heads of expenditure within their delegated school budget following notification to the Head of Service.

FINANCIAL PROCEDURE RULE 5: ADDITIONAL BUDGET ALLOCATIONS (REVENUE AND CAPITAL)

5.1 The Council is responsible for the approval of any new proposals, of whatever amount, that:

- (a) Create financial commitments which will increase the total net base budget in future years. The funding of the proposal will be a call on future years' Council Tax. The funding for the year in which the proposal is put forward must be identified by the Chief Finance Officer from unearmarked reserves or from one-off reductions elsewhere. Any proposals which involve commitments into future years which are funded by reductions elsewhere (i.e. the total net base budget is not increased) will be in accordance with Financial Procedure Rule 4 (budget virements).
- (b) Alter the policy framework, i.e. result in changes to those policies and plans set out in the Constitution.

5.2 Any other proposals which would result in changes to existing policies outside the policy framework (including the initiation of new policies or the cessation of existing policies) or materially extend or reduce the Council's services shall require the approval of the Cabinet.

5.3 In-year requests for non-recurring additional budget are delegated to the Cabinet for consideration.

5.4 Any monies included within the revenue budget or capital programme for corporate developments, to be approved during the year by Cabinet, will not be used to address budget pressures in base budget provisions.

5.5 It is the responsibility of Head of Service to consult with the Chief Finance Officer and seek advice on further action to be taken before any commitments are incurred, where these are not covered by the Council's approved budget.

5.6 If a bid for a supplementary budget is not approved, and the expenditure for which the supplementary budget was requested is unavoidable, the Head of Service must put forward to the Cabinet proposals for reducing expenditure elsewhere, specifying budget head and service implications. If there are any policy implications on the Policy Framework, the approval of Council will be required.

5.7 The Head of Service will liaise with the Chief Finance Officer and Director of Environment through the Corporate Asset Management Group where a request is to be made for an additional capital scheme, or increased costs of approved capital schemes, to be included within the capital programme. The Chief Finance Officer will provide advice regarding the capital programme monitoring position, including slippage, and additional capital resources (if any) that may have been identified since the capital programme was approved.

FINANCIAL PROCEDURE RULE 6: FINANCIAL IMPLICATIONS OF REPORTS TO MEMBERS

6.1 When reporting to the Cabinet or Council on any matter which affects, or is liable to affect, the finances of the Council, the Head of Service shall, in consultation with the Chief Finance Officer, incorporate into the report the financial implications of the matter under discussion. This applies to both income and expenditure, of either a revenue or capital nature.

6.2 If a report has no financial implications, this should be clearly stated.

6.3 The Chief Executive, Directors and Heads of Service are responsible for ensuring that the appropriate Cabinet Member(s) are advised of the financial implications of all proposals and that these financial implications have been agreed with the Chief Finance Officer.

6.4 The Financial Implications Section of any report to Members must contain a complete summary of the financial aspects of the report, and be self-contained, i.e. not require reference to any other part of the report, other than for further, non-financial, details.

6.5 The Directors and Heads of Service are responsible for ensuring that all authors of reports are aware of the requirements under the Financial Implications Section, or that, where a report is written by an infrequent author of reports, the Financial Implications Section is overseen by a suitable Officer.

6.6 Directors and Heads of Service should consult with Directorate Finance Officers when determining the financial implications. The wording of financial implications must be agreed with the Directorate Finance Officer before the report is passed to the Committee Administrator for inclusion on any agenda for Member consideration. Draft financial implications must be passed to the Directorate Finance Officer for consideration at least five full working days before the deadline for submission to the Committee Administrator, including reports with no financial implications. All strategic reports will be provided to the Chief Executive, the Chief Finance Officer and Monitoring Officer prior to the deadline for submission for consideration of issues of a strategic or corporate nature.

Where the financial implications are not agreed with the Chief Finance Officer prior to including the report on any agenda for Member consideration, the report will be withdrawn.

6.7 The financial implications shall include an indication of full and part year income and expenditure; whether the income or expenditure is recurring or non-recurring; the revenue implications of any capital expenditure; details of any external funding (e.g. amount, duration, any conditions attached) and any staffing implications (cost in current year, cost in a full year and cost at the top of the grades). The Head of Human Resources and Organisational Development must be consulted on any staffing implications, and the human resources implications section of the report must provide such information as is required by the Head of Human Resources and Organisational Development.

6.8 The financial implications shall also indicate clearly whether the net costs will be met from within existing budgets, from new sources of income, from virement, or whether (in exceptional circumstances) an increase in the budget is being requested in which case Financial Procedure Rule 5 applies. Where costs are to be met from within an existing budget, the Head of Service will provide the Chief Finance Officer with details of the relevant budget head(s).

6.9 Where expenditure is to be met from grant funding which is time-limited, the report should clearly indicate whether expenditure will cease on the expiry of grant funding, or whether an increase in base budget will be required. In the latter case, it will not be adequate to indicate in the report that the expenditure will be subsumed within the Council's total base Budget Requirement. If an increase in base budget is not requested by the Head of Service, and approved by Members, then the Head of Service will not have authority to incur further expenditure following the expiry of the grant funding, unless this is met from elsewhere within the existing approved base budget, and this virement has approval from the Cabinet or the Council as appropriate.

6.10 Any budget proposal that will impact on another service area should be proposed only after agreement with the relevant Head of Service' budget.

FINANCIAL PROCEDURE RULE 7: TREATMENT OF YEAR-END BALANCES

7.1 The Chief Finance Officer will administer the scheme of carry-forward within the guidelines approved by the Council.

7.2 The Chief Finance Officer will report variances to the Cabinet, as part of regular monitoring, and to the Council, as part of the budget process.

7.3 Any aggregate overspend on budgets, at Service level, under the control of the Head of Service will be carried forward to the following year, and will constitute the first call on service budgets in the following year, unless otherwise agreed by Cabinet and Council. The Chief Finance Officer will report the extent of overspends carried forward to the Cabinet and to the Council.

7.4 Heads of Service will submit to the Cabinet, for approval, proposals for the recovery of any overspend not previously reported, specifying budget heads and service implications and the reasons for the late identification. If there are any implications to the Policy Framework, the approval of Council will be required.

7.5 Cabinet will approve the use of service under spends, and also the use of any under spends against central and corporate budget heads, except where there are implications to the Policy Framework, in which case the approval of Council will be required.

7.6 Schools' balances, under legislation, are available for carry-forward to support the expenditure of the school concerned. Where an unplanned deficit occurs, the governing body will prepare a detailed financial recovery plan, in consultation with the Chief Education Officer. The plan should recover the deficit within the following financial year unless, in exceptional circumstances, where a maximum deficit recovery period of 5 years is allowed.

FINANCIAL PROCEDURE RULE 8: ACCOUNTING POLICIES, PROCEDURES AND SYSTEMS

8.1 The Chief Finance Officer is responsible for selecting accounting policies and ensuring that they are applied consistently.

8.2 The Chief Executive, Directors and Heads of Service are responsible for adhering to the accounting policies approved and guidelines issued by the Chief Finance Officer.

8.3 The Chief Finance Officer is responsible for determining the corporate financial systems, accounting procedures, records and timetables for the Council and must be consulted during the selection and implementation of non-corporate accounting systems to ensure that corporate accounting and internal control requirements are met.

8.4 The Chief Finance Officer will:

- (a) Arrange for the compilation of all accounts and accounting records under his or her direction.
- (b) Be responsible for ensuring that the annual Statement of Accounts is prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC).
- (c) Sign and date the Statement of Accounts, stating that it presents fairly the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March.
- (d) Make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit (Wales) Regulations.
- (e) Prepare and publish the audited accounts of the Council for each financial year, in accordance with the statutory timetable and with the requirement for the Council to approve the Statement of Accounts before the due date, and for the Audit Committee to consider the statement of accounts before approval by Council.

8.5 The Council is responsible for approving the annual Statement of Accounts, on the recommendation of the Audit Committee which will consider them beforehand.

8.6 Directors and Heads of Service will supply information required to enable the Statement of Accounts to be completed in accordance with guidelines and timetables issued by the Chief Finance Officer.

8.7 The Chief Finance Officer and Head of Service will:

- (a) Ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud and other malpractice (by, for example, separation of the duties of providing information about sums due to or from the Council and calculating, checking and recording these sums, from the duty of collecting or disbursing them).
- (b) Ensure that all claims for funds including grants are made by the due date.
- (c) Ensure the proper retention of prime documents and other financial documents in accordance with statutory requirements or any other timescales issued corporately.
- (d) Ensure that all the Council's transactions, material commitments and contracts and other essential accounting information are genuine and are recorded completely, accurately and on a timely basis; that they have not been previously processed and that they are held securely.
- (e) Ensure that all reconciliation procedures are carried out to ensure transactions are correctly recorded i.e. that output from systems is complete, accurate and timely.
- (f) Maintain adequate records to provide an audit trail leading from the source document for income/expenditure through to the accounting statements, and vice versa.

8.8 Directors and Heads of Service will notify the Chief Finance Officer where neither corporate nor Directorate financial systems provide the information required for any necessary purpose, e.g. grant claims, cost-based performance indicators.

8.9 The Chief Finance Officer is responsible for the operation of the Council's corporate accounting systems, the form of accounts and the supporting financial records. Any changes made by Directors or Heads of Service to their existing accounting records or financial systems or the establishment of new systems must be approved by the Chief Finance Officer. Heads of Service are responsible for the proper operation of financial processes in their own Directorates.

8.10 Any changes required to agreed financial procedures by Heads of Service in order to meet their specific service needs should be agreed with the Chief Finance Officer.

8.11 Directors and Heads of Service should ensure that their staff receive relevant financial training that has been approved by the Chief Finance Officer. Heads of Service are responsible for identifying financial training needs. The Chief Finance Officer is available to advise on this issue.

8.12 Directors and Heads of Service must ensure that staff are aware of their responsibilities under data protection and freedom of information legislation. Heads of Service must ensure, in conjunction with the Data Protection Officer, that, where appropriate, computer and other systems are notified in accordance with data protection legislation.

8.13 The Chief Finance Officer, Directors and Heads of Service will ensure that corporate and Directorate systems respectively are documented and staff trained in their operation.

8.14 Directors and Heads of Service will:

- (a) Ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building.
- (b) Ensure that relevant standards and guidelines for computer systems, as issued by the Head of ICT and Customer Services, are adhered to.
- (c) Ensure that computer equipment and software are protected from loss and damage through theft, vandalism, etc.
- (d) Comply with the copyright, designs and patents legislation and, in particular, ensure that:
 - (i) only software legally acquired and installed by the Council is used on its computers.
 - (ii) staff are aware of legislative provisions.
 - (iii) in developing systems, due regard is given to the issue of intellectual property rights.

FINANCIAL PROCEDURE RULE 9: INCOME AND EXPENDITURE

9.1 It is the responsibility of the Directors and Heads of Service to ensure that a proper scheme of delegation has been established within their area and is operating effectively, identifying staff authorised to act on the Head of Service's behalf in respect of payments, income collection and placing orders, including variations, together with the limits of their authority and in respect of monitoring such transactions against approved budgets.

9.2 The Director and Heads of Service will supply lists of authorised officers, with specimen signatures and initials, and delegated limits, to the Chief Finance Officer, together with any subsequent variations. These should be updated to reflect changes in personnel and should be reviewed on an annual basis by the Head of Service.

Income

9.3 Where possible the Head of Service will obtain income in advance of supplying goods or services to improve the Council's cashflow, to avoid the time and cost of administering debts, and to reduce the risk of non-collection, particularly for low value items. No invoices with a value of less than £40, with the exception of invoices relating to peppercorn rents, licenses or leases in connection with the occupation of council land or property shall be raised without the approval of the Chief Finance Officer. All efforts should be taken to ensure that the invoices are raised in the most economical way possible. Wherever practicable such sums should be collected in cash. In these cases, the collection of the cash must be made before the supply of the goods or services. Authorisation should be obtained for amending invoices, issuing credit notes. All invoices written off must follow the procedures in the Corporate Debt Recovery Policy.

9.4 The Council's position on money laundering is contained within the Money Laundering Policy, which is available upon request from the Chief Finance Officer. Officers involved in the collection of income should make themselves aware of this policy and report suspected cases to the Head of Corporate Finance. For this purpose, the Council cannot accept cash in excess of £5,000, although it is for individual officers to decide if, in specific instances, they should report incidents involving lesser amounts. In any situation requiring a sizeable refund the Officer involved should check the original type of lodgement.

9.5 The Chief Finance Officer will:

- (a) Agree arrangements for the collection of all income due to the Council and approve the procedures, systems and documentation for its collection.
- (b) Order, control and issue all receipts, invoices, tickets and other documents recording, acknowledging, or demanding the receipt of monies paid to the Council, except where the Chief Finance Officer has given written approval to alternative arrangements in specific instances.
- (c) Agree the write-off of bad debts up to £5,000 in aggregate for each single domestic or business debtor, agree in consultation with the Cabinet Member for Finance the write-off of bad debts over those amounts but up to £25,000 and refer for approval items for write-off in excess of £25,000 to the Cabinet.
- (d) Ensure that appropriate accounting adjustments are made following write-off action.
- (e) Keep a record of all sums written off.
- (f) Make or approve secure and efficient arrangements for the recording of all income received by direct debit, standing order, debit and credit cards and such other methods of payment as the Council may approve.

9.6 Directors and Heads of Service will:

- (a) Establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and review it at least annually, in consultation with the Chief Finance Officer. Where the Head of Service considers that an existing charge should be discontinued, or an additional charge levied, the Head of Service shall, after consultation with the Chief Finance Officer, make a recommendation to the Cabinet.
- (b) Separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.
- (c) Issue official receipts or maintain other documentation for income collection.
- (d) Ensure that money received by post is properly identified and recorded, with at least two employees present when post is opened.
- (e) Hold securely receipts, tickets and other records of income for the appropriate period.
- (f) Lock away all income to safeguard against loss or theft, and ensure the security of cash handling.

- (g) Ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details must be recorded on paying-in slips, duplicate(s) or counterfoil(s) to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a monthly basis. Every cheque, postal order or money order payable to the Council shall be crossed to the Council's bank account immediately on receipt.
- (h) Ensure that third party cheques are not accepted in payment of a debt to the Council, except with the authorisation of the Chief Finance Officer in writing. In each such case the receiving Officer shall record and verify the full name and address of the drawer.
- (i) Ensure that personal cheques are not, under any circumstances, cashed out of money held on behalf of the Council.
- (j) Supply the Chief Finance Officer with details relating to work done, goods supplied, services rendered or other amounts due (both of a revenue or capital nature), to enable the Chief Finance Officer to record correctly the sums due to the Council and to ensure accounts are sent out promptly. If possible all invoices should be raised within 5 working days of the provision of goods or services or at the earliest opportunity.
- (k) Have a responsibility to assist the Chief Finance Officer in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf.
- (l) Ensure that levels of cash held on the premises do not exceed approved limits.
- (m) Keep a record of every transfer of cash between employees of the Council. The receiving officer must sign for the transfer and the transferor must retain a copy. Every transfer of cash shall be made direct by hand and not through the internal or external post (unless by prior approval from the Chief Finance Officer).
- (n) Recommend to the Chief Finance Officer all debts to be written off and keep a record of all sums written off. Once raised, no bona fide debt may be cancelled, except by full payment or by its formal writing off. A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt.
- (o) Notify the Chief Finance Officer of outstanding income relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Chief Finance Officer.

- (p) Notify the Chief Finance Officer of any waiving of a sum due, as soon as such a decision has been taken. Where the sum involved is in excess of £2,000, the Chief Finance Officer should be consulted, and the Cabinet if the value exceeds £10,000. The recording of all sums waived by a Head of Service shall be as agreed with the Chief Finance Officer.

Expenditure

9.7 Every Member and Officer of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council, in accordance with both the Members and Officers Codes of Conduct set out in the Constitution.

9.8 All procurement activities (ordering of goods, services and works) will be undertaken on the Council's approved Purchase to Pay (P2P) system. Directors and Heads of Service will ensure that unique pre-numbered official orders are used, in a form approved by the Chief Finance Officer, for all work, goods or services to be supplied to the Council, except where a formal written contract is required, or for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions specified by the Chief Finance Officer. Each order must conform to the guidelines approved by the Council. Standard terms and conditions must not be varied without the prior approval of the Monitoring Officer.

9.9 Each Head of Service shall be responsible for all orders issued from, or on behalf of, his or her Directorate. Where one Head of Service places an order on behalf of another, that Head of Service shall obtain the latter's consent in advance.

9.10 A written order shall be placed in advance of the relevant work, goods services or works being supplied. Where, due to urgent need, it is necessary to place a verbal, fax or e-mail order a written order shall be issued at the earliest opportunity and shall be clearly marked as being in confirmation of the verbal order.

9.11 The Officer signing an official order and/or approving through workflow shall be responsible for ensuring, either personally or through the originating Officer, that it has been placed in accordance with the Council's Financial Procedure Rules, that there is sufficient budget provision to meet the expenditure under the proper budget head and in the proper year of account, and that the order request is properly completed.

9.12 Apart from petty cash and schools' own bank accounts and other payment for advance accounts, the normal method of payment from the Council shall be by BACS drawn on the Council's bank account or National Giro account by the Chief Finance Officer. The use of direct debit for payments shall require the prior agreement of the Chief Finance Officer.

9.13 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts.

9.14 Directors and Heads of Service will ensure that the Officer approving through workflow an official order shall be responsible for ensuring, either personally or through the originating Officer, that:

- (a) All goods, services and works are ordered only by authorised staff and are correctly recorded.
- (b) All goods, services and works shall be ordered in accordance with the Council's Contract Procedure Rules unless they are purchased from sources within the Council.
- (c) Goods, services and works received are checked to ensure they are in accordance with the order. Goods should not be received by the person who placed the order.
- (d) Payments are not made unless goods have been received by the Council to the correct price, quantity and quality standards, with prices, calculations, trade discounts and other allowances and credits checked.
- (e) All payments are made to the correct payee and are properly recorded.
- (f) All appropriate evidence of the transaction and payment documents are retained and stored in accordance with the Records Management Policy.
- (g) All appropriate steps are taken to minimise the risk of subsequent duplicate payments.
- (h) All expenditure, including VAT, is accurately recorded against the correct budget head and any exceptions are corrected. If it is deemed that a budget amount has been incorrectly allocated, a Head of Service will request a budget virement (FPR4). Under no circumstances will the expenditure be incorrectly coded in order to match the expenditure with an incorrect budget allocation.
- (i) Every order shall be specific as to the supplier, nature, quality (where applicable) and quantity (where applicable) of the works, goods or services being ordered, and shall clearly identify the budget head to which the order is properly chargeable.

- (j) Where a quoted price has been obtained, that price shall be quoted on the order. Where no quoted price has been obtained, copies of the order, other than the supplier's copy, shall, as far as practicable, in the Head of Service's opinion, bear an estimate of the cost of the order.
- (k) Every alteration to an official order after issue must be approved through workflow by an Officer authorised to approve such orders. A copy of each order shall, if so required, be supplied on request to the Chief Finance Officer.

9.15 For purchases made electronically over the Internet (not including P2P transactions) the Officer will:

- (a) Ensure that the transaction has been authorised and evidence obtained either in the form of an official approved
- (b) Ensure that there are no corporate purchasing arrangements that allow the goods or services to be purchased more competitively.
- (c) Provide proof that the goods have been received and are in the custody of the Council.
- (d) Ensure that payment is only made using a Corporate Purchasing Card.

9.16 The Chief Finance Officer will:

- (a) Ensure that all the Council's financial systems and procedures for ordering and paying for work, goods and services are sound and properly administered.
- (b) Approve any changes to such existing financial systems and approve any new systems before they are introduced.
- (c) Approve the form of official orders and associated terms and conditions. The ordering, control and issue of official orders shall be under the supervision of the Chief Finance Officer.
- (d) Make payments from the Council's funds on the Directors or Head of Service's authorisation that the expenditure has been duly incurred in accordance with Financial Procedure Rules. Payments made must be reconciled to the bank account on a weekly basis.

- (e) Make payments, whether or not provision exists within the budgets, where the payment is specifically required by statute or is made under a court order. The Director or Head of Service must notify the Chief Finance Officer immediately of any such expenditure. If no budget provision exists, the Head of Service must identify a budget virement. If the size of the payment warrants it, the Chief Finance Officer may identify corporate funding.
- (f) Make payments to contractors on the certification of the appropriate Head of Service, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- (g) Provide advice on making payments by the most economical means.
- (h) Examine any accounts passed for payment to the extent considered necessary or desirable, and shall be entitled to receive from the Council's employees and creditors such information and explanations as the Chief Finance Officer may require for this purpose. Having been satisfied that the account is in order, the Chief Finance Officer will make such arrangements as are required to ensure payment is made.

9.17 Directors and Heads of Service will:

- (a) Maintain an up-to-date list of such staff authorised to approve through workflow official orders, identifying in each case the limits of their authority. The authoriser of the order should be satisfied that the goods, services and works ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary.
- (b) Ensure that goods, services and works are checked on receipt to verify that they are in accordance with the order. This check should, where possible, be carried out by a different Officer from the person who authorised the order. Appropriate entries should then be made in inventories or stores records.
- (c) Ensure that payment is not made unless a proper VAT invoice has been received, checked, coded and certified for payment, confirming:
 - (i) receipt of goods or services
 - (ii) that the invoice has not previously been paid
 - (iii) that expenditure has been properly incurred and is within budget provision
 - (iv) that prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices

- (v) correct accounting treatment of tax
 - (vi) that the invoice is correctly coded
 - (vii) that discounts have been taken where available
 - (viii) that appropriate entries will be made in accounting records
- (d) Ensure that two authorised members of staff are involved in the ordering, receiving and payment process. If possible, a different Officer from the person who approved the order, and in every case, a different Officer from the person checking a written invoice, should authorise the invoice.
- (e) Forward certified invoices to the Chief Finance Officer, or input for payment, without delay, to ensure that settlement terms are complied with and prompt payment discounts achieved. If settlement terms are not stated the Council is required to pay all undisputed invoices within 30 days of receipt.
- (f) Ensure that the Directorate maintains and reviews periodically a list of staff approved to authorise invoices. Names of authorising Officers together and details of the limits of their authority shall be forwarded to the Chief Finance Officer and any subsequent amendments incorporated into the P2P system
- (g) Ensure that payments are not made on a photocopied or faxed invoice, statement or other document other than the formal invoice. (the formal invoice can be attached electronically via E-mail)
- (h) Encourage suppliers of goods and services to receive payment by the most economical means for the Council. It is essential, however, that payments made by direct debit have the prior approval of the Chief Finance Officer.
- (i) Ensure that the Directorate obtains best value from purchases by using the corporate purchasing arrangements as endorsed by the Head of Procurement.
- (j) Notify the Chief Finance Officer of outstanding expenditure relating to the previous financial year as soon as possible after 31st March in line with the timetable determined by the Chief Finance Officer.

