

A meeting of **HUNTINGDONSHIRE DISTRICT COUNCIL** will be held in the **CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **WEDNESDAY, 30 APRIL 2014** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

A G E N D A

	Time Allocation
PRAYER	2 minutes
<p>The Reverend Canon Brian Atling, Rural Dean of Huntingdon, Rector of the Benefice of Hartford and Houghton & Wyton will open the meeting with prayer.</p>	
APOLOGIES	2 minutes
CHAIRMAN'S ANNOUNCEMENTS	10 minutes
1. MINUTES (Pages 1 - 18)	2 minutes
<p>To approve as a correct record the Minutes of the meeting held on 26th February 2014.</p>	
2. MEMBERS' INTERESTS	3 minutes
<p>To receive from Members declarations as to disclosable pecuniary, non-disclosable pecuniary or non pecuniary interests in relation to any Agenda Item. See Notes below.</p>	
3. COUNCIL DEBATE - OUR ROLE IN SUPPORTING THE PROSPERITY AND VITALITY OF THE MARKET TOWNS?	
<p>Councillor T D Sanderson, Executive Councillor for Strategic Economic Development and Legal will open the debate.</p> <p>Supporting information to assist Members' contributions will be circulated separately.</p>	
4. CORPORATE PLAN AND PERFORMANCE MANAGEMENT FRAMEWORK (Pages 19 - 38)	
<p>The Executive Leader to present a report by the Interim Corporate Team Manager.</p>	
5. SENIOR OFFICER STRUCTURE (Pages 39 - 44)	
<p>The Executive Leader to present a report by the Managing Director on 'the discharge of functions and the organisation of officers' as required by the Constitution.</p>	
6. REPORTS OF THE CABINET, PANELS AND COMMITTEE	30 minutes
<p>(a) Cabinet (Pages 45 - 48)</p>	

- (b) Overview and Scrutiny Panel (Economic Well-Being) (Pages 49 - 54)
- (c) Overview and Scrutiny Panel (Environmental Well-Being) (Pages 55 - 60)
- (d) Overview and Scrutiny Panel (Social Well-Being) (Pages 61 - 68)
- (e) Development Management Panel (Pages 69 - 70)
- (f) Standards Committee (Pages 71 - 88)
- (g) Corporate Governance Panel (Pages 89 - 146)

7. ORAL QUESTIONS

30 minutes

In accordance with the Council Procedure Rules (Section 8.3) of the Council's Constitution, to receive oral questions from Members of the Council

8. VARIATION TO THE MEMBERSHIP OF COMMITTEES AND PANELS, ETC

Group Leaders to report, if necessary.

Dated this 22nd day of April 2014



Head of Paid Service

Notes

1. Disclosable Pecuniary Interests

- (1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*
- (2) *A Member has a disclosable pecuniary interest if it -*
 - (a) *relates to you, or*

(b) is an interest of -

- (i) your spouse or civil partner; or
- (ii) a person with whom you are living as husband and wife; or
- (iii) a person with whom you are living as if you were civil partners

and you are aware that the other person has the interest.

(3) Disclosable pecuniary interests includes -

- (a) any employment or profession carried out for profit or gain;
- (b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);
- (c) any current contracts with the Council;
- (d) any beneficial interest in land/property within the Council's area;
- (e) any licence for a month or longer to occupy land in the Council's area;
- (f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or
- (g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

Other Interests

(4) If a Member has a non-disclosable pecuniary interest or a non-pecuniary interest then you are required to declare that interest, but may remain to discuss and vote.

(5) A Member has a non-disclosable pecuniary interest or a non-pecuniary interest where -

- (a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
- (b) it relates to or is likely to affect any of the descriptions referred to above, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association

and that interest is not a disclosable pecuniary interest.

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Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (under Councils and Democracy).

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Jeśli chcieliby Państwo otrzymać tłumaczenie tego dokumentu, wersję dużym drukiem lub wersję audio, prosimy skontaktować się z nami pod numerem 01480 388388, a my postaramy się uwzględnić Państwa potrzeby.

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Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in Civic Suite, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 26 February 2014.

PRESENT: Councillor Mrs B E Boddington – Chairman.

Councillors J D Ablewhite, M G Baker,
K M Baker, Mrs M Banerjee, I C Bates,
P L E Bucknell, G J Bull, E R Butler,
S Cawley, B S Chapman, K J Churchill,
S J Criswell, I J Curtis, J W Davies, D B Dew,
R S Farrer, R Fuller, D A Giles, J A Gray,
S Greenall, N J Guyatt, A Hansard,
G J Harlock, R Harrison, D Harty, R B Howe,
C R Hyams, Ms L Kadic,
S M Van De Kerkhove, Mrs P J Longford,
A J Mackender-Lawrence, J P Morris,
M C Oliver, J W G Pethard, P D Reeve,
Mrs D C Reynolds, T V Rogers,
T D Sanderson, M F Shellens, R G Tuplin,
D M Tysoe, P K Ursell, R J West and
A H Williams.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors R C Carter, W T Clough, Mrs L A Duffy, Mrs P A Jordan, P Kadewere and P G Mitchell.

63. PRAYER

The Bishop of Ely, the Right Reverend S. Conway opened the meeting with prayer.

64. CHAIRMAN'S ANNOUNCEMENTS

(a) Chairman's Events

The Chairman described the principal events that she had attended on behalf of the Council since the last meeting mentioning, in particular, the Holocaust Memorial Service, the official opening of an extension to Huntingdon Gym and the footbridge and lift at St Neots Railway Station.

The Council also was encouraged to join the Chairman, the Deputy Lord Lieutenant and Jonathan Djanogly MP in raising the flag in Samian Court in support of the 'Flying the Flag for the Commonwealth' initiative.

(b) Mr S Couper, Assistant Director (Finance & Resources)

The Chairman advised Members that Mr S Couper would be leaving the Council's employment at the end of March after twenty four years' exemplary service as both Head of Financial Services and, more recently, as Assistant Director (Finance & Resources) with Huntingdonshire and forty years

overall service in local government.

The Executive Leader, Councillor J D Ablewhite paid tribute to Mr Couper referring, in particular, to his sense of humour and the help and support he had given to Members and the Council on financial issues over the years and in more difficult times recently. Although he would be missed by all who worked with him, Councillor Ablewhite added that Mr Couper's retirement was well deserved and he extended his best wishes to him for a healthy and rewarding future. As Leaders of the Opposition Groups, Councillors M G Baker and K J Churchill concurred with these sentiments. Following a round of applause, it was

RESOLVED

that the Council's appreciation for the services of Mr S Couper be formally placed on record.

65. MINUTES

The Minutes of the meeting of the Council held on 18th December 2013 were approved as a correct record and signed by the Chairman.

66. MEMBERS' INTERESTS

No interests were declared by the Members present.

67. MEDIUM TERM PLAN, BUDGET AND ASSOCIATED MATTERS

Further to Minute No. 57 of the meeting of the Council held on 18th December 2013 and in conjunction with a report by the Assistant Director (Finance and Resources) (a copy of which is appended in the Minute Book) and Item Nos. 36 and 37 of the Report of the Cabinet, the Executive Councillor for Resources presented to Members the Medium Term Plan for the period 2014/15, the 2014/15 Budget, the Treasury Management Strategy and other associated matters for the Council's consideration and approval.

In accordance with Section 30 (2) of the Local Government and Finance Act 1992, the Council also considered proposals for levels of Council Tax in 2014/15 for various parts of the Huntingdonshire district.

Before proceeding, Councillor K J Churchill moved, and it was duly seconded that, when appropriate, the recommendations contained in the report of the Assistant Director should be voted upon separately rather than taken together en bloc. The Executive Leader contended that the Medium Term Plan and Budget should be supported in their entirety and not in a piecemeal way. Upon being put to the vote, the Motion was declared to be LOST.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 and advice received from the Department of Communities and Local Government, the Chairman moved and it was duly seconded and

RESOLVED

that a recorded vote be taken on the conclusion of the debate on this item.

The Executive Councillor opened his remarks by suggesting that the proposed Budget/Medium Term Plan demonstrated the significant progress made by the authority in a difficult year. Councillor Gray expressed his appreciation to Messrs S Couper and C Mason for their assistance over this period. Councillor Gray also took the opportunity to thank Mr Couper for all his hard work for the District Council and for helping to make a difficult subject easier to understand. He concluded by wishing Mr Couper a long and happy retirement.

Referring to the key elements of the proposed budget, Councillor Gray reminded Members of the position in which the Council had found itself in February 2013 and the significant changes that had taken place since then to vary the Council's position.

Having taken into account the advice of the Overview & Scrutiny Panel (Economic Well-Being), the Cabinet had concurred with the recommendations not to raise Council Tax in the financial year 2014/15, to review capital spending by 2015/16 and to earn a margin on the interest on loans to other bodies referred to in the Treasury Management Strategy. The Executive Councillor also was pleased to report that the Business Community had been consulted on the Council's financial strategy and had been impressed that the Council had made savings without any significant impact on service levels.

Members' attention was drawn to the anticipated improvement in the Council's financial position at the end of 2018/19 as illustrated in Appendix B of the report which reflected –

- ◆ an increase of £1.5m in reserves;
- ◆ savings of £2.1m;
- ◆ 0% or 2% increases in Council Tax over three years; and
- ◆ savings of £1.6 m in the current year and more to emerge from the 'Facing the Future' exercise.

Importantly the Council still was on course to achieve a balanced budget by 2017/18.

The Executive Councillor thanked the Liberal Democrat Group for the submission of additional budget proposals and advised the Council that although some required detailed investigation, they would be added to the 'Facing the Future' lists. Of the proposals submitted, the District Council could not grant aid the Cromwell Museum nor was it appropriate to pursue an 'invest to save fund' arrangement.