9.18 The Chief Finance Officer is responsible for the appraisal of capital financing options, and arrangement of operating and finance leases. The Directors and Heads of Service will ensure that loans, leasing or rental arrangements are not entered into without prior consultation/agreement from the Chief Finance Officer (via the Treasury Management team). The exception to this requirement is for schools who arrange finance for equipment. This process will ensure that the Council's borrowing powers, authorised limits and approved credit arrangements are not exceeded, and that the Council complies with relevant accounting/reporting standards.

9.19 With regard to contracts for construction and alterations to buildings and for civil engineering works, The Directors and Heads of Service will document and agree with the Chief Finance Officer the systems and procedures to be adopted in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of subcontractors' tax status, as contained in the Guidance Procedures relating to Employed / Self-Employed and Construction Industry Workers.

FINANCIAL PROCEDURE RULE 10: RISK MANAGEMENT, BUSINESS CONTINUITY AND INSURANCE

10.1 The Audit Committee is responsible for reviewing the effectiveness of risk management and business continuity.

10.2 Heads of Service will take responsibility for risk management, having regard to advice from specialist officers (e.g. policy & performance, crime prevention, fire prevention, health and safety).

10.3 Directors and Heads of Service will ensure that there are regular reviews of strategic and operational risks within their Directorates. Strategic risks will be notified promptly to CMT.

10.4 Identification, evaluation and management of risk is part of every Heads of Service day-to-day responsibilities. Heads of Service will ensure that risks are assessed on an ongoing basis to ensure that the risk register and business continuity plans are kept up to date. This process will ensure that the links between service planning, risk assessment, risk management and financial planning are enhanced and any financial implications are built into future budget considerations. It also ensures that the Council can respond to unforeseen events to ensure continuity of service delivery.

10.5 CMT will:

(a) Review priorities and projects to ensure that strategic risks are identified and reviewed regularly to ensure that appropriate action is taken in relation to each priority or project.

(b) Agree the appropriate level of risk for the Council in consultation with Members.

(c) Challenge the outcomes of risk management and ensure effective dissemination of risk management information throughout their Directorate.

(d) Monitor and update the risk register ensuring that all emerging risks and challenges are incorporated.

(e) Review processes and findings from business continuity planning and activity

10.6 The Chief Finance Officer shall effect all insurance cover, including an Internal Insurance Fund, to meet specified claim types as he/she considers necessary or desirable for the protection of the Council's interests.

10.7 Heads of Service will notify the Chief Finance Officer of all new properties or vehicles that require insurance and of any alterations affecting existing insurances.

10.8 The Chief Finance Officer will negotiate all claims by or against the Council, in consultation with the appropriate Head of Service, where necessary.

10.9 Heads of Service will notify the Chief Finance Officer immediately of any loss, liability, damage or other event that may lead to a claim against the Council, and will also arrange to provide the Chief Finance Officer with any information or explanation required by him/her or by the Council's insurers, in accordance with the timescales imposed under the Access to Civil Justice Act (Personal Injury Protocols).

10.10 The Chief Finance Officer shall review all insurances, and insurable risks in consultation with the appropriate Head of Service, at intervals not exceeding one year.

10.11 The Chief Finance Officer shall annually provide all CMT with details of all insurance policies affecting their Directorate and a note of the cover provided.

10.12 Heads of Service will consult the Chief Finance Officer on the terms of any indemnity that the Council is requested to give.

10.13 Heads of Service will ensure that employees, or anyone covered by the Council's insurances, are aware that they must not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.

10.14 The Chief Finance Officer will monitor actual and potential claims against the Council and ensure that the financial implications are fully reflected in budget monitoring.

FINANCIAL PROCEDURE RULE 11: INTERNAL CONTROL, INCLUDING AUDIT REQUIREMENTS

11.1 Overall responsibility for the control environment rests with the Council as a whole. The Corporate Management Team is responsible for overseeing and monitoring the control environment.

Monitoring of compliance with policies, procedures, laws and regulations is undertaken by relevant key officers. The Chief Finance Officer and Monitoring Officer have statutory responsibilities. Heads of Service have responsibility for the development and maintenance of the internal control environment to ensure:

- The Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
- Compliance with all applicable statutes and procedure rules, and other relevant statements of best practice.

The Chief Finance Officer is responsible for the accounting control systems and records and the preparation of the Statement of Accounts.

11.2 Directors and Heads of Service are responsible for having in place procedures to ensure that established controls are being adhered to and for evaluating their effectiveness. Directors and Heads of Service are required to periodically assess their systems of internal control to ensure that they are adequate to manage the risks associated with the service. They are also required to undertake such reviews when material changes are to be made either to structures or to working practices. This requirement applies equally to those arrangements in which the Council has a partnership relationship with a third party.

11.3 Directors and Heads of Service must therefore assess, at least once a year, the effectiveness of their system of internal control, in line with current Accounts & Audit (Wales) Regulations.

11.4 Directors and Heads of Service must also provide appropriate information to the Corporate Governance Working Group to enable the Annual Governance Statement to be included within the financial statements, as required.

11.5 The Chief Finance Officer, Directors and Heads of Service will review existing controls in the light of changes affecting the Council and establish and implement new controls as necessary. They will also remove controls that are unnecessary or not cost or risk effective – for example, because of duplication.

11.6 Heads of Service should ensure that staff have a clear understanding of all procedures, and of the consequences of lack of control.

11.7 The Accounts and Audit (Wales) Regulations issued by the Welsh Government require every local authority to maintain an adequate and effective internal audit. The Council will ensure that the internal audit function is properly resourced, on the advice of the Chief Finance Officer and the Audit Committee.

11.8 The Chief Finance Officer will ensure that internal auditors comply with the Public Sector Internal Auditing Standards

11.9 The responsibilities of the internal auditors are set out in the Standards

In line with these requirements, they will perform internal audit work with a view to reviewing and evaluating the risk management, control and governance arrangements that the organisation has in place to:

- Establish and monitor the achievement of the organisation's objectives.
- Identify, assess and manage the risks to achieving the organisation's objectives.
- Formulate and evaluate policy, or provide policy advice, within the responsibilities of the Council's Chief Finance Officer.
- Ensure the economical, effective and efficient use of resources.
- Ensure compliance with established policies, procedures, laws and regulations, including the organisation's assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption.
- Ensure the integrity and reliability of information, accounts and data.

11.10 The internal auditors will have the authority, subject to statutory and common law limitations and prior consultation when applicable, to:

- (a) Access Council premises.

- (b) Access all assets, records, documents, correspondence and control systems.
- (c) Receive any information and explanation considered necessary concerning any matter under consideration from Members and Officers.
- (d) Require any employee of the Council to produce or account for cash, stores or any other Council asset or asset of a third party under his or her control.
- (e) Access records, staff and premises belonging to partner organisations and contractors, when required.
- (f) Have unrestricted access to senior management, members and all employees.

11.11 The Chief Finance Officer will:

- (a) Promote awareness of internal control issues by Members and Officers.
- (b) Promote awareness of Members and Officers of anti-fraud and anti-corruption issues.
- (c) Be the line manager for the Internal Audit Manager and ensure that the quality of his or her work is monitored.

11.12 The Council will ensure that Internal Audit is independent in its planning and operation.

11.13 The Internal Audit Manager will have direct access to the Head of Paid Service, the Monitoring Officer, External Audit and the Chair of the Audit Committee.

The Internal Audit Manager can request a private meeting with the Audit Committee at any time, with no other Council Officers present. Such a meeting should take place at least annually.

11.14 The Internal Audit Manager will:

- (a) Propose the strategic and annual audit plans following detailed consultation with Directorate Management Teams and the Corporate Management Team.
- (b) Submit these to the Audit Committee for comment and approval.
- (c) Consider any comments of the Audit Committee and amend the plans, as appropriate.

- (d) Ensure that effective procedures are in place to investigate promptly any suspected fraud or irregularity.
- (e) Prepare reports on audit issues to the Audit Committee.
- (f) Maintain an Audit Charter, Corporate Anti-fraud and Anti Corruption Strategy, Fraud Response Plan and a Prosecution Policy. These will be submitted to the Audit Committee and to the Cabinet for approval

11.15 Heads of Service will maintain a register of interests, in which any hospitality or gifts accepted, must be recorded:

- (a) In compliance with the Flintshire County Council Code of Conduct for Local Government Employees, no employee of the Council shall accept any fee, gift or reward which is intended as, or might be construed as, an inducement to influence that employee in the execution of that employee's duties.
- (b) The offer of any such fee, gift or reward shall be reported immediately by the employee concerned to the appropriate Head of Service, who shall in turn notify the Chief Finance Officer of the occurrence.

11.16 The Head of Human Resources and Organisational Development will ensure that the policies in 11.14 and 11.15 will be reflected in the HR Policies and other policies, as relevant, of the Council.

11.17 Heads of Service will:

- (a) Ensure that internal and external auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- (b) Ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- (c) Consider and respond promptly to recommendations in audit reports.
- (d) Ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- (e) Ensure that whenever any matter arises which involves, or potentially involves, any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources, Internal Audit are notified and take any such other immediate action as considered necessary (subject to any Council rules and protocols).

- (f) Internal Audit shall notify the Chief Finance Officer where appropriate, and take such action by way of investigation and report, including informing and consulting with the relevant Head of Service, Monitoring Officer and Head of Human Resources and Organisational Development, notifying the Head of Paid Service, the Police and/or the External Auditor, as considered appropriate. Pending investigations and reporting, the Head of Service will take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- (g) Where sufficient evidence exists to believe that a criminal offence may have been committed, Internal Audit will consult with the Chief Finance Officer and Monitoring Officer and determine whether to refer the matter to the Police. The Police will determine with the Crown Prosecution Service whether any prosecution will take place. Where fraud, theft, improper use or misappropriation of the Council's property or resources is proved, and the Council has suffered a financial loss, the Council will seek to recover the full value of any loss as outlined in the Corporate Anti-Fraud and Anti Corruption Strategy, Fraud Response Plan and Prosecution Policy.
- (h) Instigate the Council's disciplinary procedure when the outcome of an audit investigation indicates improper behaviour (by a member of staff), or indicates that a wider investigation is appropriate.
- (i) Ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the Internal Audit Manager prior to implementation, to ensure that control issues are fully considered and complied with.

11.18 The Chief Finance Officer will:

- (a) Ensure that Internal Audit liaises effectively with External Audit.
- (b) Work with the External Auditor and advise the Council, Cabinet, Audit Committee and Head of Service on their responsibilities in relation to External Audit.
- (c) Ensure that all External Audit reports and any other relevant matters are reported to the Audit Committee.

FINANCIAL PROCEDURE RULE 12: SECURITY OF ASSETS

12.1 Head of Service will ensure that records and assets are properly maintained and securely held.

12.2 The Chief Legal Officer, in consultation with the Director of Environment, shall maintain a terrier of:

(a) All lands and properties owned by the Council (with the exception of dwellings provided under the Housing Acts) in a form agreed with the Chief Finance Officer, recording the holding Committee, purpose for which held, location, extent, plan reference, purchase details, particulars of all interests, tenancies granted and rents receivable.

(b) All lands and properties leased to the Council in a form agreed with the Chief Finance Officer, recording the holding Committee, purpose for which held, location, extent, plan reference and lease rental payment details.

The corporate property function resides within the Environment Directorate, with property records maintained by Valuation and Estates Services in conjunction with Legal.

12.3 The Director of Environment will arrange for the valuation of assets for accounting purposes to meet requirements specified by the Chief Finance Officer and, in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC).

12.4 The Head of Legal Services shall have custody of all title deeds and will put in place secure arrangements for this.

12.5 The Director of Environment shall maintain a record of all dwellings provided under the Housing Acts in a form agreed with the Chief Finance Officer.

12.6 Directors and Heads of Service shall be responsible for maintaining proper security and confidentiality of all financial and related information in the Head of Service's possession including complying with the requirements of the Council's Information Security Policy, Data Protection Act, the Computer Misuse Act and any subsequent legislation.

12.7 Directors and Heads of Service must ensure that:

- (a) All staff are aware of their responsibilities with regard to safeguarding the Council's assets and the protection and confidentiality of information, whether held in manual or computerised records, including the requirements of the Data Protection Act and software copyright legislation.
- (b) All staff are aware of their responsibilities with regard to safeguarding the security of the Council's computer systems, including maintaining restricted access to the information held on them and compliance with the Council's computer, portable storage media acceptable usage, e-mail and internet security policies.
- (c) Arrangements are in place for the proper security and safe custody of all buildings, vehicles, equipment, furniture, stock, stores and other assets under their control.
- (d) Lessees and other prospective occupiers of council land or buildings are not allowed to take possession or enter the land or building until a lease or legal agreement, in a form approved by the Chief Legal Officer in consultation with the Chief Finance Officer, has been established as appropriate.
- (e) Where land or buildings are surplus to requirements, a recommendation for sale is the subject of a report by the Head of Service, or where action is taken under delegated powers this is reported to the Cabinet.
- (f) Each Directorate maintains a register of moveable assets and that assets are identified, their location recorded, and that they are appropriately marked and insured.
- (g) Cash holdings on premises are kept to a minimum and shall not exceed such limit as the Chief Finance Officer may prescribe, and that the arrangements for such cash holdings have been agreed with Internal Audit. Each Head of Service must, in consultation with the Chief Finance Officer ensure safe and efficient cover for cash in transit.

- (h) Keys to safes and similar receptacles are carried in the possession of those responsible at all times; loss of any such keys must be reported to the Chief Finance Officer as soon as possible. All official keys of buildings, alarms and secure places shall be securely maintained at all times using a designated key tagging system by the individual responsible for their custody. If not held on the person of the individual responsible for their custody, they should be held under secure arrangements. The loss of any such keys shall be reported to the Chief Finance Officer immediately.
- (i) Assets are only used in the course of the Council's business, unless the Head of Service concerned has given permission, in writing, for personal use by an employee.
- (j) Records are kept of the disposal or part-exchange of assets. Such disposals should normally be by competitive tender or public auction, unless, following consultation with the Chief Finance Officer, the Cabinet agrees otherwise.
- (k) Inventories or other records are maintained, in a form approved by the Chief Finance Officer, of all vehicles, plant, equipment (including portable equipment such as FCC Laptops), machinery, protective clothing and such other items as the Chief Finance Officer may require for each location under the Head of Service's control. Unless otherwise authorised in writing by the Chief Finance Officer, each inventory shall record, in respect of each item a brief description of the item, the serial number or other identifying mark (where applicable), particulars of acquisition (including details of ownership where applicable) and, in due course, particulars of disposal.
- (l) An annual check of all items on the inventory is carried out in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Council.
- (m) There are arrangements for the care and custody of stocks and stores in the Directorate. Each Director and Head of Service shall be responsible for the care and custody of all stocks and stores held in that Directorate and shall account for their purchase, control, issue and return and disposal in a manner approved by the Chief Finance Officer.

- (n) Items shall be held in stock only where ready availability or where purchase in bulk is more economical than purchase of individual items, having due regard to the storage and administration costs associated with each method. Stocks shall not exceed the level required to meet reasonable anticipated needs or to obtain the benefits of bulk purchasing, except in special circumstances in consultation with the Chief Finance Officer.
- (o) Stocks are maintained at reasonable levels and are subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion, referring issues to Internal Audit, where appropriate.
- (p) The Chief Finance Officer shall receive from the appropriate Head of Service such information relating to stocks as the Chief Finance Officer may require for accounting or costing purposes, and shall require the appropriate Head of Service to conduct, by persons other than the storekeeper, a complete stock-take at intervals of not more than one year together with one interim stock check.
- (q) Sample checks are made of all actual stock holdings against recorded stock holdings. The checks should be such that all items of stock are included within the check at least once a year.
- (r) Discrepancies are investigated and written off as necessary.

12.8 Surplus, obsolete or defective items held in stock shall be disposed of at regular intervals not exceeding one year. Procedures for disposal of such stocks and equipment, including inventory items, should be by competitive quotations or auction, unless, following consultation with the Chief Finance Officer, the Cabinet decides otherwise in a particular case. Such write-offs or disposals will be reported to the Cabinet.

12.9 When the Head of Service considers it appropriate, the stock or inventory item may be offered to other Directorates or employees for the highest quotation received on a secret and competitive basis, or disposed of by public auction, or as scrap and disposal shall be certified in the stock records or inventory by the signature of the Head of Service or other authorised Officer.

The names of Officers authorised to certify such disposals shall be agreed with and notified to the Chief Finance Officer by each Head of Service, who shall provide the Chief Finance Officer with the specimen signature and initials of each such authorised Officer and amendments as they may occur. Disposal of items by any other method shall be subject to prior written authority from the Chief Finance Officer.

12.10 In the event that the Council decides to become involved in the commercial exploitation of intellectual property e.g. software development, the matter should be agreed by the Cabinet.

12.11 Whenever, in case of eviction, re-possession or similar circumstances, the Council takes possession or custody of private moveable property, an itemised inventory shall be taken in the presence of two persons, one of whom shall be a Council Officer or representative, who both shall witness it as a correct record.

12.12 Each Head of Service shall be responsible for ensuring safe custody and maintaining adequate records of lost property found on premises for which that Head of Service is responsible. Unclaimed items shall be disposed of by the Head of Service under arrangements approved by the Chief Finance Officer.

12.13 Each Head of Service will ensure that controls are in place 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. The Head of Human Resources and Organisational Development will ensure that this is reflected in the Council's HR Policies.

12.14 Every acquisition, disposal or transfer to another location shall be recorded immediately in the appropriate inventories.

12.15 The Chief Finance Officer will ensure appropriate accounting entries are made to remove the value of disposed assets from the Council's records and to include the sale proceeds.

12.16 Head of Service will ensure that income received for the disposal of an asset is properly banked and coded.

12.17 If any aspect of security is considered defective, or if special security arrangements are considered desirable, the Head of Service concerned shall consult with the Chief Finance Officer with a view to remedial action.

FINANCIAL PROCEDURE RULE 13: IMPREST ACCOUNTS

13.1 The Chief Finance Officer will:

- (a) Provide employees of the Council with cash or bank imprest accounts to meet minor expenditure on behalf of the Council and prescribe rules for operating these accounts.
- (b) Agree, in consultation with the relevant Head of Service, the petty cash limit and maintain a record of all transactions and petty cash advances made, and periodically review the arrangements for the safe custody and control of these advances.
- (c) Reimburse imprest holders as often as necessary to restore the imprests, but normally not more than monthly.

13.2 The Chief Finance Officer shall issue to Officers authorised to receive official money, such change floats as considered necessary, following consultation with the relevant Head of Service, for the efficient performance of cash collection duties. Such a float shall not be used for any purpose other than the giving of change, and the Officer to whom it is issued shall be responsible at all times for its safe custody until such time as it is repaid to the Chief Finance Officer.

13.3 The Head of Service will ensure that employees operating an imprest account:

- (a) Obtain and retain receipts/invoices and vouchers to support each payment from the imprest account. Where appropriate, an official receipted VAT invoice must be obtained in order to ensure the correct recovery of VAT as per HM Revenue and Customs regulations.
- (b) Ensure reimbursement claims are signed by the claimant and one authorising signatory. Imprest controllers must ensure that two authorising signatories are obtained where there are no valid receipts/invoices to support the expenditure.
- (c) Make adequate arrangements for the safe custody of the account.
- (d) Produce upon demand by the Chief Finance Officer cash and all receipts/ invoices and vouchers to the total value of the imprest amount.
- (e) Record transactions promptly.
- (f) Reconcile and balance the account at least monthly irrespective of the frequency of reimbursement claims. Reconciliation sheets are to be signed by the imprest holder and two authorising signatories and placed on file.

- (g) Provide the Chief Finance Officer with a certificate of the value of the account held at 31st March each year.
- (h) Ensure that the float is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made.
- (i) Ensure that payments are never made to individuals, contractors, consultants, casual staff or self-employed persons. The exceptions are where bonus incentive payments are made to service users in Social Services Day Opportunities and payments are made to residents from deputyship monies. Payments can be made from petty cash and then coded appropriately to the correct budget. In the case of deputyship, this is then reclaimed from personal monies.
- (j) Where emergency loans are made to service users, Officers will comply with the Monitoring and Recovery of Loans Procedure.
- (k) On leaving the Council's employment or otherwise ceasing to be entitled to hold an imprest advance, account to the Chief Finance Officer for the amount advanced to him or her, and either repay the balance, without delay, to the Chief Finance Officer or transfer it to another authorised Officer (as outlined in FPR 9.7 (m)).

13.4 The Chief Finance Officer may at any time require the authorised Officer to produce the float for inspection, to repay it or to sign a certificate of the amount held.

13.5 Where considered appropriate the Chief Finance Officer shall open an account with the Council's bankers or other approved agency. The Imprest holder shall not allow the account to become overdrawn. It shall be a standing instruction to the Council's bankers or approved agency that the amount of any overdrawn balance on a Petty Cash Imprest holder's bank account be reported to the Chief Finance Officer.

FINANCIAL PROCEDURE RULE 14: TREASURY MANAGEMENT, BANKING, TRUST FUNDS AND FUNDS HELD ON BEHALF OF THIRD PARTIES

14.1 The Council will create and maintain, as the cornerstones for effective treasury management:

- A Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its treasury management activities
- Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this Council. Such amendments will not result in the Council materially deviating from the Code's key principles.

14.2 The Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

14.3 The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet, and for the execution and administration of treasury management decisions to the Chief Finance Officer, who will act in accordance with the Council's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice in Treasury Management.

14.4 The Council nominates Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

14.5 The Chief Finance Officer will operate bank accounts as are considered necessary. Opening or closing any bank account shall require the approval of the Chief Finance Officer. Heads of Service will follow the instructions on banking issued by the Chief Finance Officer.

14.6 The Chief Finance Officer will act as the Council's registrar of stocks, bonds and mortgages and maintain records of all borrowing of money by the Council.

14.7 Heads of Services will 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 Chief Finance Officer, unless the deed otherwise provides.

14.8 Heads of Service will arrange where funds are held on behalf of third parties, for their secure administration, approved by the Chief Finance Officer, and for the maintenance of written records of all transactions.