Having regard to the Treasury Management Strategy, the Executive Councillor reported that it continued to provide an appropriate balance between caution and interest costs. The Council noted that the Treasury Management Advisory Group would continue to be consulted if there appeared to be any changes in economic circumstances and before using a new form of investment in Pooled Property Funds. The Cabinet also would be requested to approve any loan to another public body.

With these assurances, Councillor Gray moved the recommendations of the Cabinet which were seconded by the Executive Leader, Councillor J D Ablewhite.

In response and on behalf of the Liberal Democrat Group, Councillor S Greenall thanked the Executive Councillor for his excellent presentation and concurred with his sentiments in respect of Mr S Couper. He added that whilst there was support for the proposed budget from the Overview & Scrutiny Panel (Economic Well-Being) both he and Councillor M F

Shellens had abstained from the vote at the meeting. Irrespective of their views, however, the Panel had been afforded a greater insight of the budget which was welcomed. Referring to the 'Budget Process' submissions from his Group, Councillor Greenall suggested that these had been prepared in response to criticism in previous years and he was pleased at the indication from the Executive Councillor that they would be taken into account going forward in the spirit of a 'living budget'. He commended the items which included – advertising, training, equipment and hired staff to the Cabinet to consider.

Similarly, Councillor K J Churchill as Leader of the UKIP Group congratulated both the Executive Councillor and Finance Officers for the presentation which had helped to make a difficult subject easier to understand. He welcomed the recommendations in respect of the Council Tax Freeze Grant and whilst generally supportive of the proposed budget and MTP, there were elements of it that his Group found difficult to accept. Councillor Churchill was of the view that elements of the pay review and 'Facing the Future' exercise should already be reflected in the MTP.

In response to this assertion, Councillor T V Rogers reminded the Council that 'Facing the Future' was also an ongoing process and that items could be added and changed over time.

In further explanation, Councillor P D Reeve suggested that the UKIP Group did not feel able to support the MTP as it proposed an increase in Council Tax in 2016/17.

In discussion, Councillor P L E Bucknell drew the Council's attention to Bid No 1085 regarding grants to town and parishes and alerted Members to the suggestion that it was the expectation of Government Ministers that these should be passed on to local Councils.

In indicating his support for the proposed budget and MTP, Councillor R Harrison expressed his disappointment at the level of engagement by the UKIP Group in the 'Facing the Future' and budget processes. Councillor S M Van De Kerkhove expressed his concern at the Council's over reliance, in his view, on the New Homes Bonus and was hopeful that those areas taking the largest share of development would be considered more favourably in terms of the allocation of community provision. Councillor R J West underlined the ethos of conservatism - to create wealth before spending it and whilst desirable it would be negligent on the part of the Council to promise what it might not be able to deliver in the future.

As former Chairman of the Finance & General Purposes Committee, the Deputy Executive Leader, Councillor N J Guyatt thanked Mr S Couper for his advice to him over the years. He considered it vital to establish a long term plan for the Council that was able to evolve and be flexible enough to change if necessary. He reminded Members that the Council's decisions were influenced by the need to address the shortage of new homes and the potential impact of capping should the Government choose to impose this. Because of its reputation as an authority with the ability to deliver, the Council remained in a good position with the Government but this could change in the future.

Councillor R B Howe paid tribute to the professionalism of Mr S Couper adding that the Council would miss the capabilities of an Officer of his calibre. Councillor Howe considered that it was inappropriate to discuss Council Tax together with the 'Facing the Future' process when it was marginal in terms of its impact on the Council's overall finances. In his view 'Facing the Future' was a comprehensive and effective review of the

delivery of Council services which could revolutionise both the cost and way the Council currently operated.

Councillor M F Shellens moved and it was duly seconded by Councillor M G Baker –

‘That the following paragraph be inserted as new recommendation (b) in the recommendations set out in the report of the Assistant Director (Finance and Resources) –

- (b) that a review be undertaken of the additional risk of successful equal pay claims were the protection period for employees increased for those employees losing income as a result of the salary review, and in the event that this is not found to be significant, additional provision be made in the budget to increase the protection period for those staff affected up to a maximum extra cost of £720,000, the cost of which should be met from reserves or the special reserve.

with the substantive recommendations (b) to (e) to be reordered accordingly.’

After discussion and upon being put to the vote the Motion was declared to be LOST.

Councillor J D Ablewhite, Executive Leader thanked the Liberal Democrat Group for their ‘Budget Process’ suggestions but expressed disappointment that the UKIP Group had not contributed any budget proposals themselves or participated fully in the ‘Facing the Future’ exercise. Having reminded Members what the Council had achieved over the past year, Councillor Ablewhite suggested that there was still much to do to ensure a balance between the protection of services for the most vulnerable and support for growth and innovation.

It having previously been moved and seconded, upon being put to the vote it was further

RESOLVED

- (a) that the position on the 15% limit on Net Interest and Borrowing Costs be noted and the actions outlined in paragraph 8.6c of Appendix A to the report now submitted to mitigate the impact, be endorsed;
- (b) that there be no increase in Council Tax for 2014/15, i.e. the Band D charge will remain at £133.18;
- (c) that, subject to appropriate adjustments to Appendix A to reflect the Council Tax Freeze Grant being added to the Grant base (as outlined in Appendix B), the proposed budget and Medium Term Plan be approved;
- (d) that the 2014/15 Treasury Management Policy and Strategy (Appendix C) be approved;
- (e) that the Council note the Council Tax Base for the whole Council area and individual Towns and Parishes (Annex A) as

approved by the Section 151 Officer on the 2nd December 2013 after consultation with the Chairman of Corporate Governance Panel (and publication as a key decision).

The tax base (T) which is the amount anticipated from a District Council Tax of £1 is 57,357

(f) that the following amounts calculated by the Council for 2014/15 be approved in accordance with the requirements of the Local Government Finance Act 1992 as amended by the Localism Act 2011 (the Act), the Local Government Finance Act 2012 and associated regulations:-

- | | |
|---|--------------------|
| (i) the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act
Gross revenue expenditure including benefits, Town/Parish Precepts | £83,001,772 |
| (ii) the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act
Revenue income including reimbursement of benefits, specific and general grants, use of reserves and any transfers from the collection fund. | £70,543,195 |
| (iii) the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above in accordance with Section 31A (4) of the Act
This is the "Council Tax Requirement" including Parish/Town Precepts (item i minus item ii). It is the cash sum to be funded from District, Town and Parish Council Taxes. | £12,458,577 |
| (iv) the Council Tax requirement for 2014/15 divided by the tax base (T) in accordance with Section 31B (1) of the Act
District plus average Town/Parish Council Tax (item iii divided by District taxbase) | £217.21 |
| (v) the aggregate of all "Special Items" referred to in Section 34(1) of the Act. | £4,819,772 |

The total value of Parish/Town precepts included in i and iii above.

- (vi) the Basic Amount of Council Tax for 2014/15 being item iv less item v divided by the tax base (T) in accordance with Section 34 (2) of the Act. **£133.18**
The District Council's Band D Tax for 2014/15

(vii) the basic amounts of Council Tax for 2014/15 for those parts of the District to which one or more special items (Parish/Town precepts) relate in accordance with Section 34 (3) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount in column "band D" set out in Table 1 attached to the Agenda of the meeting of the Council held on 26th February 2014.

(viii) the amounts to be taken into account for 2014/15 in respect of categories of dwellings listed in particular valuation bands in accordance with Section 36 (1) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount for each of the valuation bands in the columns "bands A to H" set out in Table 1 attached to the Agenda of the meeting of the Council held on 26th February 2014.

- (g) that the amounts of precept issued to the Council by Cambridgeshire County Council, Cambridgeshire Police Authority and Cambridgeshire & Peterborough Fire Authority for each of the categories of dwellings listed in different valuation bands in accordance with Section 40 of the Act shown in Table 1 attached to the Agenda of the meeting of the Council held on 26th February 2014 be noted.
- (h) that, having regard to the calculations above, the Council, in accordance with Section 30 (2) of the Act, sets the figures shown in Table 2 attached to the Agenda of the meeting of the Council held on 26th February 2014 as the amounts of Council Tax for 2014/15 for each of the categories of dwelling shown. ***This is the total Council Tax to be collected, incorporating the requirements of all of the relevant bodies, for each town or parish area.***
- (i) that the Council notes that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its Council Tax for 2014/15 is not excessive.
The basic amount at b(vi) above is not excessive as defined by the Government.