14.9 Heads of Service will ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

14.10 Criminal Injuries Compensation Awards will be put on deposit with the Council's other investments and therefore form part of the Central Loans and Investment Account, thus attracting appropriate money market rates. Each award will be accounted for separately with interest being credited on an annual basis.

FINANCIAL PROCEDURE RULE 15: TAXATION

15.1 The Chief Finance Officer and / or Head of Human Resources and Organisational Development (as appropriate as described below) is responsible for advising Directors and Heads of Service, on all taxation issues that affect the Council.

15.2 The Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate is responsible for maintaining the Council's tax records, making tax payments, receiving tax credits and submitting tax returns by their due date.

15.3 The Chief Finance Officer will:

- (a) Complete a monthly return of VAT inputs and outputs to HM Revenue and Customs.
- (b) Be responsible for accounting to the appropriate agency for other forms of taxation payable to or by the Council and for supplying to such agencies such other information as they may validly require.
- (c) Provide details to HM Revenue and Customs regarding the construction industry tax deduction scheme.
- (d) Maintain up-to-date guidance for each Head of Service on their responsibilities in regard to any taxation matters, and to individual Council employees on taxation issues.

15.4 The Head of Human Resources and Organisational Development, with guidance from the Chief Finance Officer, will:

- (a) Account to HM Revenue and Customs for all tax deducted from employees' emoluments under the PAYE arrangements.
- (b) Maintain up-to-date guidance for Heads of Service on their responsibilities in regard to taxation matters relating to Payroll, and inform Council employees of taxation issues arising within Payroll.

15.5 The Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate may require from any employee of the Council such information as is necessary for fulfilment of their obligation under this Financial Procedure Rule.

15.6 Directors and Heads of Service will:

- (a) Ensure that for any purchase which is taxable under current VAT legislation, payment will only be made on receipt of a proper invoice complying with the VAT regulations. The only exceptions are where an invoice is properly issued by the supplier on receipt of payment or where the use of authenticated VAT receipts has been agreed with the supplier.
- (b) Ensure that the correct VAT liability is attributed to all income due and that the recovery of VAT on purchases, including those paid for via an imprest account or corporate card, complies with HM Revenue and Customs regulations.
- (c) Ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- (d) 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.
- (e) Follow the guidance on taxation issued by the Chief Finance Officer or Head of Human Resources and Organisational Development such as the "Tax Management: Corporate Policy Statement"; in the "VAT Manual" and in taxation updates issued periodically.
- (f) Seek advice from the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate on VAT, or other tax implications, when entering into partnerships and other joint working arrangements.

FINANCIAL PROCEDURE RULE 16: TRADING OPERATIONS

16.1 It is the responsibility of the Chief Finance Officer to advise on the accounting arrangements for the establishment and operation of trading accounts and business units.

16.2 Heads of Service will:

- (a) Observe all statutory and Council requirements in relation to trading accounts for 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 properly charged.
- (b) Ensure that the same accounting principles are applied in relation to trading operations as for other services or business units.
- (c) Ensure that each business unit prepares an annual business plan.

16.3 Heads of Service will consult with the Chief Finance Officer where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.

FINANCIAL PROCEDURE RULE 17: STAFFING

17.1 The Head of Human Resources and Organisational Development will act as an advisor to a Head of Service on areas such as National Insurance, whilst the Chief Finance Officer will act as an advisor on pension contributions, as appropriate.

17.2 Heads of Service will:

- (a) Ensure that budget provision exists for all existing and new employees.
- (b) Monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.
- (c) Ensure that the staffing budgets are not exceeded without due authority and that they are managed to enable the agreed level of service to be provided.

17.3 The management of employee costs within schools is the responsibility of the governing body.

17.4 When reporting to the Cabinet or Council on any matter which has, or is liable to have, staffing / HR implications, a Director or Head of Service shall, in consultation with the Chief Finance Officer and the Head of Human Resources and Organisational Development, incorporate into the report both the staffing / HR and financial implications of the matter under discussion.

FINANCIAL PROCEDURE RULE 18: PAYMENTS TO EMPLOYEES AND MEMBERS

18.1 Official Council expenses incurred by Members and Employees of the Council shall be paid direct by the Council.

18.2 All claims for payment of financial loss, attendance, travelling, subsistence and car allowances, and other incidental expenses paid for by the claimant, shall be completed and signed by the claimant in a form approved by the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate. With the introduction of the iTrent system, employees will be able to submit expenses via Employee Self Service. The system will be rolled out to the whole organisation in a phased process. Managers will authorise expenses via the iTrent system.

18.3 The names of Officers authorised to certify such claims shall be agreed with, and notified in writing to, the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate by each Head of Service, who shall provide the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate with the specimen signature and initials of each such authorised Officer, and any amendments on the occasion of any change. Certification of a claim by, or on behalf of, a Head of Service shall signify that the certifying Officer is satisfied that the journeys were authorised, that the expenses were necessarily incurred in the performance of duty, that the allowances are properly payable by the Council, and that cost-effective travel arrangements are achieved.

18.4 All claims shall be submitted to the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate for payment within such time as may be specified.

18.5 The Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate will:

- (a) Arrange and control secure and reliable payment of salaries, wages, pensions, compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by him or her, on the due date.
- (b) Record and make arrangements for the accurate and timely payment of tax, superannuation and other deductions.
- (c) Make arrangements for payment of all travel and subsistence claims or financial loss allowance.

- (d) Make arrangements for paying Members' under the Members Allowances Scheme and the Members Travel and Subsistence Scheme, which will be maintained by the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate.
- (e) Ensure that there are adequate arrangements for administering pension scheme matters on a day-to-day basis.

Directors and Heads of Service will:

- (a) Ensure appointments are made in accordance with the Procedure Rules of the Council and approved establishments, grades and scale of pay and that adequate budget provision is available.
- (b) Notify the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate of all appointments, terminations (resignations, dismissals) or variations (secondments, transfers, absences from duty through sickness or other reasons apart from approved leave, changes in remuneration, other than normal increments and pay awards and agreements of general application) which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate.
- (c) Ensure that adequate and effective systems and procedures are operated in a form approved by the Head of Human Resources and Organisational Development, so that payments are only authorised to bona fide employees:
 - (i) Payments are only made where there is a valid entitlement.
 - (ii) Conditions and contracts of employment are correctly applied.
 - (iii) Employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.
- (d) Provide information necessary to maintain records of service for superannuation, income tax, national insurance or other statutory obligations.
- (e) Ensure that payroll transactions are processed only through the payroll system. Heads of Service should give careful consideration to the employment status of individuals employed on a self-employed, consultant or subcontract basis. HM Revenue and Customs applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Head of Human Resources and Organisational Development.

- (f) Ensure that the Head of Human Resources and Organisational Development is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- (g) In conjunction with the Head of Human Resources and Organisational Development, maintain an up to date establishment structure and adhere to the Establishment Control Maintenance Process.

18.6 The Head of Human Resources and Organisational Development will be responsible for recovering payroll overpayments where the employee continues to have employment with the Council and where the overpayment is £750 or less. A repayment schedule, ensuring repayment is made within the same financial year as the overpayment, will be formally agreed with the employee.

For all payroll overpayments in excess of £500, irrespective of employment status, recovery of the overpayment will be the responsibility of Debt Recovery, ensuring that such overpayments are included within the Council's total debt.

18.7 All pay documents shall be, in a manner prescribed by the Head of Human Resources and Organisational Development, certified manually by or on behalf of the appropriate Head of Service. The names of Officers authorised to certify such documents shall be agreed with, and notified in writing to the Head of Human Resources and Organisational Development by each Head of Service, who shall provide the Chief Finance Officer with the specimen signature and initials of each such authorised Officer and any amendments on the occasion they arise.

18.8 Heads of Service and the Head of Human Resources and Organisational Development will ensure that all appropriate payroll documents are retained and stored, as required, by the Head of Human Resources and Organisational Development.

18.9 No cheque made payable to a Member or Employee will be cashed by the Council, unless it is under a scheme approved by the Chief Finance Officer and is presented by the person named on the cheque, and duly endorsed.

18.10 Members will submit claims for travel and subsistence on a monthly basis.

FINANCIAL PROCEDURE RULE 19: PROCUREMENT

19.1 The Head of ICT and Customer Services (who has the responsibility for the Corporate Procurement Unit) will be responsible for advising on procurement arrangements in order to achieve the most favourable terms possible from suppliers, save on administrative expense and process costs, ensure compliance with UK and EU procurement legislation and assist the Council with its efficiency agenda.

19.2 Heads of Service are required to follow central procurement arrangements. Where particular goods and services are not available through these arrangements, the Head of Services will consult with the Corporate Procurement Unit for guidance on the appropriate next steps.

19.3 Contract Procedure Rules apply to all contracts entered into by or on behalf of the Council with the intention of procuring goods, services or works.

19.4 Every contract entered into by the Council shall comply with:

- (a) all relevant statutory provisions
- (b) the relevant EU law and EU public procurement rules
- (c) the Council's constitution
- (d) schemes of delegation
- (e) the Council's strategic objectives and policies
- (f) the Council's Procurement Strategy and any other relevant Council policies

19.5 Under Flintshire's Scheme for Financing Schools, schools are not bound by central procurement arrangements, but are encouraged to be so. However, school expenditure for the supply of goods and services is still subject to the EU and UK procurement legislation..

FINANCIAL PROCEDURE RULE 20: PARTNERSHIPS

20.1 Both the Council and the Cabinet are responsible for approving delegations, including frameworks for partnerships and joint ventures. The Cabinet is the focus for forming partnerships and joint ventures with other local public, private, voluntary and community sector organisations to address local needs.

20.2 Both the Council and the Cabinet can delegate functions – including those relating to partnerships – to Officers. These are set out in the Scheme of Delegation that forms part of the Council’s Constitution. Where functions are delegated the Officers remain accountable for them to the Council and the Cabinet as appropriate.

20.3 The Head of Paid Service or other nominated Officers will represent the Council on partnerships and external bodies, in accordance with decisions of the Council/Cabinet or otherwise as authorised by the Head of Paid Service

20.4 The Chief Finance Officer and Monitoring Officer are responsible for encouraging the same high standards of conduct (with regard to financial administration and other matters, respectively) in partnerships and joint ventures that apply throughout the Council insofar as the constitutions of respective organisations permit them to do so.

20.5 The Chief Finance Officer must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are appropriate. He or she, in consultation with the Monitoring Officer, must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies, ensuring that the risks have been fully appraised before agreements are entered into.

20.6 Directors and Heads of Service are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.

20.7 The Chief Finance Officer will:

- (a) Advise on the key elements of funding a project, including:
 - (i) An options appraisal scheme for financial viability.
 - (ii) Risk appraisal and management.
 - (iii) Resourcing, including taxation and pension issues.
 - (iv) Audit, security and control requirements.

- (v) Carry-forward arrangements.
- (b) Ensure that the accounting arrangements are appropriate.

20.8 The Monitoring Officer will advise on legal matters.

20.9 Heads of Services will:

- (a) Maintain a register of all contracts entered into with external bodies in accordance with procedures specified by the Chief Finance Officer.
- (b) Ensure that, before entering into agreements with external bodies, a risk management and options appraisal has been prepared for the Cabinet, in consultation with the Chief Finance Officer and Monitoring Officer.
- (c) Ensure that all agreements and arrangements are properly documented.
- (d) Provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Council's Statement of Accounts concerning material items.
- (e) Ensure that the project progresses in accordance with the agreed plan and that all expenditure is properly incurred and recorded.

20.10 Directors and Heads of Services will ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Council, following consultation with the Chief Finance Officer.

20.11 Directors and Heads of Services will seek advice from the Chief Finance Officer or Head of Human Resources and Organisational Development as appropriate on VAT, or other tax implications, when entering into partnerships.

FINANCIAL PROCEDURE RULE 21: EXTERNAL FUNDING

21.1 Directors and Heads of Service will:

- (a) Ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.
- (b) Ensure that funds are acquired only to meet the priorities approved by the Council in the policy framework.
- (c) Ensure that any match-funding requirements are given due consideration and that future revenue budgets reflect these requirements, before entering into long-term agreements.
- (d) Ensure that all claims for funds are made by the due date.

21.2 The Chief Finance Officer will:

- (a) Ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- (b) Ensure that audit requirements are met.

21.3 Directors and Heads of Services will:

- (a) Ensure that proposals are costed properly and that the approval of the Cabinet is obtained before any negotiations are concluded to work for third parties.
- (b) Ensure that contracts are drawn up and maintain a register of all contracts entered into with third parties.
- (c) Ensure that all grant income and associated information is logged on the Corporate Grant Register and adhere to the requirements of the Grant Manual.
- (d) Ensure that appropriate insurance arrangements are made, via the Chief Finance Officer.
- (e) Ensure that, as far as possible, the Council is not put at risk from any bad debts.
- (f) Ensure that no contract is subsidised by the Council.
- (g) Ensure that such contracts do not impact adversely upon the services provided for the Council.

- (h) Have in place an exit strategy to implement when the funding ceases. This strategy must allow for all costs associated with the winding up, including any costs arising because staff have gained employment rights, being met from within the externally provided monies and, therefore, at no additional cost to the Council. If the terms of the external funding do not allow such costs to be met from it, then they must be met from within the base budget of the Directorate concerned.
- (i) Provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Statement of Accounts, as required.
- (j) Ensure that all grant income is coded, in the first instance, to the appropriate balance sheet code in order to avoid double counting the overall income and expenditure of the Council.

FINANCIAL PROCEDURE RULE 22: VALUE FOR MONEY

22.1 Each Head of Service shall be responsible for ensuring that value for money is obtained in the performance of all operations and transactions under the Head of Service's control, subject to statutory constraints, Financial Procedure Rules, Contract Procedure Rules (e.g. the requirement to rotate contractors) and any other directives of Council, where the control environment and ensuring probity takes precedence. In assessing value for money, all short-term and long-term costs and benefits associated with the matter under consideration shall be taken into account.

22.2 If, at any time, the Chief Finance Officer forms the view, based on objective financial evidence, that Heads of Service are not fulfilling their obligations with regard to value for money and that the Council's financial resources are not being utilised efficiently and effectively in the implementation of Council policy, he or she shall consult with the appropriate Head of Service and, if considered necessary, report to the Cabinet and/or the Audit Committee, as appropriate, on any matters giving rise to serious concern in this regard, in consultation with the Council's External Auditor.

FINANCIAL PROCEDURE RULE 23: OTHER FUNDS

23.1 The Council will not as a general rule supervise the financial administration of, nor audit, unofficial funds, and accepts no liability whatsoever for any loss however caused. Unofficial funds are defined as those which are not the property of the Council, for example school monies collected by schools for school trips and monies held in Amenities Funds in Social Services establishments. Those operating such funds, therefore, have an overall responsibility to ensure that proper financial stewardship is observed. This should include ensuring that:

- (a) A Treasurer and independent auditor are formally appointed.
- (b) Proper rules are operated to secure adequate standards.
- (c) Adequate records and procedures are maintained.
- (d) Regular reports on fund transactions and balances are received and checked against bank statements.
- (e) Annual statements of income and expenditure and fund balances are prepared and audited on a timely basis.

23.2 The School Fund Regulations, 2013 must be followed for the operation of all school funds in Flintshire Schools.

23.3 Those operating or intending to operate unofficial funds are also required to:

- (a) Notify the Chief Finance Officer of details of the fund as soon as it is set up.
- (b) Provide an independent audit certificate for the fund on an annual basis.

23.4 Heads of Service should provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Statement of Accounts, as required.

FINANCIAL PROCEDURE RULE 24: PROTECTION OF CLIENTS ASSETS

24.1 Where the Council is appointed as a Deputy for a Client by the Office of the Public Guardian (OPG), Heads of Service will ensure that all OPG regulations and guidelines are complied with.

24.2 Where the Council is approved by the Department for Work and Pensions (DWP) to act as a Corporate Appointee for a Client, Chief Officers will ensure that all guidelines provided by the DWP are complied with.

24.3 Heads of Service will ensure that a separate bank account is arranged for each Client, with the bank account reconciled on a regular basis, at least monthly.

24.4 Every transfer of clients monies from one Officer to another shall be recorded immediately in a manner approved by the Chief Finance Officer and shall be evidenced by the signature of the receiving Officer.

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GLOSSARY OF FINANCIAL TERMS	
Aggregate External Finance (AEF)	Aggregate external finance (AEF) represents the support for local revenue spending from the Welsh Government and is made up of formula grant. Formula grant includes the revenue support grant (RSG), and the distributable part of non-domestic rates (NDR). Amounts are determined annually and in advance of each new financial year as part of the Local Government Financial Settlement.
Annual Report & Accounts	The document that contains a summary of the purpose of the local authority, its activities and performance for the year, as well as the annual accounts.
Anti Canvassing	A declaration that a supplier, provider or contractor has not been party to canvassing or lobbying Council staff or Members either directly or indirectly to gain preferential treatment in competitive tendering processes.
Anti Collusive	A declaration that a supplier, provider or contractor has not been party to possibly fraudulent arrangements between two or more of them whereby prices or service requirements are manipulated to get round competitive tendering.
Assets	Any item of value owned by an entity (e.g. buildings, vehicles). Assets can be classed as Non-current or capital assets where the asset has a useful life of more than one year (e.g. buildings, vehicles), or a current asset which includes cash or other assets which can reasonably be expected to be converted to cash in the normal course of business including stocks, debtors etc.
Audit Certificate	The document that contains the opinion of the external auditor regarding an organisation's accounts, systems and standards.
Audit Committee	Audit Committees monitor and review the risk, control and governance processes that have been established in an organisation and the associated assurance processes to ensure that internal control systems are effective and that activities are within the law and governing regulations. This is done through a process of constructive challenge.
Audit Plan	Internal audit identification of the work that they intend carrying out over the audit planning period (up to a year) and the resources needed for that work.
Barnett Formula	The formula used to allocate a population based share of changes in planned expenditure on comparable services by Departments of the UK Government to the devolved administrations of Wales, Scotland and Northern Ireland. The Barnett Formula calculates the size of change to the assigned budget rather than the total assigned budget.
Benchmarking	A method for councils to work out how well they are doing, by comparing their performance with other, similar councils, and with performance indicators.
Best value	A statutory duty owed by local authorities to their local community, requiring them to make continuous improvements in the way they carry out their functions having regard to a combination of economy, efficiency and effectiveness.
Block Grant	The Block Grant is the sum of money voted by parliament to the

	Secretary of State for Wales. It constitutes the assigned element of the Welsh Governments' Departmental Expenditure Limit and is calculated from the existing baseline using the Barnett Formula.
Budget	A statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and the capital programme and any authorised amendments to them.
Budget Book	The publication in which the Council sets out its budget for a particular financial year.
Budget Head	For a particular service activity, the level of detail at which revenue or capital budgets are approved by the Council, whether in the Budget Book, the latest approved capital programme or as a result of supplementary estimates approved for the budget year.
Budgetary Control	The continual review of expenditure and income, both revenue and capital, against planned levels of expenditure and income to help ensure that service objectives are achieved and the overall resources of the Council are not over or under spent. This process is aided by the use of budget profiles.
Capital Programme	The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.
Capital Charges	A calculation of the annual costs, included within the revenue accounts of using capital assets. This includes, where appropriate depreciation.
Capital Expenditure	Spending on non-current assets (buildings, equipment and land) intended to benefit future accounting periods or spending that increases the capacity, economy, efficiency or lifespan of an existing asset.
CIPFA	Chartered Institute of Public Finance and Accountancy
Code of Corporate Governance	The part of the Council's constitution which sets out the systems and processes, and cultures and values necessary for achieving and demonstrating good corporate governance.
Codes of Conduct	The protocols within which Members and Officers will work as set out in the Constitution.
Codes of Practice	Guidance issued by professional bodies in relation to standards which are not regulated by statute, or by the Council itself.
Collaborative Arrangement	A contract or agreement established in conjunction with one or more other organisations.
Collaboration/ Consortium	The process of procurement shared between different Councils or other public sector organisations.
Construction Industry Scheme 2007	Legislation designed to ensure that all payments to contractors are made in accordance with HMRC legislation.
Consultant	A person (not an employee), agency or firm engaged for a limited period of time on a fee basis to carry out a specific task or tasks. A consultant provides subject matter expertise and/or experience to the Council either because it does not possess the skills or resource in-house or which requires an independent evaluation/assessment to be

	made
Contract	An agreement to be supplied with goods, works, services or supplies on mutually agreed and binding terms, often in writing.
Contractor/ Supplier/ Provider	The successful 'other party' with whom a contract is formed to provide the specified requirement.
Corporate Contracts	A contract which has been procured by Flintshire County Council or a Consortium for the potential use of, and on behalf of, the whole of Flintshire.
Corporate Governance	The system by which organisations are directed and controlled. The framework that ensures that an organisation fulfils its overall purpose, achieves its intended outcomes for residents of Flintshire and service users, and operates in an effective, efficient and ethical manner.
Council Fund	The fund to which all the Council's revenue expenditure is charged
Council Tax	A local tax based on the capital value of residential properties.
Council Tax Base	The estimated number of chargeable properties, expressed as the equivalent number of 'Band D' properties in the Council's area. The Council is required to annually advise the Welsh Government of its Council Tax Base (as at 31 st October), which they use in the Local Government Financial Settlement, and to allow the County Council, North Wales Police Authority and Town / Community Councils to calculate the following year's Council Tax charges.
Council's Constitution	The Constitution sets out how Flintshire County Council operates, how decisions are made and the procedures which are followed to ensure that the Council is efficient, transparent and accountable to local people.
Council's Monitoring Officer	The Officer designated by the Council as its Statutory Monitoring Officer.
Creditors	A person or body to whom the Council owes money.
Debtors	A person or body who owes the Council money. The debt may derive from a number of sources such as Council Tax or rent arrears, rechargeable works or where an account has been rendered for a service provided by the Council.
E procurement	The effective use of ICT to communicate and transact Council business with suppliers etc.
E tender	The effective use of ICT to undertake tenders.
Estimated Outturn	Estimates of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.
External Audit	External auditors provide an independent check that the annual accounts of a body properly reflect the financial year, funds were spent in accordance with relevant regulations or directions, and that the body achieves the best possible value for public money. External audit may also carry out value for money or other reviews of services.
Financial Regulations	That part of the Council's Constitution which provides an approved framework for the proper financial management of the authority.
Financial year	The period of twelve months commencing on 1 April
Framework Agreements	An arrangement under which a contracting Authority establishes with a provider of goods, works or services, the terms under which contracts subsequently can be entered into, or 'called-off' (within the limits of the

	agreement) when particular needs arise.
Fraud	Fraud is an intentional deception made for personal gain or to damage another individual. Good internal controls and governance arrangements are essential to minimise the risk of fraud. When council suffer fraud or theft it is often the case that the perpetrator has prepared false documents to disguise or to cover up the theft or fraud. In many cases the false documents include invoices and minutes
Goods	Tangible, moveable commodities (e.g. furniture and equipment etc)
Housing Revenue Account	The Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the council fund and trading accounts and is funded primarily from rents and government subsidy. Rent increases and the Housing Revenue Account Subsidy (HRAS) are approved annually under Standing Order 29, by the Welsh Government, through the <i>(Wales) General Determination of the Item 8 Credit and Item 8 Debit</i> and the <i>Housing Revenue Account Subsidy (Wales) Determination</i> .
Hypothecated Funding	Ring-fenced funding, which must be spent on particular services or initiatives
Indicator Based Assessments (IBAs)	Service specific Indicator Based Assessments (IBAs) are combined to generate total Standard Spending Assessments (SSAs, see further on) which are used by the Welsh Government to distribute the Revenue Support Grant funding to Local Authorities. IBAs are for use in calculating total SSAs and are not intended for use in determining individual authorities' budgeted expenditure on particular services.
Investment Income	Income from interest receipts on investments held by the council
Indemnity	Protection against future loss, or legal exemption from liability for damages
Insurance	Insurance is one of the ways that the councils manage the risk of losses
Internal Audit	Internal audit provides an objective appraisal service within an organisation, to improve the organisation's risk management, control and governance procedures, and to provide assurance to the accountable officer and the audit committee on these matters.
Internal control	The systems an organisation has in place to manage and mitigate risk.
Inventory	A detailed listing of all goods, materials, furniture and equipment in the ownership or use of a particular service, other than those held in stocks and stores records. They are also subject to periodic physical checks. Inventories are normally maintained in sufficient detail as to description, location, age, value etc. to enable any material loss arising from a fire, theft or other event to be identified and to support any insurance claim.
Land Terrier	Records of land owned by the Council
Liabilities	Items that are owed by the entity such as loans, leases, etc.
Liquidated Damages	A prior estimate of a justifiable financial loss in the event of a failure to complete by the specified date(s).
Materiality	An expression of the relative significance of a particular matter in the context of the financial statements as a whole

Members Allowances	A scheme of payments to elected Members of the Council in recognition of their duties and responsibilities in accordance with the relevant Regulations.
Medium Term Financial Strategy	The approved strategic process by which the council expects to finance its activities in the medium term.
Outturn	Expenditure actually incurred
Overspend	When referring to expenditure the actual expenditure incurred is greater than the budget. Shown as a +ve When referring to income the actual income achieved is less than the budget. Shown as a +ve.
PAYE	Tax deductions from salaries and wages payments made by the Council in accordance with HMRC legislation.
Petty Cash/Imprest Account	A small amount of cash kept on hand by a service for incidental expenses
Precept	This is the Council Tax collected by the Council on behalf of the Community Councils and the North Wales Police Authority
Procurement	Procurement is the process of obtaining supplies, services and works spanning the life cycle of the asset or service contract. It has a wider meaning than traditional terms such as purchasing, buying or commissioning. It is about securing services and products which best meet the needs of all stakeholders; anyone who can or might be affected by the services and products involved.
Reserves	These are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advise of the Chief Finance Officer.
Revenue	A term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes however charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.
Revenue Support Grant (RSG)	<p>The Revenue Support Grant (RSG) represents the major element in the support for local revenue spending that the Council receives from the Welsh Government, as required by section 78(1) of the <i>Local Government Finance Act 1988</i>. Amounts are determined annually and in advance of each new financial year as part of the Local Government Financial Settlement, and form a part of the Aggregate External Finance (AEF).</p> <p>The objective of the revenue support grant system is to enable authorities to provide a common level of service consistent with an aggregate figure of total standard spending (as assessed by Welsh Government using Standard Spending Assessments, see below). Its aim is to compensate for differences in the levels at which authorities need to spend and at which they can raise council tax in order to provide a common level of service. This objective is met by calculating the revenue support grant for each authority as the difference between its standard spending assessment and the sum of its re-distributed non-domestic rate income and council tax (as calculated by the Welsh Government for standard spending purposes.)</p>

Risk Management	A planned and systematic approach, involving culture, structure and processes, to provide assurance that the Council's significant risks are identified, evaluated and managed effectively
Risk Management Policy	An agreed policy which sets out how and why the Council will manage risk of all types across all of its activities
Scheme of Delegation	The framework by which budgetary control and financial monitoring are exercised at a local level.
Section 151 Officer	Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs. In Flintshire, this responsibility is vested in the Head of Finance.
Select List	A list of suitably qualified contractors, suppliers or providers that has been drawn up and assessed through an advertising and short-listing exercise for a particular contract or procurement activity.
Services	Intangible commodities (e.g. agency staff, consultants etc). It can also mean support to individuals or groups.
Standard Spending Assessments (SSAs)	<p>Standard Spending Assessments (SSAs) are notional assessments of each council's need to spend on revenue services, calculated each year by the Welsh Government for use in the distribution of the Revenue Support Grant (RSG). SSAs are calculated prior to the year to which they relate using principles established by the Welsh Government, which encompass the demographic, physical and social characteristics of each area, as reflected by a range of indicators. SSAs include the need to spend on the current element of revenue expenditure and the need to spend on the capital charges element of revenue expenditure. The distribution of the current element between local authorities is based on the distribution of, such as pupil numbers, population and measures of deprivation and rurality. The distribution of the capital charges element between local authorities is based on the latest available credit ceiling figure for each authority (which is essentially the level of unpaid debt) together with estimates of how this will change in the year to which the SSAs relate.</p> <p>SSAs are intended to reflect variations in the need to spend which might be expected if all authorities responded in a similar way to the demand for services in their area, and as this is the mechanism for distributing the RSG to local authorities this would enable all authorities in Wales to charge the same level of council tax for the provision of a similar standard of service.</p> <p>An authority's SSA is derived as a funding mechanism to distribute the RSG, it is not and should not be viewed as a target level of expenditure for an authority. The RSG funding is unencumbered, SSAs are not meant to be prescriptive in any way, and therefore authorities will spend at levels above and below their SSA according to decisions that have been made locally.</p>
Statement of	The Statement of Accounts provides details of the Council's financial

Accounts	<p>position over the previous financial year. Its purpose is to give electors, those subject to locally levied taxes and charges, members of the authority, employees and other interested parties clear information about the authority's finances. Statements of Accounts across all local authorities should reflect a common pattern of presentation, although this does not require them to be in an identical format.</p> <p>The Statement of Accounts is produced in accordance with the requirements of the Code of Practice on Local Authority Accounting in the UK (the code). The code is updated annually and in 2010/11 the code was based on International Financial Reporting Standards (IFRS) issued by CIPFA for the first time.</p>
Sub-contractors	A subcontractor is a legal person appointed by a contractor to get the contract, part of the contract or any section of the contract assigned to him to be executed.
Supplies	Consumables (e.g. paper, stationery, foodstuffs etc).
Tender List	Drawn from a previously determined select list, the list of suppliers, providers or contractors actually invited to tender
Tenderer	A potential supplier or provider or contractor.
Third Sector	Third Sector Organisations are key partners in the delivery of services on behalf of the people of Flintshire
Treasury Management	The management of the authority's cash flows, its borrowings and its investments, the management of the associated risks, and the pursuit of the optimum performance or return consistent with those risks.
Treasury Management Strategy	The strategy for the Treasury Management activities to be adopted for a particular financial year. The strategy needs to be flexible enough to allow the Head of Finance to respond appropriately to changing circumstances during the course of the year to the best advantage of the Council.
Underspend	When referring to expenditure the actual expenditure incurred is less than the budget. Shown as a -ve. When referring to income the actual income achieved exceeds the budget. Shown as a -ve.
Unhypothesized Funding	Funding allocated without restrictions on how it should be spent.
Unhypothesized Supported Borrowing	A source of funding from the Welsh Government to finance general capital expenditure. Allocations are issued annually to each local authority as part of the Local Government Financial Settlement. The Welsh Government includes an element within the Revenue Support Grant to fund the cumulative costs of this borrowing that is classed as supported borrowing.
Unsupported (Prudential) Borrowing	Borrowing to fund capital expenditure which exceeds Welsh Government support in the Revenue Support Grant. Councils can choose to fund capital expenditure through Unsupported (Prudential) Borrowing so long as they demonstrate that borrowing is prudent, sustainable and affordable, as the ongoing revenue costs of unsupported borrowing will still need to be met from available

	resources.
Value for Money	<p>Broadly value for money is the extent to which objectives are achieved in relation to costs. It is about achieving the optimum combination of costs and benefits to an organisation.</p> <p>Value for money is more formally defined as the relationship between economy, efficiency and effectiveness.</p> <p>Economy is the price paid for what goes into providing a service</p> <p>Efficiency is a measure of productivity – how much you get out in relation to what is put in</p> <p>Effectiveness is a measure of the impact achieved and can be quantitative or qualitative. Outcomes should be equitable across communities, so effectiveness measures should include aspects of equity.</p>
Variance	<p>Difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected for example projected to the end of the month or financial year.</p>
Virement	<p>The transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.</p>

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CONSTITUTION COMMITTEE**
DATE: **WEDNESDAY, 17 JULY 2013**
REPORT BY: **DEMOCRACY & GOVERNANCE MANAGER**
SUBJECT: **UPDATING THE CONSTITUTION**

1.00 PURPOSE OF REPORT

1.01 To consider further updating changes to the Council's Constitution pursuant to the 3 year programme agreed at the committee's meeting on the 24 July 2012.

2.00 BACKGROUND

2.01 Section 37 of the Local Government Act 2000 requires a local authority such as Flintshire to keep up-to-date a Constitution containing information prescribed by the Welsh Government and for that to be available for inspection by members of the public. Section 38 requires the authority to have regard to guidance issued by the Welsh Government and the subsequent guidance requires the Constitutions to be in the modular format that Flintshire has.

2.02 At its meeting on the 24 July 2012 the committee considered a report recommending a programmed review of the Constitution over a three year period and resolved to endorse that programmed review. The six areas identified for review in year one were dealt with last year. The following six areas are in the programme for being reviewed this year:-

1. Access to Information Procedure Rules
2. Protocol for Members in their dealings with Contractors/Developers.
3. Contract Procedure Rules
4. Financial Procedure Rules
5. Standing Orders relating to the Appointment and Dismissal of Officers.
6. Part 3 – Responsibility for Functions.

2.03 The Democracy & Governance Manager has undertaken a review of the first two areas referred to in paragraph 2.02. Tracking changes have been made to show the proposed changes and the reasons for them and these are attached as appendices 1 and 2 to this report.

3.00 CONSIDERATIONS

- 3.01 In undertaking the review the guiding principles have been to update to reflect current arrangements, avoid unnecessary bureaucracy and avoid ambiguity of wording. The extent to which changes can be made is limited by the requirement to follow the Welsh Government guidance and to include the information the Welsh Government requires to be included in Constitutions.
- 3.02 The updating review of the Access to Information Procedure Rules includes the following proposed changes:-
- To include reference to the Environmental Information Regulations 2004, which provides similar information rights to the Freedom of Information Act in relation to Environmental Information.
 - To include reference to the recently adopted Social Media Protocol
 - To no longer make a charge for any member of the public who wishes to obtain a copy of these rules.
 - To delete a long section that was providing interpretation of phrases used which with one exception was unnecessary duplication of provisions already contained in paragraph 10.5. The one definition not previously included has been added to paragraph 10.5.
 - To update paragraph 18.3 to reflect current practice.
- 3.03 The updating review of the Protocol for Members in their dealings with Contractors/Developers includes the following proposed changes:-
- To change the title to include 'Other Third Parties' as the protocol has always gone beyond just dealings with contractors and developers.
 - Rewritten the part referring to the Members' Code of Conduct.
 - Clarified the reference to the Planning Code of Conduct to distinguish between where the Member sits on the Planning Committee and where the Member does not.
 - Paragraph 3.2 may need updating when the Contract Procedure Rules have been updated.
- 3.04 The committee is asked to consider the proposed changes to the Access to Information Procedure Rules and the Protocol for Members in their dealing with Contractors/Developers and other third parties. Once the committee has agreed the revised versions of these parts of the Constitution, the Chair and the political Group Leaders will be consulted. If there are no objections the Constitution will then be updated to reflect what the committee has agreed. If there is any objection there will be a report to County Council.

4.00 RECOMMENDATIONS

4.01 For the committee to consider the proposed changes to the Access to Information Procedure Rules and the Protocol for Members in their dealings with Contractors/Developers.

5.00 FINANCIAL IMPLICATIONS

5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 None as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 With the Head of Legal and Democratic Services

12.00 APPENDICES

12.01 Appendix 1 - Access to Information Procedure Rules
Appendix 2 - Protocol for Members in their dealings
with Contractors/Developers

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

None

Contact Officer: Peter Evans
Telephone: 01352 702304
Email: peter.j.evans@flintshire.gov.uk

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Access to Information Procedure Rules

1. SCOPE

These rules apply to all meetings of the Council, the Cabinet, Committees and Fora.

Deleted: Co-ordinating Committee, Overview and Scrutiny Committees, Fora, the Standards Committee, Audit Committee, and the Planning and Development Committee and all other Committees of the Council.¶

Each Chief Officer shall be responsible for securing compliance with the requirements of the Data Protection Act 1998, Freedom of Information Act 2000 and the Environmental Information Regulations 2004 in relation to the data and information within the purview of that legislation held in his or her Department and shall make all necessary arrangements within the Department for that purpose.

Comment: Simplified and shortened wording.

Deleted: Each Chief Officer shall be the Proper Officer for the purposes of all statutory and regulatory provisions relating to the identification listing and availability of background papers for any report where such report is within the scope of these Rules and that Chief Officer is the responsible or contributing author.¶

Comment: More appropriate under the section dealing with background papers.

Deleted: and of the

Deleted: those Acts

Deleted: affect

Comment: clarification

2. OPENNESS POLICY

The Authority wishes to be as open as possible in terms of sharing access to information both with Councillors and with the public, as permitted within the law and with respect to the rights of others. These rules seek to complement and supplement and not detract from any statutory rights to information (for example within the Data Protection Acts and the Freedom of Information Act) which Councillors and the public are afforded from time to time. These rules do not reduce any more specific rights to information contained elsewhere in this Constitution. In the case of any omission or conflict between these rules or the Constitution and statutory rights, statutory rights will always prevail.

3. RIGHTS TO ATTEND MEETINGS

Members of the public may attend all meetings subject only to the exceptions in the Local Government Act 1972 and other legislation. The right to attend meetings does not extend to taking photographs or the making of video or audio transmissions or recordings without consent. The use of social media, such as Twitter or Facebook, is governed by the Social Media Protocol included in Part 5 of the Constitution. The right to attend meetings is subject to the Council's right to exclude persons if their conduct is disorderly or if they misbehave at the meeting. The Press may attend that part of any meeting open to the public.

Deleted: to the exceptions in these rules

Comment: The Council's rules can not change the provisions in legislation

Comment: Update

4. NOTICES OF MEETING

- (a) The Authority will give at least three clear days notice of any meeting by posting details of the meeting on the public noticeboard at County Hall and on the Council's website.
- (b) Special Urgency – If a matter is considered by the Monitoring Officer to

be so significantly urgent and unexpected, that a decision must be taken and that it is not possible to provide 3 clear days notice of the date of the meeting at which the decision must be taken, then with the agreement of the Chair of the body concerned, the Monitoring Officer is authorised to call such a meeting, subject to the agenda and reports being available to the public at the time at which the meeting is convened.

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 three clear days before the meeting for in accordance with 4 (b) above. Where reports are prepared after the summons has been sent out, the Democracy and Governance Manager shall make each such report available to the public as soon as the report is completed and sent to Councillors. If an item is added to the agenda later, the revised agenda 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 Democracy and Governance Manager thinks fit, copies of any other documents supplied to Councillors in connection with an item:-

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

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 record of decisions taken by the Cabinet, excluding any part of the minutes of proceedings when the meeting was not open to the public because exempt or confidential information was being considered;
- (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

The ~~author of any report to Council, Cabinet or Committee will list any documents~~ (called background papers) ~~which:-~~

(a) disclose any facts or matters on which the report or an important part of the report is based; and

(b) which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information (as defined in Rule 10).

Deleted: Proper Officer

Deleted: will set out in every report a list of those documents

Deleted: relating to the subject matter of the report which in his/her opinion:¶

Comment: To reflect current practice and avoid use of legal jargon.

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. SUMMARY OF PUBLIC'S RIGHTS

These Rules are a written summary of the rights of the public to attend meetings and the rights of the public and Members of the Council to inspect and copy documents. A copy of these Rules will be kept at County Hall and the public shall have the right to inspect them at any reasonable time and ~~free of charge.~~

Deleted: to take a copy on payment of a reasonable fee.

Comment: More open and less bureaucratic

10. EXCLUSION OF ACCESS BY THE PUBLIC TO MEETINGS

10.1 Public and private meetings of the Cabinet

The Cabinet may only make decisions in relation to its functions and conduct formal business in a properly constituted meeting that complies with the Cabinet Procedure Rules in Part 4. This does not prevent the Cabinet from holding informal deliberations in private, with or without officers present, but these meetings shall not take decisions.

10.2 Confidential information – requirement to exclude public

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

10.3 Meaning of confidential information

Confidential information means information given to the Council by a Government Department (including the Welsh Assembly Government) on terms which forbid its public disclosure or information which cannot be

publicly disclosed by Court Order.

10.4 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. Due regard will be had to the wishes of the individual should they elect that the hearing be held in private where the law so permits.

10.5 Meaning of exempt information

Exempt information is defined in the Local Government Act 1972 as information falling within the following 10 categories (subject to any qualification):

Deleted: means

Comment: To make clear that it is legislation rather than Flintshire that is requiring this.

Category	Qualifications
1. Information relating to a particular individual	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
2. Information which is likely to reveal the identity of an individual	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information) <u>“financial or business affairs” includes contemplated as well as past or current activities”.</u>	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Information falling within paragraph 3 is not exempt if it is required to be registered under (a) the Companies Act 1985, (b) the Friendly Societies Act of 1974 and 1992, (c) the Industrial and Provident Societies Act 1965 to 1978, (d) the Building Societies Act 1986 or (e) the Charities Act 1993.
4. Information relating to any	Information is exempt if and so long, as

consultations or negotiations, or contemplated consultations or negotiation, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.	in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Note: A 'labour relations matter' means those matters specified in paragraphs (a) to (g) of Section 218(1) of the Trade Union and Labour Relations (Consolidation) Act 1992 (matters which may be the subject of a trade dispute, within the meaning of the Act) or any dispute about those matters. Employee means any person employed under a contract of service and Office Holder means the holder of any paid office appointments to which are or may be made or confirmed by the authority, joint board or other officer holder or employee of the authority.
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5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.	None.
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6. Information which reveals that the authority proposes to (a) give under any enactment a notice under or by virtue of which requirements are imposed upon a person, or (b) to make an order or direction under any enactment.	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
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7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
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In addition to the categories referred to above the following categories apply to the proceedings of the Standards Committee and its Sub-Committee only in connection with the investigation and consideration of an allegation(s) of a breach of the Council's Members Code of Conduct.	
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Deleted: and Ethics

Comment: Our committee is known as the Standards Committee not the Standards & Ethics Committee

8. Information which is subject to	Information is exempt only where a
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any obligations of confidentiality.	meeting of a Standards Committee is convened to consider a matter referred under the provisions of sections 70(4) or (5), or 71(2) of the Local Government Act 2000
-------------------------------------	---

Deleted: and Ethics

Deleted: 60(2) or (3), 64(2),

Comment: The deleted provision does not apply in Wales only in England.

9. Information which relates in any way to matters concerning national security.	Information is exempt only where a meeting of a Standards Committee is convened to consider a matter referred under the provisions of sections 60(2) or (3), 64(2), 70(4) or (5), or 71(2) of the Local Government Act 2000
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Deleted: and Ethics

10. The deliberations of the Standards and Ethics Committee or of a Sub-Committee of the Standards Committee in reaching any finding on a matter referred under the provisions of Part 3 of the Local Government Act 2000 in reaching any finding on a matter referred to it.	
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Deleted: and Ethics

Information falling within 1-7 above is not exempt if it relates to proposed development for which the local planning authority may grant permission pursuant to Regulation 3 of the Town and Country Planning General Regulations 1992.

10.6 Public Interest

Information within categories 1-4, 6 and 7 set out in Rule 10.5 may only be treated as exempt if an assessment of the public interest has been made.

The public interest will be assessed on a case by case basis having regard to all relevant factors including, but not limited to the following, to ensure a proper balance is achieved between the right to know, the right to personal privacy and the delivery of effective government.

In making such an assessment the Proper Officer shall have regard to any relevant prejudice which may be caused to the Council or any other party if the information were disclosed, having regard to the full context of any disclosure. Account may be taken of whether disclosure would breach any obligation of confidence not within Rule 10.4 or the rights of any individual under the Data Protection Act 1998 or the Human Rights Act 1998.

Account will be taken of the fact that the public interest test may be served by allowing access to information which would:

- (a) further the understanding of and participation in debating issues of the day;

- (b) facilitate transparency and accountability in and enhance scrutiny of decisions taken by the Council.
- (c) facilitate transparency and accountability in the spending of public money;
- (d) help individuals understand the decisions made by the Council affecting their lives;
- (e) bring to light information affecting public safety or danger to the environment;
- (f) contribute to the administration of justice and enforcement of the law or the prevention or detection of crime or the apprehension or prosecution of offenders;
- (g) protect the public from unsafe products or rogue traders or practices.

In making such an assessment the following factors shall be regarded as irrelevant;

- (a) possible embarrassment to the Council or its Officers;
- (b) possible loss of confidence in the Council or another public body;
- (c) the seniority of persons involved in the subject matter;
- (d) the risk of the public misinterpreting the information.