ANNEX A**TAXBASE 2014/15**

	£
Abbotsley	245
Abbots Ripton	128
Alconbury	530
Alconbury Weston	274
Alwalton	114
Barham & Woolley	28
Bluntisham	720
Brampton	1,730
Brington & Molesworth	126
Broughton	88
Buckden	1,130
Buckworth	50
Bury	600
Bythorn & Keyston	135
Catworth	145
Chesterton	57
Colne	350
Conington	66
Covington	43
Denton & Caldecote	25
Diddington	25
Earith	561
Easton	75
Ellington	230
Elton	282
Farcet	515
Fenstanton	1,120
Folksworth & Washingley	344
Glatton	130
Godmanchester	2,315
Grafham	235
Great & Little Gidding	110
Great Gransden	445
Great Paxton	360
Great Staughton	318
Haddon	25
Hail Weston	240
Hamerton & Steeple Gidding	50
Hemingford Abbots	334
Hemingford Grey	1,255
Hilton	448
Holme	227
Holywell-cum-Needingworth	965
Houghton & Wyton	783
Huntingdon	6,875
Kimbolton & Stonely	580
Kings Ripton	82
Leighton Bromswold	78
Little Paxton	1,390
Morborne	10
Offord Cluny & Offord D'Arcy	490

Old Hurst	90
Old Weston	84
Perry	254
Pidley-cum-Fenton	145
Ramsey	2,655
St Ives	5,640
St Neots	10,295
Sawtry	1,655
Sibson-cum-Stibbington	210
Somersham	1,330
Southoe & Midloe	148
Spaldwick	234
Stilton	755
Stow Longa	63
The Stukeleys	390
Tilbrook	116
Toseland	38
Upton & Coppingford	83
Upwood & The Raveleys	405
Warboys	1,300
Waresley-cum-Tetworth	145
Water Newton	40
Winwick	40
Wistow	214
Woodhurst	149
Woodwalton	78
Wyton-on-the-Hill	390
Yaxley	2,785
Yelling	145
	<u>57,357</u>

(In accordance with the Local Authorities (Standing Order) (England) (Amendment) Regulations 2014, the following Members voted for, against or abstained from the Motion –

For the Motion – Ablewhite, K M Baker, Banerjee, Bates, Boddington, Bucknell, Bull, Butler, Cawley, Chapman, Criswell, Davies, Dew, Fuller, Gray, Guyatt, Hansard, Harlock, Harrison, Harty, Howe, Kadic, Longford, Mackender-Lawrence, Oliver, Pethard, Reynolds, Rogers, Sanderson, Tuplin, Tysoe, Ursell, West and Williams;

Against the Motion – None

Abstentions – M G Baker, Churchill, Curtis, Farrer, Giles, Greenall, Hyams, Morris, Reeve, Shellens and Van De Kerkhove.)

68. PAY POLICY STATEMENT

In compliance with the requirements of Sections 38 and 39 of the Localism Act 2011, the Executive Leader, Councillor J D Ablewhite presented a report by the LGSS HR Business Partner (a copy of which is appended in the Minute Book) in connection with the District Council's Pay Policy Statement for 2014/2015.

Although a statutory requirement for the Council to approve a pay policy statement by 31st March, the Executive Leader explained that the new pay model and allowances and the impact of any appeals from staff could have significant implications for the Statement up to the date of publication. In these circumstances and to ensure the

information published contained the final pay model and reward strategy for 2014, the Executive Leader suggested that the Managing Director be authorised to publish the Statement on the Council's behalf once these matters had been resolved.

Accordingly and having noted that a copy of the finalised statement would be issued to all Members via email prior to 1st April, the Council

RESOLVED

that the Managing Director and Head of Paid Service be authorised to communicate and publish the Pay Policy Statement 2014/15 by 1st April 2014.

69. PARISH REVIEW - BUCKDEN AND DIDDINGTON

The Executive Councillor for Economic Development & Legal, Councillor T D Sanderson presented a report by the Head of Legal & Democratic Services (a copy of which is appended in the Minute Book) in response to a formal request from the former Chairman and Clerk of Diddington Parish Meeting to make an Order grouping the parish with the neighbouring parish of Buckden under a common parish council.

Members noted that despite attempts to maintain the parish meeting, the former Chairman and Clerk had eventually concluded, in the absence of any local interest, that the parish meeting should be dissolved with effect from 31st December. In these circumstances, the Council

RESOLVED

that an Order be made under Section 11 of the Local Government Act 1972 to group the parishes of Buckden and Diddington under the common parish council of Buckden Parish Council comprising 15 Councillors with effect from 22nd May 2014.

70. GREEN PAPER ITEM - LOCAL PLAN UPDATE

Councillor N J Guyatt, Executive Councillor for Planning & Housing Strategy reported, with regret, that the process towards adoption of a new Local Plan to 2036 would be subject to delay. Although it was essential that the District planned for housing and employment land development over the next twenty years, there was an expectation from the Planning Inspectorate that the District Council, in doing so, should co-operate with neighbouring authorities on issues of common interest.

Therefore, for the District Council's plan to proceed, the authority would need to demonstrate that it had taken advice from Cambridgeshire County Council on transport matters. Accordingly, the County Council had been requested to undertake an appraisal of transport options, using traffic modelling to develop transport links which would include public transport and cycle ways, for instance, as well as the car. Councillor Guyatt acknowledged that, in a rural District, there was often no alternative to use of a car and therefore discussions also were progressing with the Highways Agency on

improvements to the A14 and A428. He also indicated that he had met the Minister for Planning and discussed the A428, A141 and potential road links north of St Ives, via Somersham and Earith.

The Council was advised that, in conjunction with South Cambridgeshire District and Bedford Borough Councils the District Council intended to submit a bid for funding towards some of these major schemes. Given that these options will have transport implications for the market towns and impact on the Local Plan as a consequence, there was no alternative but to delay the Local Plan until such time as a County wide transport strategy could be submitted as evidence in its support.

In response to questions from Members, Councillor Guyatt confirmed that all options would be considered during discussions on the County Transport Strategy and that these would include the A1198 at Godmanchester, RAF Wyton and Harrison Way, St Ives.

Referring to the delay to the Local Plan, Councillor D Harty asked what impact this might have for any Neighbourhood Plans currently being prepared by town and parish councils. Having reminded the Council that Neighbourhood Plans were required to conform to the Local Plan of the principal authority, Councillor Guyatt suggested that he was unaware of the impact this might have for town and parish councils but would make enquiries and respond to the questioner, in writing, after the meeting and send a copy of his reply to all Members.

Councillor R B Howe advised the Council that there was no reason to hold up the preparation of parish plans as these could help to inform the Neighbourhood Plan process once they were able to be progressed by communities.

In answer to a question from Councillor P D Reeve, Councillor Guyatt remarked that the delay to the Local Plan should not impact on the level of CIL monies which ultimately might become payable to town and parish councils.

In terms of a new timescale for the District Local Plan, Councillor Guyatt anticipated that it might be available to consider in July/August 2014. He reported that the draft SPD 'Wind Energy Development in Huntingdonshire' (which would act as background document to the Local Plan) was scheduled to be considered by the Cabinet and Overview & Scrutiny Panel (Environmental Well Being) in June.

As Chairman of the Development Management Panel, Councillor D B Dew thanked the Executive Councillor for the update on progress and underlined how vital it was for infrastructure to be planned properly in the future. He confirmed the understanding of the Executive Councillor that Neighbourhood Plans had to accord with the Core Strategy and Local Plan of the principal authority and that there was no reason why local councils should not continue to work on their plans, in the meantime, in readiness for publication of the new Local Plan.

71. REPORTS OF THE CABINET, PANELS AND COMMITTEES

(a) Cabinet

Councillor J D Ablewhite, Executive Leader and Chairman of

the Cabinet presented the Report of the meetings of the Cabinet held on 23rd January and 13th February 2014.

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In connection with Item No. 36, it was noted that the recommendations had been considered previously under Minute No. 67.

.....

In connection with Item No. 37, it was noted that the recommendations had been considered previously under Minute No. 67.

.....

Whereupon, it was

RESOLVED

that, subject to the foregoing paragraphs, the Report of the meetings of the Cabinet held on 23rd January and 13th February 2014 be received and adopted.

(b) Overview & Scrutiny Panel (Economic Well-Being)

Councillor T V Rogers presented the Report of the meetings of the Overview and Scrutiny Panel (Economic Well-Being) held on 9th January and 6th February 2014.

.....

Further to Minute No 64, Councillor Rogers expressed his own appreciation to Mr S Couper for the assistance and support he had given him during his time as Executive Councillor for Resources.

.....

In connection with Item No 28 and in response to a question from Councillor K J Churchill, Councillor Rogers indicated that it would be the intention to notify the Panel, in the first instance, of the ways in which savings had been achieved in the Revenues & Benefits Service at Norwich City Council before passing on any useful information to other Members.

.....

In connection with Item No 29, and on behalf of his colleagues, the Chairmen of the Overview & Scrutiny Panels, Councillor Rogers thanked all Members who had participated in the meetings held to consider the 'Facing the Future' process.

.....

Whereupon, it was

RESOLVED

that the Reports of the meetings of the Overview and Scrutiny Panel (Economic Well-Being) held on 9th January and 6th February 2014 be received and adopted.

(c) Overview & Scrutiny Panel (Environmental Well-Being)

Councillor G Bull presented the Report of the meetings of the Overview and Scrutiny Panel (Environmental Well-Being) held on 14th January and 11th February 2014.

.....

In connection with Item No 24 and in response to a question from Councillor I J Curtis, Councillor Bull understood that Town and Parish Councils had already been invited to nominate a representative to the Growth & Infrastructure Thematic Group but he would verify his information and advise the questioner accordingly after the meeting.

.....

Whereupon, it was

RESOLVED

that the Report of the meetings of the Overview and Scrutiny Panel (Environmental Well-Being) held on 14th January and 11th February 2014 be received and adopted.

(d) Overview & Scrutiny Panel (Social Well-Being)

Councillor S J Criswell presented the Report of the meetings of the Overview and Scrutiny Panel (Social Well-Being) held on 7th January and 4th February 2014.

.....

Whereupon, it was

RESOLVED

that the Report of the meetings of the Overview and Scrutiny Panel (Social Well-Being) held on 7th January and 4th February 2014 be received and adopted.

(e) Development Management Panel

Councillor D B Dew presented the Report of the meeting of the Development Management Panel held on 20th January 2014.

.....

Councillor Dew drew attention to the workload of the Panel

which was not, perhaps, reflected in the length of the Report to the Council. As the most recent meeting had lasted beyond midnight, he commended Members, Officers and the public for their resilience and concentration over so many hours.

On the same subject, Councillor R J West paid tribute to Councillor Dew, as Chairman of the Panel for the manner in which he chaired meetings and the advice he continued to give to Members and speakers despite the lateness of the hour.

.....

In connection with Item No 13 and in response to questions from Councillor P D Reeve regarding both the number of decisions that might be taken under temporary delegation arrangements and whether local Ward Members would be advised when decisions had been taken in this way, Councillor Dew assured the questioner that the temporary arrangements in the Development Management Division would operate no longer than necessary, that advertisements have been placed to recruit to the posts of Team Managers and that he together with the Executive Councillor and Senior Managers would continue to keep the situation under review.