Deleted: INTERPRETATION: WALES

¶
 2.—<#> In Parts 4 and 5 and this Part of this Schedule —¶
 “employee” means a person employed under a contract of service;¶
 “financial or business affairs” includes contemplated, as well as past or current, activities;¶
 “labour relations matter” means —¶
 <#>any of the matters specified in paragraphs (a) to (g) of section 218(1) of the Trade Union and Labour Relations (Consolidation) Act 1992 (matters which may be the subject of a trade dispute, within the meaning of that Act); or¶
 <#>any dispute about a matter falling within paragraph (a) above;¶
 and for the purposes of this definition the enactments mentioned in paragraph (a) above, with the necessary modifications, shall apply in relation to office-holders under the authority as they apply in relation to employees of the authority;¶
 “office-holder”, in relation to the authority, means the holder of any paid office appointments to 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;¶
 “registered” in relation to information required to be registered under the Building Societies Act 1986, means recorded in the public file of any building society (within the meaning of that Act).¶
 <#>Any reference in Parts 4 and 5 and this Part of this Schedule to “the authority” is a reference to the principal council or, as the case may be, the committee or sub-committee in relation to whose proceedings or documents the question whether information is exempt or not falls to be determined and includes a reference —¶
 <#>in the case of a principal council, to any committee or sub-committee of the council; and¶
 <#>in the case of a committee, to —¶

... [1]

Comment: This was an extract from the relevant legislation and the appropriate parts of it have been included in the table under paragraph 10.5

11. EXCLUSION OF ACCESS BY THE PUBLIC TO REPORTS

If the Head of Legal & Democratic 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 10, the meeting is likely not to be open to the public. Such reports will be marked "Not for publication" together with the category of information likely to be disclosed.

12. THE FORWARD WORK PROGRAMME

12.1 Period of forward work programme

The forward work programme will be prepared by the Democracy and Governance Manager to cover a rolling period of six months. It will be regularly updated to record changes to maximise the opportunity for consultation and dialogue.

Each Chief Officer in partnership with the relevant Cabinet Member is responsible for identifying future decision-making needs and for informing the Democracy and Governance Manager.

12.2 Contents of forward work programme

The forward work programme will contain matters which the Cabinet, Overview and Scrutiny Committees, Audit Committee and full Council are likely to consider. It will contain information on:

- (a) the timetable for considering the budget and any plans forming part of the policy framework and requiring Council approval, and which body is to consider them;
- (b) the timetable for considering any plans which are the responsibility of the Cabinet;
- (c) any individual matters on which the Cabinet intends to consult in advance of taking a decision, and the timetable for consultation and decision;
- (d) the work programme of the Overview and Scrutiny Committees, to the extent that it is known.

The forward work programme will be published on the Council's website and paper copies made available from Committee Services at County Hall.

13. CONSULTATION ON PROPOSALS TO BE CONSIDERED BY THE CABINET

At least 2 weeks should be permitted in the forward plan timetable for consultation with relevant Overview and Scrutiny Committees and ward members where a matter is to be considered by the Cabinet and is not urgent (as defined below) or confidential or exempt (as defined in paragraph 10) without prejudice to the rights of the Overview and Scrutiny Committee set out herein.

A matter may be considered urgent where the events to which it is addressed were unforeseen at the time that the last forward work programme was produced and a decision is required within (the minimum time provided for consultation as specified above).

A decision can only be treated as urgent if the decision taker (if an individual) or the Chair of the body making the decision obtains the agreement of the Chair of a relevant Overview and Scrutiny Committee that the taking of 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 including the Scrutiny co-ordinating Committee is unable to act, then the agreement of the Chair of the Council, or in his/her absence the Vice Chair will suffice.

Any decisions taken under this urgency procedure will be recorded as having been taken in the absence of consultation in the decision record save as to the urgency of the need to make the decision and that it cannot reasonably be deferred.

14. RECORD OF DECISIONS OF THE CABINET

14.1 The decision record

- (a) A written record will be made of every Cabinet decision by the Cabinet and its Committees (if any) and individual members, and joint Committees and joint Sub-Committees whose members are all members of a local Authority Cabinet.
- (b) This decision record will include a statement, for each decision, of:
 - 1. the decision made
 - 2. the date the decision was made
 - 3. the reasons for that decision;
 - 4. any personal interest declared;
 - 5. any dispensation to speak granted by the Authority's Standards

Committee;

6. the consultation required to be undertaken prior to the decision and, if such consultation has not taken place, the reason why;
7. any reason for urgency (where applicable).

14.2 Preparing the decision record

(a) The Democracy and Governance Manager or his or her representative shall attend any meeting of the Cabinet, a Committee of the Cabinet or a joint Committee or joint Sub-Committee where all its members are members of a local Authority Cabinet, and shall as soon as reasonably practicable after the meeting produce a decision record.

(b) Where an individual Member has made any Cabinet decision,

- i. that Member shall as soon as reasonably practicable instruct the Democracy and Governance Manager to produce a decision record; and
- ii. the decision shall not be implemented until that decision record has been produced, subject to (c) below.

(c) Where the date by which an Cabinet decision made by an individual Member must be implemented makes compliance with (b) ii above impracticable, the decision may be implemented if the decision maker has the agreement of

- i. the Chair of the relevant Scrutiny Committee, or
- ii. if there is no such person or that person is unable to act, the Chair of the local Authority, or
- iii. if there is no Chair of the relevant Scrutiny Committee or the local Authority, the Vice-Chairperson of the local Authority
- iv. that the making of the decision is urgent and cannot reasonably be deferred.

15. DECISIONS BY AN INDIVIDUAL MEMBER OF THE CABINET

15.1 Reports intended to be taken into account

Where an individual Member of the Cabinet receives a report which he/she intends to take into account in making any decision, then he/she will not make the decision until at least 3 clear days after receipt of that report.

15.2 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 every relevant Overview and Scrutiny Committee as soon as reasonably practicable, and make it publicly available at the same time.

15.3 Record of individual decision

The decision recording rules in paragraph 14 will apply.

16. OVERVIEW AND SCRUTINY COMMITTEE MEMBERS' ACCESS TO DOCUMENTS

16.1 Rights of access

Subject to Rule 16.2 below, an Overview and Scrutiny Committee (including its Sub-Committees) will be entitled to access any document which is in the possession or control of the Cabinet or its Committees and which contains material relating to

Deleted: to

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

16.2 Limit on rights

An Overview and Scrutiny Committee or Sub-Committee will not be entitled to any part of a document that contains:

- (a) confidential or exempt information, or
- (b) advice provided by a political advisor or assistant unless that information is relevant to an action or decision that is being reviewed or scrutinised or any review contained in a programme of work of that Committee or Sub-Committee.

17. RECORD OF INDIVIDUAL DECISION BY EMPLOYEE

Where a decision is taken by an employee under delegated powers, that employee is responsible for retaining a record of such decision and the reason for such decision sufficient for audit and evidential purposes and for ensuring that all those that need to know are informed promptly of the decision and that the decision and the record of it accords with the requirements of the relevant scheme of delegations under which it is made, and any guidance on decision making issued by the Monitoring Officer. Decisions made by the Chief Executive or Chief Officers will be reported to

the next available Cabinet meeting.

18. ADDITIONAL RIGHTS OF ACCESS FOR MEMBERS

18.1 Material relating to Council and Cabinet Business

All Councillors will be entitled to inspect any document which is in the possession or under the control of:

- (i) the Council relating to business transacted or to be transacted at a meeting of the Council, or a committee or a sub-committee.
- (ii) the Cabinet (or its committees) relating to any business transacted at a decision making meeting following the conclusion of that meeting or relating to any decision made by an individual member of the Cabinet where allowed by the Scheme of Delegation immediately after the decision has been made.

Unless either (a) or (b) below applies:-

- (a) it contains exempt information falling within paragraphs 1 to 7, of the categories of exempt information in Rule 10; or
- (b) in respect of Cabinet material it contains the advice of a political adviser.

Deleted: , 2, 4, 5 or 7

Comment: To simplify and reference to para 6 did not make sense.

Deleted: or it contains exempt information falling within paragraph 6 of those categories relating to any terms proposed or to be proposed by or to the Council in the course of negotiations for a contract

18.2 Nature of Rights

The rights of a Member under Rule 18 are additional to any other right he/she may have, including:

- (a) the common law right to inspect documents where this is necessary for a Member to perform his or her duties. Any Member asserting a 'need to know' in relation to documents not otherwise available under the rules should make application to the Monitoring Officer.
- (b) the statutory rights available to any person under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.
- (c) Members' right, under Section 228 of the Local Government Act 1972, to inspect the accounts of the Council and of any Proper Officer of the Council.

Deleted: 5

In exercising rights of access to information Members shall have regard to any guidance issued by the Monitoring Officer and the Member/Officer and Member Access to Information Protocols.

18.3 Access to Information

The normal practice of the Council is that all Members receive agendas, reports and minutes of ~~those~~ Council, Cabinet ~~and~~ Committee meetings ~~that they wish to receive~~.with the exception of the Appeals and Appointments Committees where Members will only receive the minutes of those Committees. In addition, they will not receive the reports of the Audit Committee or the Standards Committee where those reports contain those classes of exempt information referred to in paragraph 18.1(a) ~~above~~.

Deleted: all

Deleted: ,

Deleted: and Fora

Comment: To reflect current practice

Deleted: below

18.4 Access to Meetings

The Cabinet has the discretion to invite non Cabinet-Members to remain to observe the discussion on any item in circumstances where the press and public have been excluded.

Members attendance at Council, the Cabinet or at the Committees or Fora of which they are Members (or, where this is permitted, they attend as substitutes for others) is subject to the application of the rules relating to the declaration of personal interests.

Members without seats on a Committee will be able to attend a Committee or Fora meeting if they have given appropriate notice to do so and speak, but not vote, on such agenda item or minutes specifically relating to any projects, development or other matters which significantly affect that Member's ward as specified in the notice. This paragraph does not apply to the proceedings of the Appeals, Appointments or Licensing Committees.

Where the paragraph immediately above does not apply, Members will nevertheless be able to attend Committees of which they are not Members to observe, and speak at the discretion of the Chair except where certain confidential information or exempt information falling within categories referred to in 18(1)(a) above is to be discussed unless the Member is able to demonstrate a "need to know". This paragraph does not apply to the proceedings of the Appeals, Appointments or Licensing Committees.

Deleted: b

Comment: 18 (1) (b) contains no reference to exempt information.

The "need to know" principle is similar in its application to access to meetings as it is to access to information.

One important difference is that a Member's "need to know" may be satisfied more satisfactorily or readily by other available means e.g. by written information or a briefing by officers. Each situation will need to be considered on its own merits.

The underlying factor for consideration in any such request to attend a meeting is whether attendance would be likely to seriously impair or prevent the proper functioning of the Committee.

Members wishing to attend meetings on the basis of a "need to know" should give an explanation of their need to know in relation to attendance at the meeting in writing to the Monitoring Officer prior to the meeting in question. A

decision in each case will be made by the Committee concerned, or the Cabinet where applicable, after consideration of any advice given by the legal adviser to the Committee. Reasons should be given for any refusal. Any dispute may be referred to the Monitoring Officer for consideration.

Protocol for Members in their Dealings with Contractors/Developers and Other Third Parties

Comment: The protocol goes beyond contractors and developers and includes other third parties.

1. INTRODUCTION

- 1.1 This Protocol has been developed to assist Members by identifying some of the existing provisions in Codes of Conduct, Guidance and Procedure Rules most relevant to dealings with contractors/developers for easy access when advice on individual circumstances is needed. It also extends to include advice on meetings or discussions with external bodies, and in particular private companies, which might at some stage be seeking to benefit from an association with the Council and/or its partner organisations.
- 1.2 It is recognised that Members may be contacted by a range of public, private and voluntary organisations for various reasons and in various ways. Occasionally this will be to acquaint a Member with an event that is planned for the Member's particular ward. However, more often than not the contact will be in the hope that the Member will support a proposal in one way or another.
- 1.3 The Code of Conduct for Members sets out general principles which Members must have regard to in the roles they fulfil. The Planning Code of Conduct builds upon the Members' Code of Conduct and in relation to planning applications requires Members to declare circumstances where there has been significant contact and indicates that this is where a Member has been contacted on more than 3 occasions by the same person whether that was an applicant or an objector.

Comment: To clarify this confined to planning applications.

Deleted: 1.4 In the light of the recently published WAG document Member Role Descriptions and Person Specifications, and a request from the Council's External Auditors, PriceWaterhouseCoopers, this Protocol extends previous advice to include meetings or discussions with external bodies, and in particular private companies which might at some stage be seeking to benefit from an association with the Council and/or its partner organisations.¶

Comment: The first part out of date. Second part now incorporated into paragraph 1.1

Deleted: 2.1 Members must observe the Code of Conduct whenever they conduct the business of the Authority, undertake the role of Member to which they were elected or appointed or act as representatives of the Authority.¶

Comment: 2.1 deleted as it is an inaccurate summary of the complex provision in paragraph 2 of the Members' Code

Deleted: need to promote

Deleted: and must not do anything which compromises or is likely to compromise the impartiality of the Authority's employees. They must not use their position improperly to confer on or secure for any person an advantage or disadvantage or to secure an advantage for themselves.

Deleted: 2.3 Members are reminded of the requirement to disclose personal interests and reference should be made to the Code of Conduct on this issue.¶

2. CODE OF CONDUCT

- 2.1 The Members' Code of Conduct includes the following provisions which are particularly relevant in relation to Members in their dealings with contractors/developers and other third parties.
- 2.2 Paragraph 4 of the Members' Code requires that Members must carry out their duties and responsibilities with due regard to the principle of equality of opportunity for all people regardless of their gender, race, disability, sexual orientation, age or religion.

- 2.3 Paragraph 7 of the Members' Code provides that Members must not use their position improperly to confer on or secure for themselves or any other person an advantage or create or avoid for themselves or any other person a disadvantage.
- 2.4 Part 3 of the Members' Code contains detailed provisions concerning the disclosure of personal interests and where Members believe these provisions may be relevant they should seek advice from the Monitoring Officer, Deputy Monitoring Officer or other senior officer in Legal & Democratic Services. These provisions are particularly important in dealings with contractors/developers or third parties with whom the Member has a close personal association.
- 2.5 Paragraph 8 of the Members' Code required that when reaching decisions Members must do so on the basis of the merits of the circumstances involved and in the public interest having regard to relevant advice provided by officers.
- 2.6 Paragraphs 9, 17 and 18 of the Members' Code contain provisions concerning accepting from anyone gifts or hospitality. Where a Member is in any doubt as to the application of these provisions, advice should be obtained from the Monitoring Officer, Deputy Monitoring Officer or other senior officer within Legal & Democratic Services.
- 2.7 The above provisions are merely a summary of some of the contents of the Members' Code of Conduct, the full details of which appear elsewhere in this Constitution.

3. **PROCEDURE RULES**

- 3.1 The Council's Financial Procedure Rules make reference to the Council's responsibility to achieve the most favourable terms possible from suppliers and requires central procurement arrangements to be set up for that purpose.
- 3.2 The Contract Procedure Rules have been adopted by the Council based upon a number of basic principles and emphasise that purchasing and disposal procedures must:-
- achieve best value for public money
 - be consistent with the highest standards of integrity
 - ensure fairness in allocating public contracts
 - ensure that non-commercial considerations do not influence any contracting decision

Deleted: ¶

Deleted: 2.4 Merits¶

¶ In summary, when reaching decisions, Members must do so on the basis of the merits of the circumstances involved and in the public interest. They must reach decisions having regard to any relevant advice provided by the Authority's Officers. They must avoid accepting from anyone gifts, hospitality, material benefits or services for themselves or any other person with whom they are living. Members will appreciate this is merely a summary of the contents of the Code of Conduct and are invited to consider the whole document in context when individual specific matters need consideration.¶

Comment: 3.2 may need updating when the Contract Procedure Rules have been updated.

- support the Council's corporate and departmental aims and policies
- comply with the Council's best value methodology and competition strategy under the Wales Programme for Improvement.

3.3. One of the overriding principles that must be complied with is that officers should show no undue favour to any contractor. This principle applies equally to Members.

Comment: 3.3 may need updating when Contract Procedure Rules have been updated

4. PLANNING CODE OF CONDUCT

4.1 The Planning Code of Conduct provides a set of principles which apply primarily to the manner in which individual planning applications should be dealt with and to the decision-making process relating to the Unitary Development Plan, Supplementary Planning Guidance and associated documentation.

Deleted: These principles apply equally to Members accordingly, except for where the contract value is below £5,000 or in very exceptional cases where the justification is clear and the statutory requirements permit the Council can not enter into negotiations with one potential supplier or contractor. Such action could amount to a breach of the Public Contract Regulations 2006 and The European Procurement Directive.

4.2 The Code makes it clear that whilst lobbying is a part of the political process, and it is quite common for applicants or other interested parties to wish to discuss a proposed development with Members before a planning application is determined, Members are under an obligation to determine matters on their merits. Accordingly the Code provides advice that Members should amongst other things:-

Comment: The words that have been deleted were confusing the principle of no undue favour to any contractor with the legitimate ability in exceptional cases to deal with one potential supplier.

- Refer applicants/developers who approach them for planning or procedural advice to the appropriate Planning Officer.

- Not put pressure on Officers to make a particular recommendation in their report.

Formatted: Bullets and Numbering

- Direct lobbyists or objectors to the appropriate Planning Officer who will include reference to their opinions where relevant in their report.

Deleted: <#>Avoid making it known in advance whether they support or oppose the proposal.¶
¶
<#>Avoid campaigning actively in support of a particular outcome.¶

Those Members who sit on the Planning Committee are also advised :-

Deleted: <#>Not put pressure on Officers to make a particular recommendation in their report.¶

- Not to openly declare which way they intend to vote in advance of the committee meeting.
- Avoid campaigning actively in support of a particular outcome on a planning application.
- Where a member of the committee has made it clear which way they intend to vote prior to the committee meeting they should not participate in the committee's debate or vote on the matter.

Deleted: Again Members are invited to refer to the Code and particularly to paragraph 2.3.2 where other issues they need to take into account are set out.¶

4.3 The above is a summary of some of the points in the Flintshire Planning Code and full details of the code are contained in the

Council's Constitution.

5. ROLES AND RESPONSIBILITIES OF MEMBERS

5.1 The Council has adopted role descriptions for the various roles that Members undertake such as Leader of the Council, Cabinet Member, Committee Chair and ordinary Member. These are all available on the Council's Infonet.

5.2 The roles and responsibilities envisage Members, particularly at Cabinet level, having significant input into the development of policy in relation to the Authority's functions.

5.3 In the formulation of policy, Members will often rely on developmental work undertaken by Officers and in such circumstances there will often be a necessary overlap in this area. However, care should be taken to ensure that the management/operational role of Officers is not compromised.

5.4 In fulfilling their respective roles, Cabinet Members and Officers will frequently find it convenient to be present in discussions with private companies and other external bodies in the development of options for service provision. There may be occasions when non Cabinet Members are present at such meetings and this Protocol also covers such situations.

5.5 Such discussions with private companies and other external bodies will often be held for explanatory reasons to assist in undertaking an options appraisal exercise or in an attempt to understand and gain knowledge of the market ahead of a procurement exercise. Accordingly great caution is needed in all such discussions to ensure that there can be no perception that an expectation is created that the discussions were anything more than exploratory in nature.

5.6 Accordingly a few simple precautions should always be put in place to avoid any ambiguity on the part of the private company or any perception by others who get to hear of the discussions that they were for irregular purposes. Such precautions will include:-

- First of all, serious consideration should be given to the appropriateness of Members attending the meeting of that company or its representatives in the first place: the risks involved should be assessed and the potential benefits/disadvantages identified, eg. where there is a major contract to be awarded or a major planning application to be determined it may not be appropriate to meet. The Council must comply both with statutory requirements in relation to procurement as well as its Contract Procedure Rules and it is important that no discussions or meetings prejudice the ability of the Council to demonstrate equal treatment and transparency. Officers should always provide objective advice to Members in such

Deleted: The document referred to in 1.4 above was published on the 31 July, 2006 and suggests that local authorities adopt Job Descriptions and Person Specifications for Members whether it be for Members acting in their roles as ordinary Members of the Authority, or in other roles such as Chairman of Regulatory (Planning, Licensing or Audit) Committee, Chairman of a Scrutiny Committee, Cabinet Member or Leader of the Council.

Comment: Updated and simplified.

circumstances. If there are any doubts, advice should be sought from the Council's Statutory Officers.

| 5.7 If it is considered appropriate for the discussions to proceed with Members, further precautions should be put in place:-

- A written invitation to the company in question setting out the purpose of the proposed discussions.
- Where the invitation is from a private company, the purpose of the discussions should be ascertained and contained in a letter accepting the invitation.
- Appropriate Officers should always be present to advise Members.
- Notes should be taken of the discussion and where possible agreed by the attendees. These should set out any conclusions arrived at. It should always be borne in mind that such notes could be the subject of a Freedom of Information Act request and the extent to which any commercially sensitive information needs to be discussed should be assessed and agreed in advance with the contractor.
- It should be made clear to the company that similar discussions may be held with any other interested party.
- Where the matter to be discussed is likely to lead to a procurement exercise, either because of the Procurement Rules, Contract Procedure Rules or best practice, it should be made clear that all interested tenderers will need to be financially vetted and comply with all other pre-tender requirements. This will probably be required even in circumstances where procurement is not at issue if it is likely to lead to a contractual arrangement if discussions are successful.
- Care should be taken to ensure that no company is given any advantage over others as a consequence of the discussions.
- Unless there is a good reason for doing so, which can be objectively justified, discussions should take place in the Council's offices.
- The Council should meet all costs associated with a visit to a contractor or to a development site or developer.

| 5.8 If Members are in any doubt about the provisions of this Protocol they should seek advice from either the Monitoring Officer or the Deputy Monitoring Officer as the impact of their actions could potentially have serious consequences for themselves and the Council.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CONSTITUTION COMMITTEE**

DATE: **WEDNESDAY, 17 JULY 2013**

REPORT BY: **DEMOCRACY & GOVERNANCE MANAGER**

SUBJECT: **CONSULTATION ON REMOTE ATTENDANCE AT COUNCIL MEETINGS**

1.00 PURPOSE OF REPORT

1.01 To determine the response to consultation by the Welsh Government on remote attendance at Council meetings

2.00 BACKGROUND

2.01 Section 4 of the Local Government (Wales) Measure 2011 is attached as Appendix 1. It provides that attendance at meetings is not limited to meetings of persons who are all present in the same place. It empowers attendance remotely if this is not prohibited by the authority's standing orders where via technology the remote attendee is able to see and hear and be seen and heard by those in actual attendance. Section 4 (6) provides that a local authority must have regard to guidance issued by Welsh Ministers in relation to attending meetings remotely.

2.02 On the 29 April 2013 the Welsh Government issued draft guidance on remote attendance for consultation purposes. This is attached as Appendix 2. Responses to the consultation are required by the 21 August 2013.

2.03 In February 2013 the Welsh Government made grant funding available to Welsh authorities and one of the purposes of that grant funding was to assist in providing remote attendance at meetings. Flintshire subsequently received £40K to assist in this and in webcasting meetings of the Council and its committees.