.....

Whereupon, it was

RESOLVED

that the Report of the meeting of the Development Management Panel held on 20th January 2014 be received and adopted.

(f) Employment Panel

Councillor S Cawley presented the Report of the meeting of the Employment Panel held on 12th February 2014.

.....

In connection with Item No. 21, Councillor Cawley invited the Council to endorse the sentiments of the Panel with regard to Mr B Louth, Transport Management Officer in the Planning Division who had recently retired from the local government service.

.....

Whereupon, it was

RESOLVED

that the Report of the meeting of the Employment Panel held on 12th February 2014 be received and

adopted.

(g) Licensing and Protection Panel

Councillor J W Davies presented the Report of the meeting of the Licensing and Protection Panel held on 28th January 2014.

.....

Whereupon, it was

RESOLVED

that the Report of the meeting of the Licensing and Protection Panel held on 28th January 2014 be received and adopted.

(h) Corporate Governance Panel

Councillor E R Butler presented the Report of the meeting of the Corporate Governance Panel held on 29th March 2014.

.....

In connection with Item No 29, Councillors K J Churchill and the Executive Councillor for Resources, Councillor J A Gray took the opportunity to congratulate the Corporate Fraud Team for their efforts in uncovering fraudulent activity and generating income. Councillor Butler undertook to convey these sentiments to the Corporate Fraud Manager.

.....

In connection with Item No 34 and in response to a question from Councillor M F Shellens, Councillor Butler assured the questioner that the Panel had taken very seriously the issue of a poor response by managers to audit actions and had instructed the Audit Manager to find ways to improve the response in the future.

.....

Whereupon, it was

RESOLVED

that the Report of the meeting of the Corporate Governance Panel held on 29th March 2014 be received and adopted.

72. ORAL QUESTIONS

In accordance with the Council Procedure Rules (Paragraph 8.3 of the Rules), the Chairman proceeded to conduct a period of oral

questions addressed to Executive Councillors and Panel Chairmen as follows:-

Question from Councillor P D Reeves to the Executive Leader, Councillor J D Ablewhite

Having regard to the distribution of tickets for a Royal Garden Party, the Executive Leader assured the questioner that, following discussion with the Managing Director, the tickets had been allocated equitably between Councillors and Officers in accordance with instructions issued by Buckingham Palace.

Question from Councillor S M Van De Kerkhove to the Executive Councillor for Resources, Councillor J A Gray

The questioner drew attention to the dilapidated condition of a property known as Elm Lodge in Eynesbury which had been abandoned for many years. He asked whether it would be viable for the Council to bring the property back into use as bed and breakfast accommodation or as a hostel for young people. The Executive Councillor confirmed that the property was not in the ownership of the District Council but that the suggestion was laudable however and he would refer the question to the Assistant Director to consider

Question from Councillor R J West to the Executive Councillor for Planning & Housing Strategy, Councillor N J Guyatt

In terms of the potential for flood risk associated with future housing development, Councillor Guyatt reminded Members that the Council had made a significant contribution to the Flood Alleviation Scheme for Godmanchester and whilst guided by the Environment Agency on future development would consider taking similar action if it was considered necessary to do so in the future.

Question from Councillor D A Giles to the Executive Councillor for Environment, Councillor D M Tysoe

In response to a question regarding the provision of recycling facilities for those residents living in flats particularly those owned by Luminus in Eaton Socon, Councillor Tysoe explained that he had prepared a written response for the Councillor which he would send to him after the meeting.

Question from Councillor D Harty to the Executive Councillor for Planning & Housing Strategy, Councillor N J Guyatt

Further to Minute No 70, Councillor Guyatt reaffirmed his intention to establish what impact the delay to the District Council's Local Plan would have on any Neighbourhood Plan submitted by Town and Parish Councils in April.

Question from Councillor R J West to the Executive Councillor for Environment, Councillor D M Tysoe

Attention was drawn by the questioner to the award presented to Mr P Lummis, Project Engineer in the Environment Management Division under the British Astronomical Association's 'Campaign For Dark

Skies' which targets a reduction in inefficient lighting. Councillor Tysoe agreed that the award was a great credit to Mr Lummis in an area of work in which Huntingdonshire has led the way.

73. VARIATION TO THE MEMBERSHIP OF COMMITTEES AND PANELS, ETC

In view of the inability of Councillor M G Baker to participate in forthcoming meetings of the Senior Officers' Panel, the Council

RESOLVED

that Councillor W T Clough be appointed to the membership of the Senior Officers' Panel in the place of Councillor M G Baker.

The meeting ended at 9.57pm.

Chairman

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Public
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Corporate Plan and Performance Management Framework

Meeting/Date: Council – 30 April 2014

Executive Portfolio: Councillor J D Ablewhite, Executive Leader

Report by: Interim Corporate Team Manager

Wards affected: All

Executive Summary:

Our Corporate Plan outlines the Council's vision and priorities for the next two years (2014-2016). The headline plan is attached to this report. A full corporate plan, including a work programme with key actions for 2014/15, is being worked on with service managers and will be presented to councillors shortly.

The Performance Management Framework is how the Council makes sure it stays focused on the right areas, monitor progress and take action when identifying issues. It clearly maps out roles and responsibilities for councillors and staff for managing performance. It will be the guide for how the Council do things.

Recommendation:

That the Corporate Plan and Performance Management Framework be adopted.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

1.1 This report is to present and agree a one page Corporate Plan and a new Performance Management Framework for the Council.

1.2 Further work to under-pin the Corporate Plan is under-way and will be presented shortly. This will include a work programme and key actions for 2014/15, together with a basket of proposed corporate health indicators.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 The Council needs a clear vision with priorities for how it will achieve the outcomes it wants. Performance management is how councillors and staff will ensure that the key actions in the work programme are delivered.

3. COMMENTS OF OVERVIEW & SCRUTINY PANEL

3.1 Overview and Scrutiny Panels have commented on earlier drafts of the one page Corporate Plan and this final version has been updated to account for that input.

4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?

4.1 The key impact is that everyone in the Council will be clear about the vision and priorities and their role in helping to deliver it.

- ◆ Officers will be clear about what is important and their role
- ◆ Financial planning will be more clearly linked to corporate planning
- ◆ Councillors will know what information they will get and when
- ◆ Portfolio Holders will be able to hold officers to account
- ◆ Scrutiny councillors will have the information they need to hold portfolio holders to account

5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

5.1 Once the Corporate Plan and Performance Management Framework are adopted, they will be used to further develop the corporate plan and re-focus the activities of our scrutiny panels.

6. LINK TO THE LEADERSHIP DIRECTION

6.1 The Leadership Direction has informed the Corporate Plan and will be superseded by it.

7. CONSULTATION

7.1 None

8. LEGAL IMPLICATIONS

8.1 None

9. RESOURCE IMPLICATIONS

9.1 There are no immediate resource implications. We are already monitoring and reporting on our performance in our current quarterly reports. The new

proposals are for this to be sharper and more focused on the corporate priorities.

10. OTHER IMPLICATIONS

10.1 None

11 REASONS FOR THE RECOMMENDED DECISIONS

11.1 We need to be clear about what we are doing, why we are doing it and what impact it is having. The only way to do this effectively is by implementing an annual corporate and budget planning cycle and checking up on our performance.

12. LIST OF APPENDICES INCLUDED

Appendix 1 – Huntingdonshire Corporate Plan 2014 - 16

Appendix 2 – Huntingdonshire Performance Management Framework April 2014

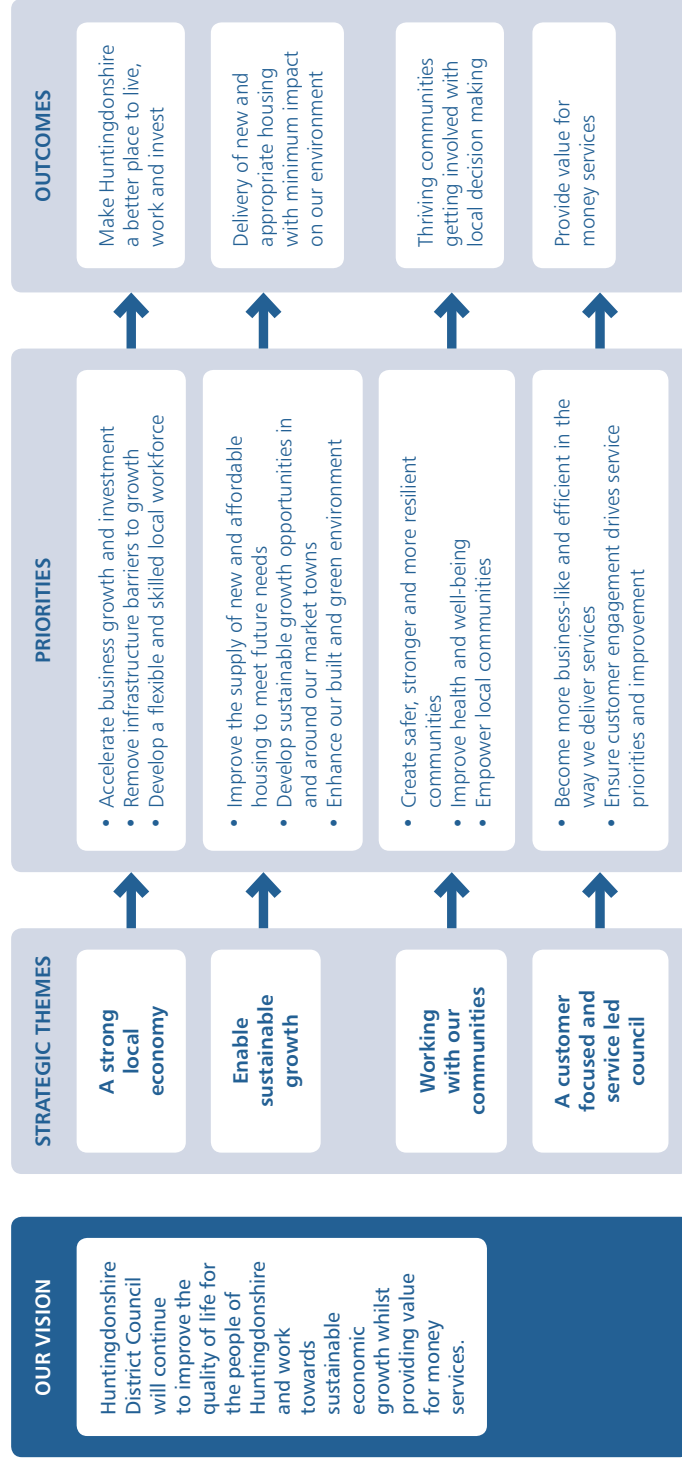
BACKGROUND PAPERS

None

CONTACT OFFICER

Susan Jewkes, Interim Corporate Team Manager
Tel No. 388263

Huntingdonshire District Council Corporate Plan 2014-16



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Performance Management Framework