3.00 CONSIDERATIONS

3.01 Section 4 of the Measure has not as yet been implemented but the draft guidance indicates it is the intention to do so when the final version of the guidance is published.

3.02 The stated intention behind enabling Councils to permit remote attendance is to make it easier for those Councillors who may have to travel long distances, or have domestic responsibilities, or are in employment.

- 3.03 The draft guidance that has been issued does not have numbered paragraphs but these have been added in appendix 2 to facilitate comment on the draft guidance. It is considered that the first point to be made is that the final guidance should have numbered paragraphs.
- 3.04 The eighth paragraph of the draft guidance envisages the remote attendance being by a number of Councillors in a different Council office from where the meeting is held. This does suggest that the main intention behind the new legislation is to address those Councillors who have to travel long distances rather than those with domestic responsibilities or those in employment. The paragraph indicates that there will probably need to be an officer present both to support those Members attending remotely but also to ensure that the equipment needed for remote attendance is operating correctly. This therefore creates a significant demand on staffing resources for any such meetings.
- 3.05 The next paragraph indicates that local authorities will need to decide whether or not they wish to permit members of the public to be present at the remote location and if they are an officer presence would be required to make arrangements for them. If at any stage the meeting resolves to exclude the press and public the officer would have to ensure the public left the remote location for that part of the meeting.
- 3.06 Paragraphs 10 to 15 of appendix 2 relate to the Welsh language implications of remote attendance. Again these paragraphs would have a significant resource implication, not only in relation to the cost of purchasing the relevant technology but also as translation facilities would need to be available, both at the main meeting place and at the remote locations.
- 3.07 The view expressed in paragraph 19 of appendix 2 is inconsistent with the wording of Section 4 (3) (c) of the Measure and paragraph 5 of the draft guidance both of which make it clear that standing orders can prohibit remote attendance. Section 4 was drafted to enable remote attendance if a Council so wished rather than, as the draft guidance is here indicating, requiring some remote attendance.
- 3.08 Paragraph 21 of appendix 2 envisages that normally if the technology providing remote attendance fails and can not be rectified the meeting should be abandoned. In practice this will lead to the majority attending at the main meeting place being inconvenienced by the minority who have chosen to attend remotely. It would seem preferable that if someone has chosen to attend remotely then they bear the risk of a technical failure and the meeting continues rather than being abandoned.
- 3.09 The penultimate paragraph – attached as Appendix 3 is a draft response to consultation for Members to consider and approve or

amend as they believe appropriate.

4.00 RECOMMENDATIONS

4.01 For the committee to determine its response to the consultation paper.

5.00 FINANCIAL IMPLICATIONS

5.01 There will be significant financial implications beyond the grant funding made available.

6.00 ANTI POVERTY IMPACT

6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 There will be significant personnel implications as indicated in paragraphs 3.04 to 3.06 above.

10.00 CONSULTATION REQUIRED

10.01 None as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 None as a result of this report.

12.00 APPENDICES

12.01 Appendix 1 - Section 4 of the Local Government (Wales) Measure
Appendix 2 - Draft guidance on remote attendance
Appendix 3 - Draft response to consultation

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Letter from the Welsh Government dated 21 February 2013.

Contact Officer: Peter Evans
Telephone: 01352 702304
Email: peter.j.evans@flintshire.gov.uk

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4 Remote attendance at meetings

This section has no associated Explanatory Notes

- (1) A reference in any enactment to a meeting of a local authority is not limited to a meeting of persons all of whom are present in the same place.
- (2) For the purposes of any such enactment, a member of a local authority who is not present in the place where a meeting of that authority is held (a “member in remote attendance”) attends the meeting at any time if all of the conditions in subsection (3) are satisfied.
- (3) Those conditions are that—
 - (a) the member in remote attendance is able at that time—
 - (i) to see and hear, and be seen and heard by, the members in actual attendance,
 - (ii) to see and hear, and be seen and heard by, any members of the public entitled to attend the meeting who are present in that place and who exercise a right to speak at the meeting, and
 - (iii) to be seen and heard by any other members of the public so entitled who are present in that place;
 - (b) the member in remote attendance is able at that time to hear, and be heard by, any other member in remote attendance in respect of whom the condition in paragraph (a) is satisfied at that time;
 - (c) use of facilities enabling the conditions in paragraphs (a) and (b) to be satisfied in respect of the member in remote attendance is not prohibited by the standing orders or any other rules of the authority governing the meeting.
- (4) The standing orders of a local authority must secure that there is no quorum for a meeting of the local authority at any time when the number of members in remote attendance is equal to, or greater than, the number of members in actual attendance.

- (5) A local authority may make other standing orders about remote attendance at meetings of a local authority.
- (6) A local authority must have regard to guidance given by the Welsh Ministers in relation to meetings of the authority attended remotely in accordance with this section.
- (7) This section applies in relation to a meeting of a committee or sub-committee of a local authority as it applies in relation to a meeting of a local authority.
- (8) But a person who is a co-opted member of a committee or sub-committee may not be a member in remote attendance at a meeting by virtue of this section.
- (9) For the purpose of this section—
- (a) a reference to a person (A) seeing another person (B) is to be interpreted as a reference to A seeing B when B is speaking at the meeting;
- (b) a reference to a person (C) being seen by another person (D) is to be interpreted as a reference to C being seen by D when C is speaking at the meeting.
- (10) In this section—
- “co-opted member” (“*aelod cyfetholedig*”), in relation to a committee or sub-committee of a local authority, means a person who is a member of the committee or sub-committee, but not a member of the authority;
 - “member in actual attendance” (“*aelod sy'n mynychu'r fangre*”), in relation to a meeting of a local authority, means a member of the authority who is attending the meeting at the place where the meeting is held.

REMOTE ATTENDANCE AT COUNCIL MEETINGS

Draft Statutory Guidance made under Section 4 of the Local Government (Wales) Measure 2011

1. Part 1 of the Local Government (Wales) Measure 2011 (“the Measure”) was intended to strengthen local democracy by, in particular, introducing reforms which support councillors outside of the executive or executive members when acting in a non-executive capacity. One of these reforms, at section 4 of the Measure, was the introduction of the possibility of remote attendance at council meetings. This was intended to make it easier for those who, for instance, may have to travel long distances, those with domestic responsibilities and those in employment to attend.
2. This guidance is statutory guidance under section 4(6) of the Measure, to which a local authority must have regard, in relation to meetings of an authority attended remotely in accordance with section 4.

What section 4 of the Measure says

3. Section 4 provides that attendance at a council meeting is not limited to a meeting of persons who are all present in the same place. By “council meeting” we include any committee or sub-committee of the council as well as the full council itself. However, the section places certain limitations as to what constitutes remote attendance.
4. Any member attending a meeting remotely (“remote attendee”) must, when they are speaking, be able to be seen and heard by the members who are attending the meeting at the place where the meeting is held (“members in actual attendance”) and the remote attendee must, in turn, be able to see and hear those in actual attendance. If there are any members of the public entitled to attend the meeting, they must also be able to see and hear the remote attendee who, in turn, must be able to see and (should they be entitled to address the meeting) hear them. If there is more than one remote location, all the members attending remotely must be able to hear – but not necessarily see – the other remote attendees.
5. Meetings can only take place remotely if not prohibited by the local authority’s standing orders/rules of procedure. The standing orders/rules must also secure that any meeting with remote attendees is not quorate if there are more remote attendees than members in actual attendance.

6. Each local authority may make other standing orders/rules in relation to remote attendance at meetings and must have regard to any guidance given by Welsh Ministers. Our intention is to publish this guidance at the same time as the section of the Measure is brought into force.
7. It should be noted that remote attendance at meetings is only permitted for elected members and not co-optees. This is because the aim of making it easier to attend meetings is linked to the general aim of encouraging more people to consider becoming councillors, which is not progressed by making such facilities available to co-optees.

Supporting remote attendance

8. The Welsh Government accepts that there are technical and staffing implications connected with the introduction of remote attendance. Where a number of councillors are expected to attend remotely, probably though not necessarily in a different council office from the place where the meeting is held, there will probably need to be an officer present, both to support the members attending remotely but also to ensure that the equipment needed for remote attendance to function is operating correctly.
9. Local authorities will need to decide whether or not they wish to permit members of the public to be able to be present at a remote location. If so, an officer presence would be required to make arrangements for them. There will clearly be a need to provide appropriate training for officers who might become involved in remote attendance, both to familiarise them with the requirements of the legislation and to cover the practical issues involved. The WLGA should be able to assist in this process.
10. The need to recognise equality between the Welsh and English languages has great significance when considering remote attendance. Local authorities will have their own Welsh language schemes but it is likely that facilities will exist – or could be made available – to cater for members who are unable to understand Welsh.
11. This could be problematic when remote attendance is being used. Modern communications facilities, such as those used for webcasting council proceedings, may well include an associated facility so that when a member decides to speak in Welsh, those watching the broadcast at another location hear the English translation dubbed over this rather than the speaker's words.
12. This may not be altogether to the liking of a Welsh-speaking member attending a meeting remotely without a translation facility as the remote attendee would be obliged to listen to an English translation dubbed over any Welsh spoken.

13. If a remote attendee wished to speak in Welsh, it would not pose a problem for those in actual attendance at the main meeting centre with the translation facilities because they would have the choice of listening either to the Welsh speaker or to the translation into English. But for non-Welsh speakers at the remote location, there would need to be another translation facility available for Welsh spoken at the place of the meeting.
14. In the case of a sole remote attendee, attending at home or work, for instance, the situation is eased because, should they wish to speak Welsh it will be translated at the main location. There is still the issue that a Welsh speaking sole remote attendee would probably have to hear any member speaking in Welsh at the main location dubbed in English.
15. It is proposed that standing orders should contain a provision that members should, whenever possible, be able to participate at a remotely attended meeting in either Welsh or English. However, it is the Welsh Government's policy that remote attendance should not be permitted if, for technical or other reasons, it would not be possible to *provide simultaneous interpretation for non-Welsh speakers attending a meeting where both Welsh and English will be used*. As such, local authorities may wish to ask members *to note their language preference (in terms of speaking at meetings) and whether or not they would require simultaneous interpretation should any other participant speak in Welsh*.
16. The Welsh Government does not take for granted that local authorities will possess the equipment or technological know-how to make remote attendance work to suit everyone. Someone attending remotely at home or work may have bandwidth limitations which affect their ability to take part fully. Local authorities will need to decide for themselves the extent to which they will invest or assist members to have the necessary facilities to attend remotely.
17. There are times when council meetings are not open to the public, when confidential, or "exempt" issues – as defined in Schedule 12A of the Local Government Act 1972 – are under consideration. It would be important to ensure that there are no members of the public at remote locations able to hear or see the proceedings during such meetings. Any member in remote attendance who failed to disclose that there were in fact persons present who were not so entitled would be in breach of their Code of Conduct responsibilities.
18. Local authority standing orders can determine which types of meetings can be attended remotely. In the first instance, practical issues might dictate that the number of meetings which could enjoy this facility would be quite limited, though over time it would be hoped that the

number of meetings where remote attendance were possible would increase.

19. It is the view of the Welsh Government that it would not, however, be appropriate for a local authority's standing orders to rule out entirely the prospect of remote attendance. The intention of the Measure was to introduce flexibility and some councillors, because of distance from the centre, health, caring or employment responsibilities, might benefit from being able to attend meetings remotely.
20. The Measure requires that, for a remotely attended meeting to be quorate, a certain proportion of councillors must be in actual attendance at the meeting. Should this be disturbed by members in actual attendance at the main meeting place leaving the meeting before it is finished, bringing about a higher than permitted proportion of councillors attending remotely, the chair would have no choice but to close the meeting.
21. Standing orders should also make provision about what should happen if a technical difficulty results in the breakdown of the communications facility. Such occurrences are not unknown in video conferenced meetings. If this occurred, it is the Welsh Government's view that the chair should declare a recess while the fault is addressed. If necessary, the meeting would have to be abandoned and the meeting should not continue without the involvement of the remote members. Standing orders could, however, make different provision for different types of meetings etc, for example that a meeting taking an urgent decision or one which is time-limited, might either not be allowed to take place with remote attendees or that the meeting would proceed in the event of a communications failure, so that those attending remotely would be aware and accept that the meeting would continue and a vote would be taken without their attendance in the event of a communications failure.
22. Finally, there is the issue of voting. Local authorities will have to build into standing orders arrangements to provide for voting to take place simultaneously at the main and remote location(s). The counting of the votes can be performed by the chair of the meeting as he/she will have to be able to see all members voting. There may be difficulties for any council which has introduced electronic voting systems. Unless technology can be introduced to allow for electronic voting at remote locations, it is anticipated that a show of hands would be required at each location to prevent unfair treatment of those at remote locations, i.e. it would be seen which way they voted, which would not be the case for those voting electronically.

This is draft guidance for consultation purposes. Your comments are invited on the matters addressed above and any other issue which you feel needs to be addressed within this guidance

Draft Response to Consultation on Draft Statutory Guidance on Remote Attendance

- 1 Each paragraph of the final version should be numbered.
- 2 The draft guidance needs to take more account of the resource implications of what is being proposed.
- 3 The reference in the eighth paragraph to “The probable need for an officer to be present at the remote location” should be deleted because of the resource implications.
- 4 The paragraphs dealing with the equality between the languages should be deleted. It should be left to the choice of each authority to decide whether translation facilities will be provided for any remote attendance taking account of all the circumstances including its normal practice at meetings and the response implications.
- 5 In the penultimate paragraph on the third page the view of the Welsh Government expressed here is inconsistent with the legislation itself and should be deleted. Section 4 (3) (c) makes clear that Councils standing orders can prohibit remote attendance. This is also explained in the penultimate paragraph on the first page of the draft guidance.
- 6 The ante penultimate paragraph on the last page should be amended to change the emphasis so that those attending remotely take the risk of the technology failing rather than expecting what will be the majority attending at the normal meeting place to be inconvenienced and the meeting to be abandoned partway through.
- 7 If the final version of the guidance reflects the current draft then the Welsh Government needs to provide the funding to meet the resource implications of it.

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CONSTITUTION COMMITTEE**

DATE: **WEDNESDAY, 17 JULY 2013**

REPORT BY: **MEMBER ENGAGEMENT MANAGER**

SUBJECT: **WALES AUDIT OFFICE PEER REVIEW AND SELF EVALUATION**

1.00 PURPOSE OF REPORT

1.01 To inform the Constitution Committee of the results of the Wales Audit Office Scrutiny Improvement Study Self-evaluation of overview and scrutiny arrangements and the feedback received from the from peer review by the Wrexham Peer Review team of Overview & Scrutiny arrangements in Flintshire

2.00 BACKGROUND

2.01 This issue was reported to the committee at the meeting on 24th October 2012. As part of a national programme of Wales Audit Office improvement activity, Overview & Scrutiny was to take part in a self-evaluation and peer review process working with Denbighshire and Wrexham Local Authorities. The Flintshire Peer Learning Evaluation Team (PLET) undertook a peer review of Denbighshire County Council Overview & Scrutiny, whilst the Wrexham Peer Learning Evaluation Team visited Flintshire to undertake a peer review.

2.02 Following the guidance that the PLET should comprise a range of Members: both Overview & Scrutiny and Cabinet, and officers, the PLET members identified by the committee were:- Cllr Billy Mullin, Cllr Richard Jones, Cllr Clive Carver, Cllr David Mackie, Robert Robins, Member Engagement Manager and Margaret Parry-Jones, Scrutiny Facilitator.

2.03 The PLET members took part in a number of activities: the completion of an extensive self-assessment tool, a workshop in Llandudno with representatives of the other five North Wales authorities and the WAO. The Flintshire PLET also observed and provided feedback at two Denbighshire Overview & Scrutiny committees. The Wrexham PLET attended meetings of Flintshire's Environment and Lifelong Learning Overview & Scrutiny meetings.

2.04 Four members of the team attended the regional workshop on the 19th of April in Colwyn Bay which gave the teams across North Wales an opportunity to feedback their findings and views, share experiences,

practice, ideas and lessons learned with a view to further improving scrutiny arrangements.

2.05 An all-Wales workshop to discuss the outcomes of the study has been arranged on the 28th of November 2013 and a diary marker has been circulated to stakeholders.

2.06 The self-evaluation and peer review process has enabled us to reflect on our overview and scrutiny arrangements. The draft action plan attached as appendix 1 attempts to build on the good practice that is already taking place within Overview & Scrutiny in Flintshire

3.00 CONSIDERATIONS

3.01 The peer review team highlighted a number of key strengths. The following are quotes from the feedback received which reflect positively on our overview and scrutiny arrangements.

- Scrutiny appears to have an important role in influencing new policies prior to their implementation
- The Action sheets produced after each meeting by the Overview & Scrutiny Facilitator assists in monitoring recommendations/actions.
- Good working relationships with, but effective challenge of other public bodies and voluntary organizations – e.g. rigorous challenge of BCUHB proposals.
- Scrutiny plays a key role in shaping the way performance information is structured, presented and delivered.
- Scrutiny Team support highly valued
- Officers responsive to requests for further reports/information.
- Good use of comparative data

3.02 The review also provided some extremely helpful challenge and feedback in relation to areas for development. This external input will be very helpful as we look to refine our scrutiny arrangements.

Some of the key areas of feedback were:-

1. Restricted space for public attendance

Response: Acknowledged. When the number of Members on an O&S committee was increased from 11/12 to 15 (20 for Lifelong Learning) the two rows of seats in the Delyn Room public gallery had to be reduced to one. Experience has shown that holding meetings in the Alyn & Deeside Room isn't popular and the Council Chamber is generally too large and too formal for effective scrutiny meetings.

2. Need to raise the profile of scrutiny

Response: Acknowledged. One of the 'six conditions for effective scrutiny' contained within the 2002 report commissioned by the then deputy prime minister (the ODPM report) was to achieve a high level of understanding of overview & scrutiny. Despite a number of initiatives, the profile of overview & scrutiny remains low. This is not a problem confined to Flintshire.

3. Reports to Cabinet to include a section to ensure scrutiny views are accurately reflected

Response: this has recently been acknowledged by Cabinet and the Chief Executive and Head of Legal and Democratic Services will ensure scrutiny's views are more fully reported in future. If implemented in conjunction with recommendation 6 it will be easier to convey the opinions of Overview and Scrutiny Committees.

4. From the meetings observed, there could have been more in-depth questioning

Response: whilst the comment was made on the basis of observation at two meetings, training on questioning techniques has provided in the past and could be commissioned again if Members felt that it would be beneficial.

5. More training required on the scrutiny role

Response: There was a disappointing 'take up' for the scrutiny training offered as part of the 2012 Member Induction Programme. If there is an appetite for training, then the officers will provide it. This could be delivered prior to the start of meetings or at separate events depending upon the wish of the committees and the size of the topics to be covered.

6. More detailed recommendations to be agreed and recorded to better reflect the discussions at the meetings (most recommendations in the observed meetings appeared to be "note the report").

Response: it could be argued that the noting of a report is 'passive' and that effective scrutiny should be 'active'. The committee chairs and the officers could discuss how best to achieve this: a recommendation inviting the committee to comment on a report, rather than to note it would be a useful starting point.

7. Could other means be found to deal with awareness raising items to create capacity in work programmes?

We have previously used workshop meetings to great effect, even though this approach attracted some criticism from the Wales Audit Office

8. Members of the public not allowed to routinely speak at scrutiny and no evidence of public interest in scrutiny items

Response: We have developed four protocols for public engagement, which were considered and approved by the Constitution Committee at the meeting on 30th January, which is between the two meetings observed. Thus we do have the facility for members of the public to speak if they ask so to do.

We have attempted to engage with the public over the years through a variety of media but there has been very little interest. Flintshire was one of the first authorities to provide a web site area to enable the public to suggest scrutiny topics. It has been scarcely used over the ten years of its existence. We shall continue to try and engage public interest.

9. The political nature of scrutiny in Flintshire

Response: Overview & Scrutiny is intended to be apolitical. Again in conjunction with recommendation 6 it might be possible within each report to suggest issues for exploration reinforcing and further enhancing the current evidence based approach to scrutiny.

- 3.03** The PLET members wish to place on record their appreciation of the work put into the self-assessment by the Overview & Scrutiny Facilitator who acted as Flintshire's lead officer and co-ordinator throughout the study.

4.00 RECOMMENDATIONS

- 4.01** That the Committee consider the feedback received from the Wrexham Peer Review Team and the officer responses to those.
- 4.02** That the committee consider and comment on the draft action plan attached.
- 4.03** That a further report be made to the committee to provide an update on progress with implementing the learning points from the self-assessment.

5.00 FINANCIAL IMPLICATIONS

None arising directly out of this report.

6.00 ANTI POVERTY IMPACT

None arising directly out of this report

7.00 ENVIRONMENTAL IMPACT

None arising directly out of this report

8.00 EQUALITIES IMPACT

None arising directly out of this report

9.00 PERSONNEL IMPLICATIONS

None arising directly out of this report

10.00 CONSULTATION REQUIRED

Publication of this report initiates consultation

11.00 CONSULTATION UNDERTAKEN

See 10.00 above.