April 2014

For use by Councillors and Staff

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Introduction

“Our vision is that Huntingdonshire District Council will continue to improve the quality of life for the people of Huntingdonshire and work towards sustainable economic growth whilst providing value for money services.

Effective performance management is important to the success of any organisation. It ensures we remain focussed on what is important to local people and that we provide efficient and effective services.

We are putting in place systems and processes that enable us to make decisions based on sound data and tracking our progress to see if we are achieving what we have set out to do. We will use a range of methods to tell local people about our performance, what has been achieved in the District and how public money is being spent.

This guide is to outline our approach to performance management in simple terms so that everyone can understand how it works and where they fit in.”

Cllr Jason Ablewhite

Executive Leader of the Council

Background

This guide to the Council’s Performance Management Framework gives background information on the different parts of performance management, why they are important and how they fit together.

The performance framework is a summary of how the Council sets, delivers, monitors and reports on its priorities. Performance management at its best includes strategy, finance, performance, people and risk management. It makes clear what is reported and who is accountable.

For further information, support or guidance, please contact the Corporate Team.

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5. The performance cycle - how we deliver	8
6. How it all fits together	8
7. The performance cycle - how we monitor, review and report	9
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What is Performance Management?

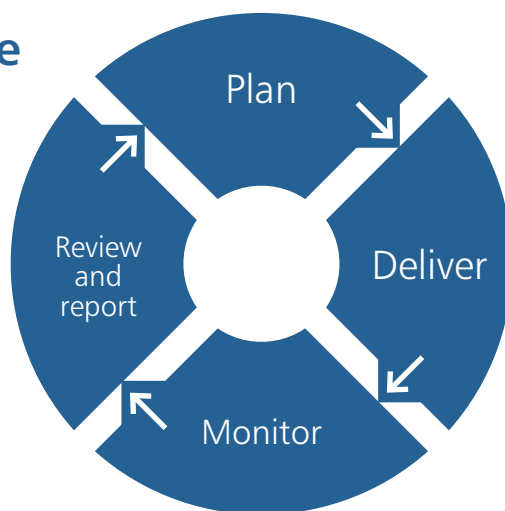
Performance Management is about taking action in response to actual performance to make outcomes better than they would otherwise be. Inherent within this is the need to know and understand both the intended outcomes and current performance levels.

Performance Management happens at every level of the organisation and it involves elected councillors as well as individual members of staff.

Effective Performance Management is based on a continual process, or cycle, which has the following key elements:

1. Agree or reaffirm a set of outcomes and PLAN what needs to be done to achieve those aims
2. Make sure we DO what is in the Plan!
3. MONITOR our progress and performance
4. REVIEW and REPORT what has gone well or what could have gone better

Our performance cycle



The National Performance Management Framework

Following the general election in May 2011, the coalition government introduced changes to the national framework; this included deletion of the National Indicator set, abolition of the CAA regime and Local Area Agreements; and removal of the Audit Commission from its corporate inspection role. Additionally, the national Place Survey was scrapped. Despite these changes, a large amount of data is still reported to national government, through the 'single data list'; although this tends to be factual raw data rather than analysed data, as was the case with the National Indicator set.

These changes mean that how local authorities organise, deliver and performance manage their services is essentially up to them - with minimal reporting up to Government. There is, however, a clear expectation that local councils are accountable to local citizens and service users. Instead of organising performance management around meeting central Government requirements, it is up to councils to performance manage their services in a way that is suitable and appropriate to their own local circumstances and preferences. This framework outlines how Huntingdonshire District Council has decided to manage, report and scrutinise its performance.

The performance cycle

Our plans

The Council shares common ambitions with its partners to ensure Huntingdonshire is a place where current and future generations have a good quality of life and making the most of opportunities that come from living in growing and developing communities.

The Corporate Plan

The Council's Corporate Plan outlines its own priorities and its role in supporting the shared ambitions for Huntingdonshire. It will also set out how the Council wants to use its own resources, including any planned efficiencies and service priorities. The plan is reviewed and refreshed every two years.

Under each of the four strategic themes, the corporate plan highlights key priorities and outcomes the Council is looking for. It provides the basis for what we do.

A strong local economy - making Huntingdonshire a better place to live, work and invest

Our priorities are to

- Accelerate business growth and investment
- Remove infrastructure barriers to growth
- Develop a flexible and skilled local workforce

Enable sustainable growth - delivering new and appropriate housing with minimum impact on our environment

Our priorities are to

- Improve the supply of new and affordable housing to meet future needs
- Develop sustainable growth opportunities in and around our market towns
- Enhance our built and green environment

Working with our communities - making sure they thrive and get involved with local decision making

Our priorities are for

- Safer, stronger and more resilient communities
- Improved health and well-being
- Empowered local communities

A customer focused and service led council - delivering value for money services

Our priorities are to

- Become more business-like and efficient in the way we deliver services
- Ensure customer engagement drives service priorities and improvement

The plan also includes the Council's 'work programme' that will help us work towards these outcomes.

The performance cycle

How we deliver

The Corporate Plan sets out what the Council aims to achieve in addition to our core statutory services, and is aligned with the Council’s Financial Plan.

The Financial Plan explains how the Council will manage its resources and budgets over a three year period and how resources will be used to deliver services and meet the Council’s key aims. Key priorities of each service are considered each year as part of the budget setting process.

Sitting beneath the Corporate Plan are Directorate and Service Plans which cover all services. The Directorate Plans contain key objectives that each service will work on over the coming year, together with higher priority objectives that are either of significant importance to the authority, or cut across more than one service / team. The plans also outline how the objectives will be delivered.

The Council’s staff appraisal system results in specific targets being set for all individual members of staff on an annual basis. Individual objectives and targets should relate to key activities set out in directorate and service plans, and, in appropriate cases, some of the key actions set out in the corporate plan.

How it all fits together



The performance cycle

How we monitor, review and report

The delivery of all key projects, initiatives and action plans are monitored regularly.

Cabinet members monitor projects and service performance through formal quarterly reports and informal progress meetings with relevant corporate directors and service managers.

The delivery and performance of corporate plan actions and key services can also be reviewed by the Council's scrutiny panels.

Management Team (the Managing Director and the corporate directors) receive quarterly reports on progress made against the key actions in the corporate plan. This quarterly report is published on the Council's intranet for access by all councillors and staff and on a quarterly basis this information is formally presented to the relevant scrutiny panel.

Management Team, cabinet members and the appropriate scrutiny panel also receive quarterly information and analysis on achievement against a suite of agreed corporate performance indicators. The indicators cover all directorates and the reports highlight any specific performance issues. The scrutiny panel monitors performance and any action plan put in place to correct poor performance, where applicable.

Portfolio holders use quarterly reporting, together with regular briefings to hold officers to account. Scrutiny members will use the quarterly reports to hold cabinet members accountable for their portfolios.

Inclusion on the scrutiny panel agendas ensures our corporate and performance indicator monitoring information is available to the general public via our website.

Service managers monitor their own operational performance information, including budget monitoring, service performance and progress on key projects, reporting to their corporate director.

Service managers monitor staff performance and carry out formal staff appraisals at least twice each year, checking that agreed target areas are on track for achievement.

The Corporate Team ensure that managers at all levels receive full training, including refresher training, on the scheme and also monitor adherence, through random sampling, each year.

The Council's key strategies and projects are reviewed periodically by the relevant service manager. An overview is maintained by corporate directors and progress on key projects is reported through the quarterly corporate monitoring process.

Acting on performance information

Opportunities for development are identified by councillors and senior managers through a range of processes. Cabinet can request managers to provide information on performance issues and call for further work to be undertaken to address specific concerns if applicable. The relevant scrutiny panel can also request information about performance to be provided and explained.

The Corporate Team checks that financial and performance decisions are aligned and that resources are focussed on supporting the key priorities. They will work with managers and councillors to resolve any conflicts that arise. Their role is also to share learning and good practice and ensure that value for money considerations are central to decision making.

Opportunities for improvement may be identified through research into best practice at other authorities, as well as by reviewing our own processes and how they can be improved. There are a number of opportunities to share learning and good practice with other local authorities and organisations through networks and attendance at events. The peer review process – whereby another council or an improvement group is invited to challenge areas of performance and suggest changes – is also used where it is appropriate.

Customers, service users and other stakeholders provide an important source of performance information through feedback mechanisms, focus groups, surveys and complaints. Information is collected, monitored and can be used to improve services. The Council has a corporate approach to dealing with complaints and monitoring complaints data.

Feedback from staff can also be useful in identifying opportunities to improve services and performance. Feedback comes from team meetings, staff consultations, staff appraisals and exit interviews.

Ensuring good data quality

All performance information is underpinned by good quality data and our arrangements to ensure good quality data are set out in our Data Quality Strategy. The strategy aims to ensure that across the Council's directorates, there is a consistently high standard of data production and use.

All staff involved in the collection, collation and reporting of performance data have a responsibility to ensure that it can be relied upon. Departments need to ensure they have sound procedures in place and provide adequate training and guidance for staff. For more information, see the Council's Data Quality Strategy.

Corporate Governance

We are responsible for ensuring that our business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

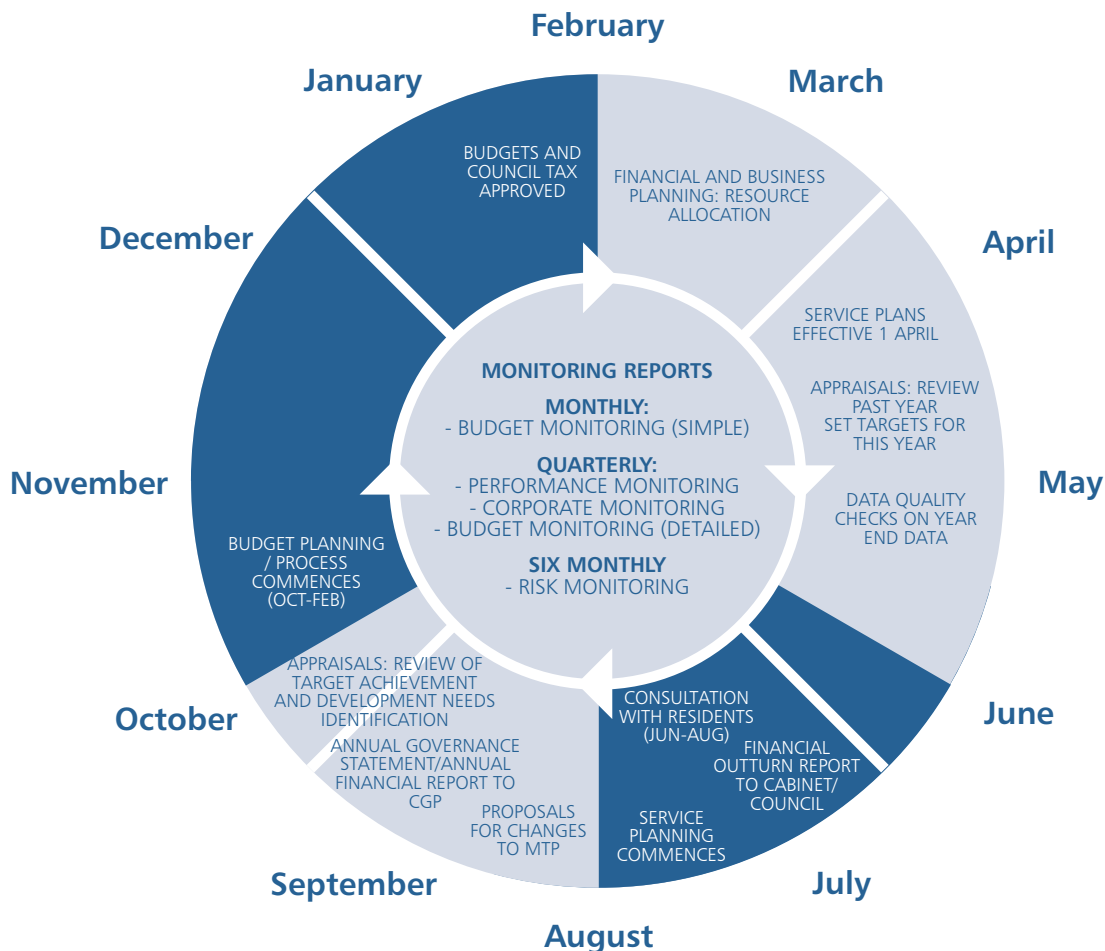
We also have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which our functions are exercised. In meeting this overall responsibility, we are also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions - and which includes arrangements for the management of risk.

The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government.

On an annual basis, a review must take place of the effectiveness of the systems of internal control and an Annual Governance Statement must be produced. We assess how well we are complying with our Code of Corporate Governance and give an opinion on whether the corporate governance arrangements are adequate and operating effectively.

The Internal Audit team carry out the monitoring and assessment required to prepare the Annual Governance Statement on behalf of the Executive Leader and Managing Director.

The annual corporate and budget planning cycle



Roles and responsibilities

Our approach relies on us all to take performance management seriously and ensuring the Council makes its plans, policies and decisions based on good quality information. Roles and responsibilities are outlined below:

Council

Elected members are ultimately accountable to the electorate for the overall performance of Council services.

Executive Leader of the Council

Has overall political accountability and is ultimately responsible for the Council's performance.

Cabinet

Is the executive body of the Council. Cabinet determine the policies, priorities and projects that will be undertaken by services each year. This work is set out in the Corporate Plan and directorate plans, and the associated resources needed are within the annual budget setting and prioritisation process.

Portfolio Holders

Each cabinet member is given a portfolio of services and activities for which they take responsibility. Portfolio holders are actively involved in reviewing performance in relation to their portfolio. The Executive Leader of the Council has portfolio responsibility for the Council's performance management and data quality arrangements. However, performance management is an integral part of every portfolio holder's responsibilities.

Scrutiny Panels

The role of these bodies is set out in the Council's Constitution. The panels identify areas of the Council's work that need to be scrutinised and challenge performance and service improvement initiatives. The relevant scrutiny panels receive reports such as the quarterly Performance Monitoring reports and agree the associated action plan which outlines what is being done to tackle issues identified. Scrutiny panels may choose to convene task and finish groups to investigate a specific performance issue.

Audit & Risk

The appropriate scrutiny panel monitors the risk management and governance arrangements at the Council to help ensure the effective delivery of services and the achievement of objectives. This panel, through the work of Internal Audit, ensures the Council has adequate controls in place. The panel reviews, and should contribute to the development of the Annual Governance Statement ahead of its presentation to Council via Cabinet.

Managing Director and Corporate Directors (individually and/or collectively)

Management Team advise members regarding the setting of strategic direction and performance improvement priorities. Corporate directors set targets and standards for performance, and identify and manage strategic and performance issues and opportunities facing the Council. Corporate directors receive regular information on performance from their service managers and consider reports on key strategic performance issues, including achievement against the corporate plan.

Corporate directors have responsibility for ensuring that their directorate has effective data processes for monitoring performance indicators and ensuring that operational responsibilities for data quality have been delegated to individuals.

Management Team have responsibility for promoting the integration of performance management into the culture of the Council and for ensuring that performance information used in decision making is 'fit for purpose' and reliable.

Service Managers

Service managers are responsible for the overall operational performance of their service and for the contribution that their service makes to the outcomes and objectives within the corporate plan. They are responsible for contributing to the integration of performance management into their area and for ensuring the quality of all data collected and reported within their areas of responsibility.

Where performance targets/standards are not achieved, service managers are required to explain this and consider what remedial action is required; for corporately monitored performance indicators this is reported in the quarterly monitoring and action reports.

Service managers are required to provide assurance on the effectiveness of controls in place to mitigate/reduce poor performance in their service and ensure the involvement of staff in setting relevant and appropriate targets through the annual service planning and appraisal process.

Corporate Team

This team supports performance management and data quality within the Council by co-ordinating the corporate approach to performance management, directorate and service planning. Support and guidance is provided to corporate directors and service managers in delivering the performance management framework, and on elements such as performance indicators, monitoring of achievement against corporate priorities, benchmarking, research, directorate and service planning, and service review requirements.

Support is also provided to directorates in the creation of data processes that support monitoring including advice and guidance regarding the collection and calculation of performance indicators and the maintenance of the performance sections of the Council's intranet system.

Internal Audit

The team produces the Annual Governance Statement on behalf of the Executive Leader and Managing Director, which is reported to the Cabinet and Council.

In addition to dealing with the provision of audit services, this team provides guidance and information on risk management. If data quality issues are identified through the course of an audit, whether linked to performance indicator data or not, this will be raised in the audit report. Internal audit also provide an independent review of the corporate approach to performance management and data quality.

Managers / Supervisors / Team Leaders

All levels of staff with managerial responsibility are responsible for the operational performance of their team and for the two-way communication of corporate initiatives and performance issues. This group of staff are responsible for ensuring their staff have regular appraisals and reviewing the training and skills needed to carry out their jobs. They should also ensure that their staff have access to and are familiar with corporate and departmental policies and procedures on performance management and data quality.

Individual staff

All staff have a responsibility to manage their own performance. Each member of staff will be set specific targets as part of their appraisal every year, which staff members will be involved with agreeing. As well as identifying actions and targets for the current year, relevant training / personal development needs are identified through the appraisal process. Formal procedures exist to address continual and serious cases of under-performance.

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Agenda Item 5

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Senior Officer Structure
Meeting/Date: Council – 30th April 2014
Executive Portfolio: Cllr J D Ablewhite
Report by: Managing Director
Ward(s) affected: All

Executive Summary:

Changes to the management structure have been agreed, and this report offers details of the arrangements.

Recommendation:

that the Constitution is updated to reflect the changes to the officer structure.

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1. PURPOSE

- 1.1 The purpose of this report is to advise Members of the overall structure of the officers of the Council.

2. BACKGROUND

- 2.1 Under Article 12 of Part 2 of the Council's Constitution, there is a requirement for the Head of Paid Services to determine and publicise adoption of the overall management structure (link to Part 7 of the Constitution). This report sets out those details, and follows formal consultation with affected staff, along with an internal recruitment process.