12.00 APPENDICES

Appendix A – Peer Review Action Plan

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

**Contact Officer: Robert Robins
Telephone: 01352 702320
Email: robert.robins@flintshire.gov.uk**

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APPENDIX A – WAO Peer Review Action Plan

Area for consideration	Proposed actions	Lead	Timescale
Scrutiny Environment			
Citizen Engagement – restricted space for public attendance	<ul style="list-style-type: none"> Review the approach and consider additional capacity requirements according to need. 	PJE/RJR	End of Sept 2013
Continue to raise the profile of scrutiny	<ul style="list-style-type: none"> Strategy developed in cooperation with Gill Watkins. specific approach – hard to reach groups etc. 	Ceri Owen	End of July 2013
Reports to Cabinet to include a section to ensure scrutiny comments accurately reflected.	<ul style="list-style-type: none"> Cabinet to consider suggestion of including an additional section within Cabinet report template – best practice example Wrexham 	Gareth Owen / PJE	End of Dec 2013
<p>A degree of challenge observed, but from the observed meetings there could have been more in-depth, follow up questions – training?</p> <p>What value was added by scrutiny</p> <p>Certain aspects of training to be made compulsory</p> <p>Training not well attended</p>	<ul style="list-style-type: none"> O & S Member training needs analysis – taking into account specific skills required for effective scrutiny – e.g. questioning skills / Different chairing skills / encourage apolitical environment etc. (avoid groups sitting together) Why poor attendance? Need for certain aspects to be compulsory ? (audit/planning). 	Constitution Committee to consider	End of Dec 2013
Inconsistency between scrutiny committees in terms of pre-meetings.	<ul style="list-style-type: none"> Review approach to scrutiny pre-meetings with Chairs / Vice Chairs /PLET Team / CMT.. The issue of variation is accepted but there has to be some flexibility that allows judgment to be used based on the different needs of O & S Committees. 	RJR	End of Sept

Value of an executive summary or briefing note for lengthy reports/documents.	<ul style="list-style-type: none"> To be considered 	Gareth Owen	Dec
More detailed recommendations to be agreed and recorded to better reflect the discussions at the meeting (most recommendations in the observed meetings appeared to be “note the report”).	<ul style="list-style-type: none"> Discuss with Chairs/Vice Chairs/ Directors/ O & S Team. Outcome focused recommendations required – avoid note the report 	Report Authors / Directors	Dec
Look at other ways to deal with ‘awareness raising items to create capacity.	<ul style="list-style-type: none"> Discuss with Chairs/Vice Chairs/ PLET Team/Directors and Group Leaders (this has stopped following Member Development Programme encompassing the awareness raising role). 	MPJ	Dec
Members of public not allowed to routinely speak at scrutiny No evidence of public interest in scrutiny items (enhanced publicity).	<ul style="list-style-type: none"> Consider as element of Citizen Engagement Strategy – Measure etc As above 	RJR	Dec
Collaborative Scrutiny	<ul style="list-style-type: none"> Consider working together to drive collaborative scrutiny of particular issues – Statutory Guidance from the Local Government Measure 2011 now issued – Section 28 Joint Overview & Scrutiny Committees 	P	Dec
Consider the impact of the limited resource available and impact on expert witnesses etc			
SCRUTINY PRACTICE			
<ul style="list-style-type: none"> Reports to Cabinet to include a section to ensure scrutiny comments are accurately reflected 	See under scrutiny practice	Gareth Owens	Dec
<ul style="list-style-type: none"> More clearly defined recommendations 	See under scrutiny practice	RJR/MPJ/CO	Dec
<ul style="list-style-type: none"> Engage local members more formally on issues affecting their communities (as the voice of local people) 	Chair/Vice Chairs to consider (Denbighshire example)	RJR/MPJ/CO	Dec

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CONSTITUTION COMMITTEE**
DATE: **WEDNESDAY, 17 JULY 2013**
REPORT BY: **MEMBER ENGAGEMENT MANAGER**
SUBJECT: **OVERVIEW & SCRUTINY ANNUAL REPORT**

1.00 PURPOSE OF REPORT

1.01 To enable the Committee to consider the draft Overview & Scrutiny Annual Report for the 2012/13 municipal year.

2.00 BACKGROUND

2.01 Article 6.03 (d) places a requirement on Overview & Scrutiny Committees to report annually to Full Council through the Constitution Committee on their workings and working methods.

3.00 CONSIDERATIONS

3.01 The Committee is requested to consider the draft Overview & Scrutiny Annual Report and make any observations or amendments as appropriate.

3.02 The final version of the Annual Report will then be forwarded to County Council for approval.

4.00 RECOMMENDATIONS

4.01 That the Constitution Committee considers the Annual Report, attached as Appendix 1 of this report, and makes observations thereon.

5.00 FINANCIAL IMPLICATIONS

5.01 None arising directly from this report.

6.00 ANTI POVERTY IMPACT

6.01 None arising directly from this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None arising directly from this report.

8.00 EQUALITIES IMPACT

8.01 None arising directly from this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None arising directly from this report.

10.00 CONSULTATION REQUIRED

10.01 Not applicable.

11.00 CONSULTATION UNDERTAKEN

11.01 The publication of this report constitutes consultation.

12.00 APPENDICES

12.01 Appendix 1 – Draft Overview & Scrutiny Annual Report 2012/13.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

As referred to in the report.

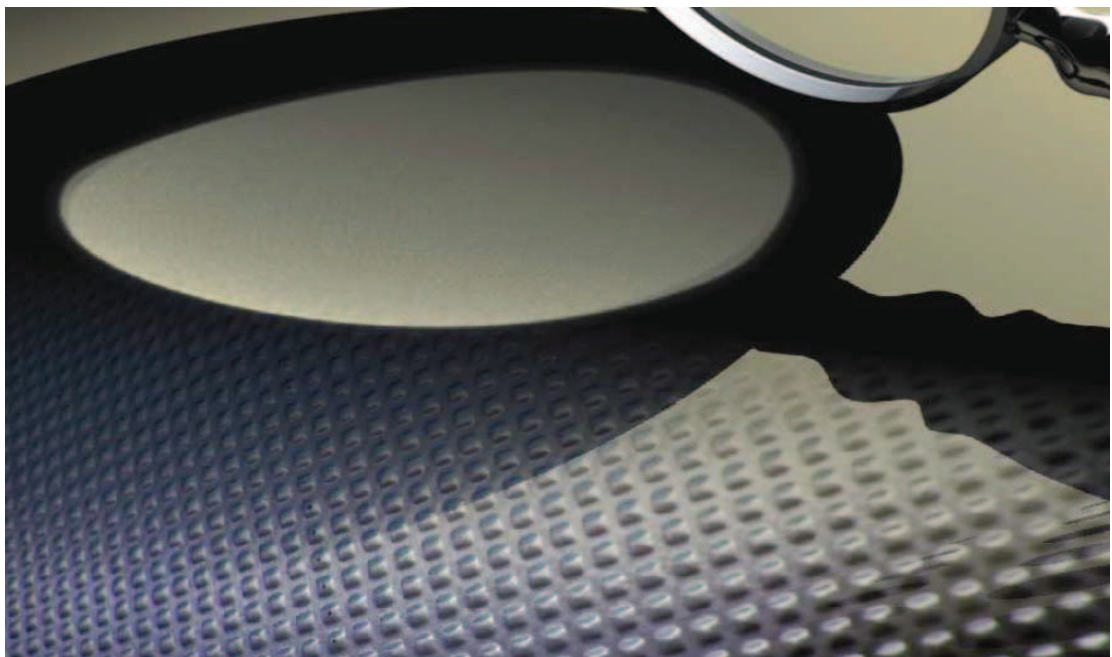
Contact Officer: Robert Robins
Telephone: 01352 702320
Email: Robert.robins@flintshire.gov.uk



Report of the
**Overview & Scrutiny
Committees**

Annual Report

MAY 2012 TO APRIL 2013



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Foreword



As chair of the Constitution Committee it is with great pleasure that I write to introduce the Overview & Scrutiny Annual Report for 2012/13. This gives account of the work which has been undertaken in our six overview & scrutiny committees, and show how effectively the overview & scrutiny function contributes to effective corporate governance.

The traditional committee system, where many of us cut our political teeth had developed over more than a century. The current system, combining cabinet as the decision makers with overview & scrutiny as challengers, monitors and examiners, has only been operating for just over a decade. In that time, however, huge strides have been made.

Making effective changes is hard work, and in the initial stages we recognised that there was too much of an air of 'them and us' about the relationship between the Cabinet and the Overview & Scrutiny members. Now the benefits of effective overview & scrutiny to underpin the work of the cabinet are recognised: within our committees is the capacity to test the validity of new policies, to examine them thoroughly before they are considered by the Cabinet.

For Scrutiny to do its job properly members must be pro-active in selecting topics for review. The members of the overview & scrutiny committees have such a range of knowledge and life experience that they are able to make a significant contribution to the process.

The Local Government (Wales) Measure 2011 has put into legislation much that we in Flintshire have long recognised as good practice and put into place. I like to think that we were at the forefront to effective overview and scrutiny in the early years and have not relinquished this despite the reduction in resources over the years. We still recognise that effective scrutiny needs effective support.

I would like to take this opportunity to thank everyone has been involved in the scrutiny process, whether as an external or internal contributor, a scrutiny member or as one of the officers. The whole is very much greater than the sum of its parts.

**Cllr Robin Guest,
Chair of the Constitution Committee.**

OVERVIEW & SCRUTINY – A CABINET PERSPECTIVE



I believe that this is the first time that the Leader of the Council has been asked to make an introduction to the Annual Report of the Overview & Scrutiny function in Flintshire. I was pleased to be asked, because I know the benefits of effective overview & scrutiny and how it contributes to effective corporate governance, and thus I am more than happy to comment on it.

In the last year, we have made great use of our overview & scrutiny committees to test the validity of new ideas and, in the case of Corporate Resources, to comment on the monthly budget position, before that same report is submitted to Cabinet.

Thus overview & scrutiny offers a counter-balance to the Cabinet, contributing the collective wisdom of its members to the issues which face us. Whether it is in Corporate Resources, where as the cabinet member for finance I am able to discuss the budget position with my fellow councillors, or at another committee, where we might be contributing to discussions on a new policy, I know that we are all going to benefit from the experience: there is a wealth of knowledge amongst our members.

One of the principal roles of Overview & Scrutiny is to hold the cabinet to account, which could easily become an adversarial relationship. I much prefer to think of overview & scrutiny as being a critical friend – where the relationship is strong enough not to be afraid of saying the right thing when it needs to be said. We have sufficient political maturity to recognise that each elected member has a different part to play in ensuring that Flintshire strives to be as good as it can be. No mean feat in the challenging times we have faced and which we shall continue to face for the foreseeable future.

Cllr Aaron Shotton,
Leader of the Council

OBSERVATIONS FROM THE CHIEF EXECUTIVE – COLIN EVERETT



Overview and Scrutiny in Flintshire has continued to mature and develop over the last year and performs an effective 'check and balance' in accountability for the transparency of decision-making, the use of public money and in the performance of local services and partnerships.

Overview and Scrutiny Committees have developed internal expertise, and often concentrate their energy on specific reviews of key services and topical issues. Having the expertise gives confidence and purpose for members to explore and challenge; concentrating energy gives members some real reward as they can see tangible results for their work. Through specific reviews organised on a 'workshop' or 'task and finish' basis we have seen big changes and improvements in many services and functions. This work adds real value to policy development and service improvement over and above the basic constitutional role of being a 'check' on accountability for performance of the executive functions of the Council.

Flintshire is recognised by external regulators as a progressive and performing Council; Overview and Scrutiny has played its part in getting us to this positive position.

The recent sharing of ideas and expertise with neighbouring councils, facilitated by the Wales Audit Office, has helped generate ideas for how to make the scrutiny function develop further.

The Council is continuing to modernise and improve its systems for performance reporting, scrutiny and management. A more 'outcome-based' new style Improvement Plan for 2013-14 is evidence of this. The system for quarterly reviews of performance, assessing and protecting against risk, and business continuity, are resilient. Overview and Scrutiny has contributed to the development of these systems as well as their effective operation, and elected members have developed their expertise and skills in knowing how to understand and challenge services and their performance. Member guided 'turnarounds' in the performance of some services is evidence of this.

We have extended the remit of Overview and Scrutiny into the work of partners and partnerships and the changing world of collaboration within the public services. This work has contributed to improving the governance and performance of partnerships. The adopted protocol for collaborative projects with other councils and public services partners ensures that the 'business cases' for new collaborations have a rigorous challenge before they are adopted, and that the transition to the new is well managed.

The Overview and Scrutiny function is well-placed to support the Council through the difficult times ahead with growing demand for key services and national reductions on funding for local government and local services.

OVERVIEW & SCRUTINY AND OFFICER SUPPORT

Local authorities in England and Wales have, since the Local Government Act 2000, operated executive arrangements that place the decision-making powers in the hands of a Cabinet or Executive. In the case of Flintshire, following the County Council elections in May 2012, it has been styled 'the Cabinet' and in 2012/13 was made up of 8 Councillors including the Leader, Deputy Leader and 6 Cabinet Members. The overview & scrutiny function was established to hold the Cabinet/Executive to account for its decision, and contribute to evidence-based policy making in the council, as well as monitoring performance. Overview & Scrutiny do not make decisions, but they can make recommendations to the Cabinet or full council. Flintshire has also always placed a positive emphasis on overview & scrutiny engaging with external organisations, using the general powers available under section 21 (2) (e) of the Local Government Act 2000.

The Welsh Local Government Association (WLGA) continues to provide a range of support services to assist with the development of overview & scrutiny in Wales including bespoke support for individual authorities, production of publications and the facilitation and coordination of Regional and National Scrutiny Champions Networks.

The roles of overview & scrutiny outlined in the National Assembly for Wales Guidance on Executive & Alternative Arrangement 2006 are:

“The role of councillors exercising overview and scrutiny is:

- To hold the executive to account for the efficient exercise of executive functions – especially the performance of the executive as measured against the standards, objectives and targets set out in the policies and plans which it is implemented;
- To assist in the improvement and development of the council’s policies by evaluating whether they are achieving their stated objectives, whether those policies and the way they are being implemented reflect the needs and priorities of local communities and by reporting and making recommendations to the executive or the full council;
- To review and make reports on issues which affect the authority’s area or its residents; and
- To examine whether the systems the executive has in place to deliver its functions are robust and are being properly observed.”

In 2012/13 we had 6 Overview & Scrutiny Committees as illustrated below:-



The support which Overview & Scrutiny enjoys from officers across the Council is essential to ensure its smooth and effective running.

OVERVIEW & SCRUTINY SUPPORT

The Scrutiny Team are:-

- ❖ Robert Robins – Member Engagement Manager
- ❖ Margaret Parry-Jones – Overview & Scrutiny Facilitator
- ❖ Ceri Owen – Overview & Scrutiny Facilitator (who joined the team from February, 2013)
- ❖ Janet Kelly – Overview & Scrutiny Support Officer

Samantha Roberts, the facilitator for the Environment and Housing Overview & Scrutiny committees left the Council in September 2012.

The team are an independent resource supporting the scrutiny function and its Members. The Team's main responsibility is to ensure that the scrutiny process is effective. Other responsibilities include:-

- ❖ Advising on the strategic direction and development of the scrutiny function;
- ❖ Co-ordinating the work programmes for the six Overview & Scrutiny Committees;
- ❖ Advising, supporting and assisting in the development of scrutiny members;
- ❖ Undertaking research and information analysis to help inform reviews;
- ❖ Producing reports and presentations on behalf of members;
- ❖ Offering independent advice and guidance in relation to policy development and performance management;
- ❖ Acting as a key contact point to members, officers, external organisations and the public in relation to scrutiny matters; and
- ❖ Facilitating task & finish groups.

COMMUNITY PROFILE & PARTNERSHIPS OVERVIEW & SCRUTINY COMMITTEE



**Chairman –
Cllr Brian Dunn**



**Vice-Chair –
Cllr Robin Guest**

This committee was set up following the 2010 review of the overview & scrutiny committee structure, and the terms of reference were designed to give this committee a more 'outward facing' approach than the other five committees. In so doing, we were anticipating the implementation of the new powers given Local Authorities in the Local Government (Wales) Measure 2011. Flintshire has always placed a positive emphasis on overview & scrutiny engaging with external organisations, using the general powers available under section 21 (2) (e) of the Local Government Act 2000.

Given the external emphasis of this committee, it became the Council's statutory crime & disorder committee as required under the Crime & Disorder (Overview & Scrutiny) Regulations 2009, instead of the former Corporate Management Overview & Scrutiny Committee. In that role, we have received regular reports on the creation of the Police & Crime Commissioners and Police & Crime panels. This culminated in the invitation to the newly elected Police & Crime Commissioner for North Wales, Mr Winston Roddick QC to attend our April meeting. Another element of our crime & disorder role was the presentation by the Domestic Abuse Safety Unit.

In terms of the committee's role in monitoring the Authority's 'community profile', we have invited and considered presentations on the Community Strategy and Local Service Board, Strategic Partnerships Performance and the Community Endowment Fund. We have also considered and commented on the Authority's proposals for an Armed Forces Community Covenant, which it is intended will be signed in the summer of 2013.

The guidance on who would become 'designated persons' under the Local Government (Wales) was not issued during the year, a source of great frustration to our Members and which has resulted in representations being made to the Minister for Local Government. We have been keen to be able to show to potential 'designated persons' that appearing at an Overview & Scrutiny Committee would be a beneficial process. And so have continued with our programme of external engagement. Thus the Committee has invited the North Wales Fire & Rescue Service and the Flintshire Local Voluntary Council to attend meetings which have been mutually beneficial. The outreach

director at Clwyd Theatr Cymru also attended to give a presentation on the Theatre for Young People programme

During 2012/13, our Scrutiny Officers have attended meetings of the National Scrutiny Network where discussions have been held around the guidance from the Welsh Government on 'designated persons'. All Scrutiny Officers present were keen for this guidance to be published as soon as possible to give greater emphasis on building relationships with organisations in the future.

Councillor Brian Bunn

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE



**Chairman –
Cllr Richard Jones**



**Vice-Chair –
Cllr Clive Carver**

The nature of its remit, covering the corporate core of the Council but also the overview for its activities means that the Corporate Resources Overview & Scrutiny Committee can seem to have a greater number of items than any other Overview & Scrutiny Committee. At each scheduled monthly meeting there is a budget monitoring item which mirrors the report to be submitted to Cabinet. This means that comments and /observations made by Members of the Committee can be reported to Cabinet the following week. The budget monitoring reports provide monthly information on the General Fund, Housing Revenue Account and both Revenue and Capital. Suggestions on how these reports could be improved, including how budget variances within each department are reported, have been implemented.

Other regular items include the Quarterly Performance reports where the four corporate heads of service or their representatives provide an insight into the progress being made within Finance, Human Resources & Organisational Development, ICT & Customer Services and Legal & Democratic Services.

As the 'finance' scrutiny Committee, Corporate Resources also leads on the scrutiny responses to budget proposals and during January 2013 held a number of meetings to fulfil that function. A great emphasis is placed on the need for a transparent process with all Members being given the opportunity to challenge and suggest changes to the budget proposals.

The Leader of the Council, Chief Executive and Head of Finance provided an overview of the Medium Term Financial Strategy (MTFS) and Medium Term Financial Plan (MTFP) and advised of ongoing development work during a meeting of the Committee on the 12 July, 2012. The presentation set out how the Council's priorities were being developed prior to announcement of the provisional settlement from the Welsh Government (WG) and how the Committee could play its part in ensuring robust financial strategies were in place.

The Head of ICT and Customer Services introduced a report to provide the Committee with an overview of the Flintshire Futures programme and mid year progress report. The Council had developed the Flintshire Futures

Programme as its corporate programme for modernising and transforming the organisation and to make best use of its resources and secure efficiencies. The report was the subject of detailed consideration and constructive challenge with the Committee recommending that all five Flintshire Futures work streams (Assets, Customers, Finance, Procurement and Workforce), become the subject of separate reports to future meetings of the Committee.

Representatives of the Wales Audit Office attended the Committee to present the Council's Improvement Assessment Letter from the Auditor General for Wales. The assessment had been undertaken to establish whether the Council was working effectively and efficiently. The Leader of the Council and Chief Executive welcomed the report which overall presented a 'clean bill of health'. The report was the subject of detailed consideration and constructive challenge, with both Members of officers offering their insight into particular aspects of the report. The report was also considered by the Audit Committee, Cabinet and full Council.

Cllr Richard Jones

ENVIRONMENT OVERVIEW & SCRUTINY COMMITTEE



**Chairman –
Cllr Matt Wright**



**Vice-Chair –
Cllr Nancy Matthews**

The challenges facing both the environment and the local economy continue to increase and ensuring that services are provided in a well planned, timely and effective manner to meet those challenges are a really important part of the work of the Environment Overview & Scrutiny Committee.

The Committee keep an eye on key areas of service delivery through quarterly performance reporting. Each quarter we focus on 3 areas and invite the relevant Service Managers to come to the meeting to present their reports and answer questions. This approach enables Members to question Cabinet members and officers in detail regarding trends, pressures and priorities.

This has resulted in a number of requests for additional information including:-

- The possibility of an Energy Switching Scheme
- Winter maintenance
- Recycling Income
- Asset Management
- Planning
- Town Centre Action Planning
- Deeside Enterprise Zone

The Streetscene review

The Committee have been involved in the review since 2010 when a Streetscene Task & Finish group was set up by the Environment O & S Committee to work with officers in developing proposals for integrating services to form a single and consolidated Streetscene operation. Their work continued into 2011/12 and the work came into fruition when the new service was launched in March 2012.

Over the last 12 months the Committee have taken an active interest in how Streetscene has embedded and have visited the Alltami site and the Call Centre to talk to staff. In October we received a report on the progress made

by the service since the launch, including feedback and comments on the new service and on the objectives of why the original project had been undertaken.

- Improving Customer Access to the Service – All Streetscene services are now accessed by a single telephone number or via a dedicated webpage. The majority of member Concerns had related to the time taken to answer calls rather than the concept or operation of the new service. We were told that the position had improved and it was anticipated that service performance targets set would be achieved.
- Raising Public Awareness of the Service – Call volumes into the contact centre have remained strong with calls to the original contact numbers reducing.
- Operational Changes to deliver a joined up Service – The generic operational contract now delivers a flexible, multi-skilled workforce who can work across the full service area enabling far greater coordination and efficiency. The arrangements have also lowered the requirement to employ agency staff and have given staff a broader job role and more job satisfaction.
- Standards – Members had set challenging targets for Streetscene. The report we received indicated that the standards generally had been achieved and that once operations had stabilised all would be achieved.

The Committee congratulated everyone involved on the progress made and were pleased that the saving's target for the 2011/12 financial year of 0.250m and 0.500m per annum thereafter had been achieved. The Committee will continue to monitor Streetscene over the coming months.

Regional developments

Members of the Committee are kept up to date with important regional developments and key issues affecting Flintshire including the North Wales Residual Waste Treatment Project and the Sub-Regional Food Waste Project.

Cllr Matt Wright

HOUSING OVERVIEW & SCRUTINY COMMITTEE



**Chairman –
Cllr Ron Hampson**



**Vice-Chair –
Cllr George Hardcastle**

The challenges facing council tenants continue to increase following the introduction of the welfare reforms and how best the Council can meet those challenges is a really important part of the work of the Housing Overview & Scrutiny Committee.

The Committee received a report at its meeting on the 23 January, 2013 which provided an update on the work in progress to develop and implement a range of measures that will help mitigate the full negative impact of the welfare reforms from falling upon vulnerable households. The report also sought to ensure that the Local Authority's statutory homelessness duties would be fulfilled as cost effectively as possible. This report was the subject of detailed consideration with the Committee seeking to ensure that council tenants were supported as much as possible.

The Committee also received a report on Discretionary Housing Payments (DHP) 2013/14 at its meeting on the 21 March, 2013. The purpose of the report was to seek the Committee's views on the revised Policy for 2013/14. During the meeting the Committee were informed on the background to the DHP and following discussion the Committee supported the revised Policy with its views being reported to Cabinet in April, 2013.