3. OPTIONS CONSIDERED/ANALYSIS

- 3.1 The restructuring proposals went through many evolutions during pre-consultation discussions, formal consultation and then adoption. Once this was fixed by the Head of Paid Service, there is a requirement to publicise the new structure (attached at the Appendix).

4. KEY IMPACTS/RISKS - HOW WILL THEY BE ADDRESSED?

- 4.1 The senior management restructure has been the subject of considerable focus. Key risks were monitored during the evolution from the old to new structures and appropriate mitigation was introduced.

5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 5.1 The external recruitment process is underway and it is anticipated that the selection process will have been concluded during mid-May.

6. LINK TO THE LEADERSHIP DIRECTION

- 6.1 The arrangement of a suitably skilled team of service managers to respond to the new environment that the Council finds itself in is critical to the delivery of the Corporate Plan.

7. CONSULTATION

- 7.1 All affected staff have been involved in a detailed consultation process.

8. LEGAL IMPLICATIONS

- 8.1 The Constitution requires a report advising of the senior management structure.

9. RESOURCE IMPLICATIONS

- 9.1 No financial implications.

10. OTHER IMPLICATIONS

- 10.1 None.

11. REASONS FOR THE RECOMMENDED DECISIONS

- 11.1 The Constitution carries reference to previous officer structures and now needs updating to reflect new arrangements.

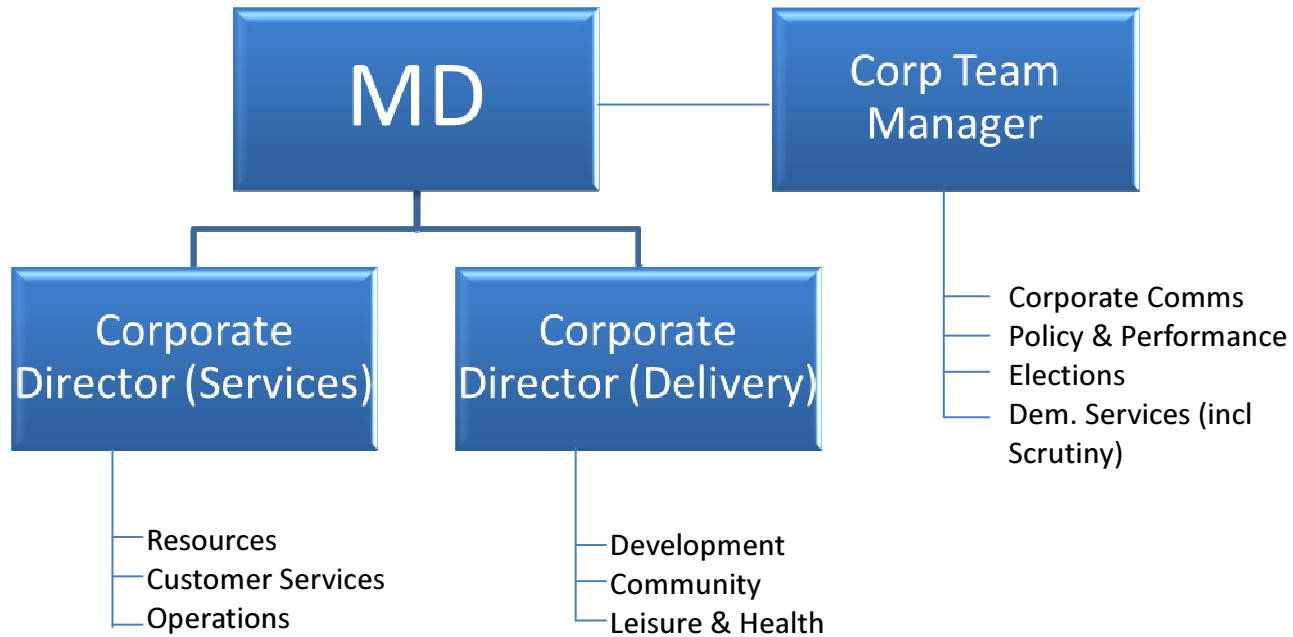
12. LIST OF APPENDICES INCLUDED

Appendix – Senior Management Structure

BACKGROUND PAPERS

CONTACT OFFICER

Joanne Lancaster, Managing Director
01480 388300



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Cabinet

Report of the meetings held on 20th March and 10th April 2014

Matter for Decision

47. CORPORATE PLAN AND PERFORMANCE MANAGEMENT FRAMEWORK

By way of a report by the Interim Corporate Team Manager (the report is reproduced as Item No. 4 on the Council Agenda) the Cabinet has considered the content of an updated Corporate Plan and associated Performance Management Framework.

Having noted the priority areas identified in the Plan, the Cabinet

RECOMMEND

that the content of the revised Corporate Plan and associated Performance Management Framework be approved.

Matters for Information

48. THE FUTURE OF MEMBERS IT

In conjunction with the Overview and Scrutiny Panel (Economic Well Being) (Item No. 38 of their Report refers) the Cabinet has considered a proposal to withdraw Council funded IT equipment for Members and promote the purchase of iPads from Members allowances. Members were advised that the proposal will enable the authority to achieve savings in the region of £50K and that there will be further savings through the reduction, where possible, of printed reports.

Attention was drawn to the use of non-HDC approved email addresses for Council and the Cabinet queried whether it will be possible to set up private email addresses for Councillors that easily identified them as a Member of the District Council. In response, the IMD Service Manager undertook to investigate the matter further.

Executive Councillors concurred with the Overview and Scrutiny Panel that appropriate training and support will be required for all Members prior to implementation and that the WIFI facility within the

Civic Suite will need to be stress tested. Mention also was made of transition arrangements, access to the Council's IT resources within Pathfinder House and current arrangements for funding of broadband connections for Members.

In the meantime, the Cabinet has indicated its support for proposals -

- ◆ to withdraw Council funded IT equipment for Members, with continued support only being provided in exceptional circumstances;
- ◆ to purchase iPads from Members allowances;
- ◆ to withdraw, where possible, printed agendas and reports for Council business;
- ◆ that all Members should use non-HDC, but HDC approved, email addresses for Council business;
- ◆ to withdraw HDC funded broadband connections; and
- ◆ that with effect from 1st May 2014, it be made compulsory for newly elected Members to participate in the iPad scheme.

As the Members' IT and telephone support guidelines form part of the Council's Constitution, the Cabinet recommended that these be varied accordingly to reflect the above. These arrangements are now subject to call in and will be considered by the Overview & Scrutiny Panel (Economic Well-Being).

49. HACKNEY CARRIAGE FEES

In accordance with the provisions of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended), the Cabinet has approved a table of fares for hackney carriages. Although the fares were originally agreed at a meeting of the Licensing and Protection Panel on 26th October 2011, it has recently been clarified that the decision is considered to be an Executive function. In that respect, the Cabinet has delegated the approval of future hackney carriage fares to the Head of Legal and Democratic Services, after consultation with the relevant Executive Portfolio Holder. This includes the consideration of any objections.

50. TRANSFER OF CREATIVEXCHANGE, LONGSANDS CAMPUS

(The following item was considered as a confidential item under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

Having regard to the views of the Overview and Scrutiny Panel (Economic Well-Being) (Item No. 34 of their Report refers), the Cabinet has agreed to surrender the lease for the CreativExchange building in St Neots and have agreed to transfer the land with the related car parking spaces, which the District Council owns, to Longsands Academy on the best achievable terms. The previous lease to Norfolk and Waveney Enterprise Services Ltd expired on 31st March 2014.

**51. NATIONAL NON DOMESTIC RATING –
CHANGES TO DISCRETIONARY RATE RELIEF POLICY FROM
1st APRIL 2014**

(The following item was considered as an urgent item under paragraph 19 of Part 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

In conjunction with the Overview and Scrutiny Panel (Economic Well Being) (Item No. 39 of their Report refers), the Cabinet has been acquainted with the background to new temporary rate relief measures announced by the Government. The measures aim to help and financially support the local “retail” ratepayers, encourage new occupations as well as support households and businesses affected by the recent floods.

Having considered the information before them and in noting that billing authorities will be reimbursed by the Government for any discounts awarded, the Cabinet has agreed to award:-

- ◆ a discount of £1,000 (submit to state aid limits) for all occupied retail properties with a rateable value not exceeding £50,000 with effect from 1st April 2014;
- ◆ 50% business rate relief for 18 months for businesses that move into retail premises that have been empty for a year or more with effect from 1st April 2014; and
- ◆ 100% rate relief for 3 months for any day between 1st December 2013 and 31st March 2014 where non domestic properties have been flooded and meet other qualifying criteria.

The Head of Customer Services and Local Taxation Manager have been authorised to award these discounts.

**52. GREATER CAMBRIDGE, GREATER PETERBOROUGH
ENTERPRISE PARTNERSHIP (LEP) –
STRATEGIC ECONOMIC PLAN**

(The following item was considered as an urgent item under paragraph 19 of Part 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

The Cabinet has approved the content of a Strategic Economic Plan produced by the Greater Cambridge, Greater Peterborough Enterprise Partnership. The Plan sets out the Partnership’s vision for sustainable economic growth drawing upon the strengths of the local area.

J D Ablewhite
Chairman

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Overview & Scrutiny Panel (Economic Well-Being)

Report of the meetings held on 6th March and 3rd April 2014

Matters for Information

34. TRANSFER OF CREATIVE EXCHANGE, LONGSANDS CAMPUS

(The following item was considered as a confidential item under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act).

The Panel has discussed the options for the future use and ownership of the Creativexchange at the Longsands Academy Campus. The previous arrangements for the management of the building have now expired, which means there is a need to reconsider its future use and ownership.

In reviewing the available options, the Panel has considered the original reasons for building the Creativexchange, occupancy levels and trends, potential terms for a new arrangement with the existing management company, other options for the building and the Council's land within which the car park is sited.