The Committee continues to monitor performance levels within the Housing Service areas through the Quarterly Performance reports and updated on the repairs and maintenance service. This provides the Committee with the opportunity to praise the workforce where improvements have been made and monitor areas where improvement was needed.

The Director of Community Services introduced the revised Private Sector Housing Renewal & Improvement Policy to the Committee at its meeting on the 27 June, 2012. This followed the work of the Task & Finish Group which provided valuable contributions to the formation of the Policy. Following consideration of the Policy the Committee supported the revised Policy which was later adopted by Cabinet and continue to receive update reports on the delivery of the Policy

The Committee received a presentation from the Director of Community Services and Head of Housing on the Draft Flintshire Local Housing Strategy 2012-17. The main features of the presentation were:-

- Achievements in 2011-12
- Objectives such as more housing and choice, improvement homes and communities and better services
- Next steps

The Strategy had been jointly written with Wrexham County Borough Council, which had a similar housing profile and demographic trends to Flintshire. This partnership shared resources and highlighted opportunities for joint working in line with the Welsh Government's principles and the Housing White Paper's promotion of effective regional collaboration. Following consideration of the Strategy, the Committee endorsed the proposals contained within it.

Further topics considered by the Committee are detailed within the Appendix to the report.

Cllr Ron Hampson

**LIFELONG LEARNING OVERVIEW & SCRUTINY COMMITTEE – MEETING
AT YSGOL CAE'R NANT, CONNAH'S QUAY**



**Chairman –
Councillor Ian Roberts**



**Vice-Chair –
Mr. David Hytch**

Following a discussion about the Forward Work Programme of the Committee which contained an item on School Meals, the Committee accepted a suggestion from the Chairman that Members should sample a school meal and in doing so; visit one of Flintshire's new schools, Ysgol Cae'r Nant/Brookfield Primary School in Connah's Quay. The Committee also decided to invite the School Council to address the Committee on their school meals service.



Following the Committees arrival at the school, Members and officers were invited to sample the school meal which the school children had been offered earlier in the day. The Committee all enjoyed the school meal and thanked the catering staff.



Following the school meal, the Committee were invited by the Headteacher, Mrs. Fox-Parry, to take a tour of the school which opened in September, 2012. The Committee commented on the excellent facilities at the school and happily engaged with the children who were keen to share their work with the Committee during the tour.

Following the tour, the Committee were invited to the studio room where the meeting started at 2.00 p.m. The School Council had been invited to address the Committee on their school meal service and this had been included as the first item on the agenda.

The School Council members were:-

- ❖ Ben Kendrick
- ❖ Ethan Henning-Pearman
- ❖ Harry Gorst
- ❖ Ffion Cooper
- ❖ Matthew Dodd
- ❖ Adam Woosey

The School Council gave a presentation to the Committee on the outcome of a survey that had undertaken of the view of the school children on their school meal service. The School Council then answered a number of questions from the Committee and was thanked for giving an excellent presentation.

Following the meeting, the Chairman wrote to each member of the School Council individually thanking them for the presentation which the Committee had felt was interesting, informative, very well researched and very well delivered. The Chairman also wrote to the Headteacher thanking her and all the staff at the school for making the Committee feel most welcome.

The Lifelong Learning Overview & Scrutiny Committee hopes to hold a number of their future meetings at various venues across Flintshire as appropriate.

Cllr Ian Roberts

SOCIAL & HEALTH CARE OVERVIEW & SCRUTINY COMMITTEE



**Chair –
Cllr Carol Ellis**



**Vice-Chair –
Cllr Cindy Hinds**

The Social & Health Care Overview & Scrutiny Committee has had a busy 12 months and has scrutinised a wide range of topics. Here is a flavour of some of the items considered.

Joint Working

The drive towards joint working as a key to efficiency has resulted in the committee being actively involved in scrutinising regional collaborative projects. The Regional Commissioning, Procurement and Monitoring hub for high cost, low volume residential placements in social care/ health and education is unique in Wales and serves the six local authorities and the Betsi Cadwaladr University Health Board. In February we received a report on the progress achieved by the regional hub since it became operational in October 2012. The Committee had supported the establishment of the hub in Feb 2012 subject to adequate governance arrangements being in place to allow for sufficient scrutiny. Members were delighted that annual cashable savings of £298,000 had been realised across the North Wales region. Other regional/sub-regional services that we have scrutinised include that the North Wales Adoption Service and the Emergency Duty Team.

Health Care in North Wales is Changing

The Social & Health Care O & S Committee held a special meeting to enable Members to look at the proposals put forward by the Betsi Cadwaladr University Health Board. Due to the huge importance and potential impact of the proposals on all Flintshire residents we opened up the meeting to all Members of the Council. Several Members of the public attended the meeting too. We arranged for Senior officers of the Trust to come along to ensure that Members had an opportunity to engage in a meaningful discussion particularly concerning local issues. One of the issues was the proposals to introduce a Community Care Model for home enhanced care. Members were particularly concerned around the impact of the loss of beds in the community hospitals, the impact on carers, and the potential impact on the social care budget in Flintshire.

National Developments

The Committee have also been kept informed about developments nationally e.g. Social Services Bill, the Welfare Reform Act and the Mental Health Measure and the Carers Strategy Measure. All of these aim to improve the well-being outcomes for people who need care and support and their carers.

Comments, Compliments and Complaints

The committee receive a report annually on Comments, Compliments and Complaints received by Social Services for Adults and Children. The report gave Members an opportunity to consider the complaints received, the wide variety of methods used for putting complaints right, and importantly that Members were given assurances that complaints are dealt with effectively and that lessons learnt are acted upon to improve service delivery.

Safeguarding

Members considered the Flintshire's Annual Adult protection Monitoring report which detailed the activity and developments within Adult Safeguarding. There had been an increase in referrals to 250 compared with 212 cases in the previous year. Members were given assurances that checks were made to see if any alleged perpetrators had previous records and if evidence was found this would be discussed and that trend analysis of cases was also undertaken. Concern was expressed regarding the high number of alleged abuse by independent sector staff in the home and care home setting. Officers advised that the increase in referrals reflects the increased awareness of adults safeguarding in society, prompted by high profile cases such as the Winterbourne View Inquiry. Members welcomed the additional £45,000 for 2012-13 with full year effect of £90,000 for future years due to a pressure bid agreed by the Council demonstrating the high priority given to Adult Safeguarding. Safeguarding will continue to be a high priority for scrutiny especially following the findings of the Francis Inquiry and the need to drive up the quality of care and safeguarding across the health and social care sectors.

Members of the Committee also undertake Rota Visits which gives an opportunity to visit social care establishments and are focused on the wellbeing of service users.

Cllr Carol Ellis

LIFELONG LEARNING PLAYScheme TASK AND FINISH GROUP

Membership:-

Councillor Marion Bateman
Councillor Ron Hampson
Councillor David Mackie
Councillor Nancy Matthews
Councillor Carolyn Thomas

The task group was set up in January 2013 following consideration by the Lifelong Learning Overview & Scrutiny Committee of the 'Leisure Strategy 2009-2014' and a suggestion that a task group be formed by a small number of Members to consider the arrangements for play schemes for 2013 and beyond.

The task group has met on four occasions with the first meeting held on the 15 January, 2013 at Deeside Leisure Centre. During this meeting the group discussed and agreed their specific objectives and emphasised the importance of good partnership working with Town and Community Councils. The group also felt that it was important that a generic and fair view be taken when considering the best options available within the budget constraints to provide play provision across the County.

During a meeting of the group held on the 18 January, 2013, Members considered the responses from Town and Community Councils on the proposed changes to arrangements for play schemes in 2013. Following discussions the group agreed that it would not be appropriate to suggest specific times and a location for play scheme sessions as it was for local determination based on local need. The group also agreed that a 3 week scheme would be appropriate and that extra funding would be requested to support match funding for areas which had a higher population density or extreme rurality.

At its final meeting prior to the 2013/14 budget being set, the group unanimously proposed that:-

Having considered the available evidence the Group proposed that Town & Community Councils who were keen to increase the compliment of Playscheme sites in their area above the 2 offered are given the opportunity to increase the provision through match funding. The importance of maintaining positive relationships and working in partnership with Town & Community Councils was emphasised.

Following discussion it was agreed to recommend a pressure bid of up to £11,700 to support match funding for Town & Community Councils in areas that have schemes which appear to be in jeopardy for 2013.

The group's proposal was put forward by the Chair, Councillor Carolyn Thomas and seconded by Mr. David Hytch during the budget meeting of the Lifelong Learning Overview & Scrutiny Committee held on the 25 January, 2013. This proposal was supported by the Committee and also at County Council on the 1st March, 2013 during consideration of the Council Fund Revenue Budget 2013/14.

Following the Council's adoption of the Revenue Budget 2013/14, the Group reconvened on the 26 April, 2013 with Councillor David Mackie Chairing the meeting. The purpose of this meeting was to enable the Group to consider recommendation for the 2014 Summer Playscheme. During the meeting the Group felt that before making any recommendations for the 2014 Summer Playscheme, feedback was needed from parents on the changes introduced to the scheme for 2013 in order to assess the impact this may have had on children/families. Following discussion the Group proposed:-

That following collation of feedback from users of the Summer Playscheme 2013, a further meeting of the Task and Finish Group would be arranged for sometime in September, 2013 to consider the feedback and proposals for the 2014 Summer Playscheme.

It was also agreed that if a decision around the level of funding for the 2014 Summer Playscheme were required earlier than September, 2013, Lawrence Rawsthorne and the Facilitator would contact the Group to organise a meeting at an earlier date.

Further updates will be provided to the Lifelong Learning Overview & Scrutiny Committee in due course.

PROTOCOLS FOR PUBLIC ENGAGEMENT WITH OVERVIEW & SCRUTINY

From the outset, public engagement has been recognised as an essential for effective Overview & Scrutiny. Flintshire has had a number of initiatives for public engagement, including a facility on our website since 2003 to enable members of the public to suggest topics for Overview & Scrutiny, together with our officers attending meetings of town and community councils, school sixth forms and the Over-50s forum.

The Local Government (Wales) Measure 2011 and the Guidance arising from that have recommended that Local Authorities develop Four Protocols to assist in the consistent application of public engagement practices.

A report titled 'Four Protocols for Public Engagement with Overview & Scrutiny' was presented to the Constitution Committee at its meeting on the 30 January, 2013. The Constitution Committee were asked to consider and agree the following four draft public engagement protocols:-

- ❖ Public speaking arrangement at Scrutiny Committee / joint Overview & Scrutiny Committees (to include call in);
- ❖ Public involvement in sub-committee and all Task & Finish Group meetings;
- ❖ Managing a request for Scrutiny (including Petitions); and
- ❖ Dealing with requests for public co-option.

Following discussion, the Constitution Committee agreed the Protocols for use in engaging with the public.

WALES AUDIT OFFICE SCRUTINY IMPROVEMENT STUDY

The Wales Audit Office recognises that Scrutiny has a key role in promoting improvement, efficiencies, and collaboration across public services. The changes brought about following the Local Government elections in May 2012, the introduction of the Local Government Measure 2011, together with improving self-scrutiny and regulation, meant that it was considered timely for the Wales Audit Office to work with Local Government to support and develop stronger Scrutiny arrangements.

The Auditor General in his letter to Chief Executives on the 13 March 2012 stated that he planned to conduct a number of all-Wales improvement studies each year, focusing on those issues that most hinder transformation and give rise to the greatest efficiencies. He aimed to identify areas of common learning that will support councils' efforts to improve and help resolve some of the tensions between central and local government that often impede progress.

As a result the Wales Audit Office Regulatory Programme this year includes an Improvement Study on Scrutiny. This has taken place in all councils across Wales. The proposals for Flintshire were put to the Constitution Committee in the autumn and the Flintshire Learning Exchange Team was identified: Cllr Billy Mullin, the cabinet member for Corporate Management, Cllr Richard Jones, the Chair of the Corporate Resources Overview & Scrutiny, Cllr Carver, the vice-chair of that committee, Cllr Dave Mackie and Robert Robins, the Member Engagement Manager. Margaret Parry-Jones was the project co-ordinator and lead officer.

The Peer Learning Exchange Team from Wrexham County Borough Council (made up of Members and officers) and representatives of the Wales Audit Office observed a meeting of the Environment Overview & Scrutiny Committee meeting on the 6 February, 2013 and a meeting of the Lifelong Learning Overview & Scrutiny Committee on the 14 February, 2013. At the close of both meetings, the Team were given the opportunity to feedback a summary of their observations to the Committee around the following areas:-

- What went well
- What could be done better
- What could be done differently
- Any best practice which they observed

A meeting between Overview & Scrutiny Chairs and Vice-Chairs, the Peer Learning Exchange Team from Wrexham County Borough Council and a representative of the Wales Audit Office took place on the 18 April, 2013. The purpose of the meeting was for the Team to seek comments from the Chairs and Vice-Chairs on their own observations of how they feel Overview & Scrutiny works in Flintshire and to comments on the observations the Team had following their attendance at the two Scrutiny meetings. The outcome of the review is being awaited and will be reported to Members at the earliest opportunity.

**Appendix 1 –
List of Overview & Scrutiny committees 2012/13**

HOUSING

R Hampson (Chair)
A Bragg
D Cox
P Curtis
R Davies
G Diskin
R Dolphin
J Falshaw
A Halford
G Hardcastle (Vice Chair)
R Hughes
B Lloyd
M Reece
G Roberts
S Williams

SOCIAL & HEALTH

Carol Ellis (Chair)
M Bateman
P Curtis
A Davies-Cooke
D Evans
V Gay
C Hinds (Vice Chair)
S Jones
B Lloyd
M Lowe
D Mackie
H McGuill
G Roberts
I Smith
D Wisinger

CORPORATE RESOURCES

R Jones (Chair)
H Bateman
M Bateman
C Carver (Vice Chair)
P Curtis
I Dunbar
R Hampson
P Heesom
T Howorth
R Lloyd
M Lowe
P Shotton
I Smith
N Steele Mortimer
A Woolley

LIFELONG LEARNING

I Roberts (Chair)
M Bateman
A Bragg
A Davies-Cooke
I Dunbar
R Hampson
S Jones
C Legg
P Lightfoot
D Mackie
N Matthews
A Minshull
P Shotton
N Steele-Mortimer
C Thomas

Co-Opted Members

C Burgess
D Hytch (Vice Chair)
R Price
R Stark
S Williams

**COMMUNITY PROFILE &
PARTNERSHIPS**

B Dunn (Chair)
R Davies
G Diskin
C Dolphin
I Dunbar
R Guest (Vice Chair)
R Hampson
D Hutchinson
B Lloyd
D Mackie
M Reece
T Sharps
P Shotton
I Smith
N Steele-Mortimer

ENVIRONMENT

M Wright (Chair)
H Bateman
D Butler
P Curtis
C Dolphin
D Evans
V Gay
C Hinds
D Hutchinson
J Johnson
C Legg
N Matthews (Vice-Chair)
A Minshull
P Shotton
C Thomas

Appendix 2 Topics covered and activity information for 2012/13	
Community Profile & Partnerships Overview & Scrutiny Committee – has met 7 times between May 2012 and April 2013	
28 May, 2012 16 July, 2012 15 October, 2012 26 November, 2012	7 January, 2013 11 March, 2013 22 April, 2013
Strategic Partnership Performance – Mid Year Review Police & Crime Commissioners and Police & Crime Panels Flintshire Community Endowment Fund Update Report: Police & Crime Commissioners and Police & Crime Panels Community Strategy and Local Service Board – Mid Year Review	Clwyd Theatr Cymru – Theatre for Young People Flintshire Local Voluntary Council (FLVC) Domestic Abuse Safety Unit Community Covenant North Wales Fire & Rescue Service North Wales Police & Crime Commissioner
Corporate Resources Overview & Scrutiny Committee – has met 13 times between May 2012 and April 2013	
11 June, 2012 5 July, 2012 12 July, 2012 13 September, 2012 11 October, 2012 19 November, 2012 13 December, 2012	17 January, 2013 28 January, 2013 31 January, 2013 14 February, 2013 14 March, 2013 18 April, 2013
Single Status Revenue Budget Monitoring 2011/12 (Outturn) Council Fund and Housing Revenue Account Budget Monitoring 2012/13 Capital Programme 2011/12 (Outturn) and Capital Programme 2012/13 – Quarterly Monitoring Reports	People Strategy Adoption of the Council Tax Reduction Scheme 2013/14 Asset Management as a Flintshire Futures Workstream Budget Consultation 2013/14 Discretionary Housing Payment (DHP) Policy 2013/14

<p>Workforce Information – Quarterly Performance Reports</p> <p>Quarter 4 / Year End Performance Review 2011/12 and Performance Reporting 2012/13</p> <p>Medium Term Financial Strategy & Plan</p> <p>Flintshire Futures Mid Year Review</p> <p>Corporate Debt Policy</p> <p>Fair Debt Policy</p>	<p>Workforce as a Flintshire Futures Workstream</p> <p>Improvement Assessment Letter (WAO)</p> <p>Proposed Regional Emergency Planning Service</p> <p>Customer Services as a Flintshire Futures Workstream</p> <p>Information Commissioner’s Office Data Protection Audit</p>
<p>Environment Overview & Scrutiny Committee – has met 12 times between May 2012 and April 2013</p>	
<p>23 May, 2012</p> <p>21 June, 2012</p> <p>11 July, 2012</p> <p>12 September, 2012</p> <p>17 October, 2012</p> <p>21 November, 2012</p>	<p>9 January, 2013</p> <p>24 January, 2013</p> <p>6 February, 2013</p> <p>6 March, 2013</p> <p>10 April, 2013</p> <p>10 April, 2013 (Call-in meeting)</p>
<p>Quarter 4 / Year End Performance Reporting 2011/12 and Performance Reporting 2012/13</p> <p>North Wales Residual Waste Treatment Project</p> <p>Winter Maintenance</p> <p>Hanson Cement Investigation Report</p> <p>Town Centre Action Planning</p> <p>Streetscene Review</p> <p>Review of the Council’s Waste Strategy</p> <p>Energy Switching Scheme</p>	<p>Communities First</p> <p>Rural Development Plan and European Structural Funds</p> <p>Speed Limit Review</p> <p>Deeside Enterprise Zone</p> <p>Review of Public Conveniences</p> <p>Budget Consultation for 2013</p> <p>Proposals for a review of subsidised bus services within Flintshire</p> <p>North East Wales Food Waste Treatment Project</p> <p>Recycling Income</p>

Housing Overview & Scrutiny Committee – has met 10 times between May 2012 and April 2013	
30 May, 2012 27 June, 2012 26 September, 2012 31 October, 2012 5 December, 2012	22 January, 2013 23 January, 2013 21 February, 2013 21 March, 2013 24 April, 2013
Welsh Government White Paper – (Homes for Wales – Better Lives and Communities) Delivering Private Sector Housing Renewal Quarter 4 / Year End Performance Reporting 2011/12 and Performance Reporting 2012/13 Local Housing Strategy Secure / Introductory Tenancy Agreement Update on the Repairs and Maintenance Service Estate Management Services Anti-Social Behaviour Policy	SARTH Gypsy / Travellers Needs Assessment Budget Consultation for 2013/14 Homelessness & Welfare Reform Sustainability in Housing PDA & Capita Update Resident Involvement Sheltered Housing Improvement Project Discretionary Housing Payments 2013/14 Supporting People Commissioning Plan
Lifelong Learning Overview & Scrutiny Committee – has met 9 times between May 2012 and April 2013	
14 June, 2012 12 July, 2012 20 September, 2012 6 December, 2012	10 January, 2013 25 January, 2013 14 February, 2013 14 March, 2013 25 April, 2013
School Modernisation Estyn Action Plan and Quarterly Monitoring Reports on its implementation Estyn Monitoring of Flintshire County Council	School Exclusions School Balances Salix Scheme Health & Safety in Schools

School Performance Monitoring	Leisure Strategy 2009 – 2014
Leisure Centres Development Report	Cost of Repairs and Maintenance – School Buildings
Quarter 4 / Year End Performance Reporting 2011/12 and Performance Reporting 2012/13	Budget Consultation for 2013/14
Community Play Project	Pupil Attainment 2011-12
Formula Review Update/Budget Strategy	Healthy Schools
School Modernisation Update	Incidents of Arson, Vandalism and Burglaries in Flintshire schools
School Transport Policy	Saltney Library Update
Educational Development of children with a sensory impairment	Flintshire Play Sufficiency Assessment & Action Plan
Estyn LAESCYP Inspection – Self Evaluation	Ysgol Cae'r Nant School Council
Regional School Effectiveness and Improvement Service (RSEIS) Update	School Meal Service
Flintshire Arts Strategy	School Music Service
	A Strategy for Flintshire's Libraries 2013 – 2016
Social & Health Care Overview & Scrutiny Committee – has met 11 times between May 2012 and April 2013	
24 May, 2012 2 July, 2012 26 July, 2012 19 September, 2012 4 October, 2012 1 November, 2012	17 December, 2012 24 January, 2013 28 January, 2013 28 February, 2013 11 April, 2013
Comment, Compliments & Complaints	North Wales (Draft) Information and Consultation – Carers Strategy
Social Services Bill	Adult Protection Report – April 2011 to March 2012
Quarter 4 / Year End Performance Reporting 2011/12 and Performance Reporting 2012/13	Fostering Inspection 2012
Rota Visits	CSSIW Annual Letter
	CSSIW Inspection Action Plan

Inspection of Children's Assessment and Care Management	Update on Adult Social Care Transport Policy
Children's Integrated Disability Service / Direct Payments	Young Person's Drug & Alcohol Team
Short Break Provision at Arosfa	Safeguarding and Child Protection (Joint report from Safeguarding Unit)
Healthcare in North Wales is changing	Integrated Family Support Service
North Wales Adoption Service	Budget Consultation for 2013/14
Flying Start Strategic Plan 2013 – 2015	Welfare Reform Act – Overview, Impacts and Mitigation
Betsi Cadwaladr University Health Board	Public Law Outline and Associated Matters
Emergency Duty Team Update	Regional Commissioning Hub
Mental Health Measure Update	Annual Council Reporting Framework
Joint Lifelong Learning and Social & Health Care Overview & Scrutiny Committees – has met once between May 2012 and April 2013	
21 March, 2013	
Children and Young People Partnership	Families First

Member's attendance at each of the Committee meetings is recorded on the Modern.gov Committee system which is accessible via the Council's own internal *Infonet* or externally on the Council's own website.

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