The Panel has made a recommendation to the Cabinet on a preferred option and suggested that the Council should seek to negotiate a lease for the land it owns, which includes car parking spaces. The Panel has also requested that a review is carried out of the lessons which can be learnt from the Creativexchange project including the expenditure which has been incurred to-date.

35. LOVES FARM COMMUNITY CENTRE – UPDATE

Councillor R B Howe, Executive Councillor for Healthy and Active Communities, has provided the Panel with an update on the development of the Loves Farm Community Centre. An agreement has now been made with Cambridgeshire County Council for the provision of a combined Community Building and a pre-school playgroup facility. Councillor Howe has provided details of the site for the facility, the proposed elevations and floorplans, the timetable for the completion and the lessons which have been learnt from the exercise to-date.

The Panel has discussed the development of the initial scheme and the expenditure which has been incurred by the District Council on it. Having been reminded that the revised proposal would provide an

essential facility for the local community, the Panel has discussed a number of issues relating to the financing of the new scheme, the use of the facility and the design and location of the building. Members have suggested that the parking arrangements might be inadequate and result in parking problems on the estate. This could deter larger organisations from using the facility. However, the local Member is of the view that the Centre is located in a strategic position within the development and a majority of users will have access to it by foot.

Members have discussed the potential financial risk to the District Council if the local community group is unsuccessful in generating sufficient income from the facility. With this in mind, Members have discussed the financial resources available to the group, the opportunities available to it for securing grant funding and its operating structure. The Panel has suggested to the Executive Councillor, that the community group which will be responsible for the management of the Centre should be requested to prepare a Business Plan and submit it to the Council prior to any agreement being entered into. This should include reference to parking at the site.

Finally, in recognition of the need to learn lessons from this project, the Panel has suggested that a post event audit should be undertaken.

36. CUSTOMER SERVICES MONITORING

The Panel has reviewed the Customer Services monitoring report for the period June to December 2013 which sets out the standards of service that have been achieved. Members have been pleased to note that the Service is moving forward with the delivery of the new Customer Services Strategy and that efforts to migrate customers to alternative service options are starting to be successful.

The Panel has discussed waiting times at the Huntingdon Customer Services Centre and the Customer Services Manager has been asked to provide details of those occasions where customers have been required to wait up to 40 minutes for service. Members have discussed the impact of any future move by the Call Centre Team to Pathfinder House on staff retention. They have noted that the Pay Review Project should address salary differentials with other local authorities.

A further report will be provided in six months' time.

37. BRIEFING ON NATIONAL NON DOMESTIC RATES

Following a request from Members, the Panel has received a presentation from the Head of Customer Services on National Non Domestic Rates (NNDR or Business Rates) which are charged on all non-domestic properties according to the rateable value of the property. As part of the presentation, information has been provided on the operation of and recent changes to the NNDR scheme, together with the implications of changes to the finance regime in

April 2013 and the latest Autumn Statement. Having noted that the avoidance of payment of business rates is becoming a national issue, Members have had an opportunity to examine a number of detailed matters with the Head of Customer Services.

38. MEMBERS IT

The IMD Service Manager has acquainted the Panel with planned changes to IT provision for elected Members. Members have been advised of the issues that have arisen which have necessitated the changes, together with details of an intention to promote alternative ways of working. All Members of the Council had been invited to attend for the discussion on this item.

The Panel has discussed the proposal for Members to provide their own IT equipment to access Council papers and to have their own email addresses. Although the iPad is the recommended device because it is more secure, Members will be able to use other web enabled devices. Members have discussed a number of practical matters, including the need to stress test the WIFI facility within the Civic Suite, whether tablets have sufficient memory to access large agendas and the potential for additional costs to be incurred by Members who may exceed their personal data limits when downloading large documents. Concerns have been expressed that Members will incur costs by printing documents at home.

The Panel has considered whether the requirement that Members should provide their own devices will deter potential candidates from standing for election. Given that the basic allowance payable is currently in the region of £4k, it is not unreasonable to expect Members to purchase their own equipment. It has, however, been suggested that prospective candidates should be made aware of this requirement.

The Panel has discussed the assistance the Council might provide to enable Members to acquire a device and has noted that the option of paying through Members allowances over their term of office is being considered. Members have discussed how this scheme will operate, including the arrangements which will be in place should Members wish to purchase a device with a higher specification or part way through their term of office. Given that only limited discounts can be achieved if the Council is to purchase devices, it has been suggested that Members will need to make their own decision on how to acquire one.

Members have emphasised the need for further consideration to be given to the details of the new arrangements, specifically the mechanisms for accessing Council information, such as the Address Book, from Members' own equipment. They have also questioned whether the transition period is realistic and have stressed the need to ensure that appropriate training and support is in place for Members before any changes are implemented.

Having noted that Members will have to provide their own e-mail addresses for Council business, the Panel has been advised that security and encryption arrangements for sending confidential emails and documents will need to be introduced. It will be possible to receive confidential committee papers and reports through the Modern.Gov committee management system.

Whilst the Panel has expressed support in principle for the proposals, a number of comments have been made for the Cabinet to consider as part of its deliberations on this matter. **(Item No. 48 of their Report refers).**

39. NATIONAL NON DOMESTIC RATING – CHANGES TO DISCRETIONARY RATE RELIEF POLICY FROM 1ST APRIL 2014

Providing that the cost of any relief awarded is fully reimbursed by the Government and that applicants satisfy all qualifying conditions, the Panel has recommended that the Council's existing Discretionary Relief Policy is amended to incorporate the new temporary reliefs announced in the Chancellor's 2013 Autumn Statement and to address issues relating to the recent flooding in some areas of the country. In doing so, the Panel has discussed the arrangements through which the Government intend to reimburse local authorities. It is accepted that the additional administrative and cost burden to the Council is not yet known.

40. INTERNAL AUDIT REVIEW – ELECTRONIC DOCUMENT MANAGEMENT

An Internal Audit of the management of the Electronic Document Management (EDM) system within six of the Council's services has been reviewed. The Panel has been awaiting the outcome of this review before making a decision on whether to investigate further the progress which has been made in implementing EDM within the organisation. The audit has concluded that the systems in place to manage EDM are adequate.

The Panel has discussed in general terms the need for Council schemes and projects to be subject to a process of independent post implementation review. This will enable the Authority to establish the benefits that have been realised compared with the original business plan and the forecast costs of schemes. The Council recently has spent significant sums of money on projects, including the installation of solar panels at Eastfield House, the launch of a new One Leisure website, development at One Leisure St Ives and the construction of the Huntingdon multi-storey car park. It is important for the Council to establish that it has realised benefits from its investments and has secured value for money.

A Corporate Project Board has been established to promote project management and governance within the Authority. The Governance Board reports directly to the Corporate Governance Panel. The Panel has discussed the role of Members in this area and the respective

responsibilities of the Overview and Scrutiny and the Corporate Governance Panels.

Overall, Members support the intention to strengthen the Council's approach to project management, including the way business cases for schemes are developed, managed and reviewed following implementation. They have suggested that, as part of the new arrangements, the Panel should receive follow-up reviews.

41. FACING THE FUTURE

To enable the Panel to commence its role monitoring the progress of the Facing the Future process and its impact on the Council, the Panel has received an update on the work that has been undertaken to implement the "Limited Service Impact" savings. Members have noted that those which are being taken forward immediately have been incorporated into the budget from 2014/15. This amounts to £378k in 2014/15, rising to £497k in 2015/16.

In terms of the delivery of the remaining suggestions, a Corporate Programme and Project Management Governance Group has been established to oversee their delivery. In recognition of the importance of keeping Members informed of progress, monitoring reports will be submitted to the Panel on a regular basis as part of the Council's usual budget management cycle. There will also be the opportunity to review individual savings proposals as they emerge at a later date.

Other Matters of Interest

38. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has received current Notices of forthcoming Key Executive Decisions, which have been prepared by the Executive Leader. Members have been reminded that if they are interested in particular items they are able to attend the relevant meetings of the Social and Environment Well-Being Panels at which they are considered.

39. OVERVIEW & SCRUTINY PANEL (ECONOMIC WELL-BEING) – PROGRESS

The Panel has reviewed its programme of studies. In so doing, Members have received an update on the activities of the Working Group which has been established to review the Authority's gross expenditure. Councillor E R Butler has also provided an update on the work of the Council's Fraud Team and the introduction of the Single Fraud Investigation Service, which will go live from April 2016.

With regard to the Panel's interest in the Cambridgeshire and Peterborough Local Enterprise Partnership (LEP), the Chairman has reported that his permission has been sought for its draft Strategic Enterprise Plan to be considered by the Cabinet at the meeting on

10th April 2014. In recognition of the Council's responsibility to scrutinise the partnerships with which it is involved, the Chairman and Chief Executive of the LEP have been invited to a future meeting of the Panel to give a presentation on its business plan.

40. SCRUTINY

The Panel has received the latest editions of the Decision Digest at each of its meetings.

T V Rogers
Chairman

Overview & Scrutiny Panel (Environmental Well-Being)

Report of the meetings held on 11th March and 8th April 2014

Matters for Information

31. RECAP OVERVIEW AND PROGRESS TOWARDS A WHOLE SYSTEMS APPROACH

The Panel has received a presentation on progress made by RECAP with the Whole Systems Approach. This has included details of the outcomes achieved together with the ongoing work to deliver projects and efficiencies across the Partnership. The Executive Councillor for Environment has referred to the length of time it has taken to deliver RECAP projects, which are very complex in nature.

The presentation has covered the vision adopted for the project, its guiding principles, the context for the adoption of a Whole System Approach and the challenges and issues which have arisen during the course of the Partnership's work to date. Details of the work programme have also been received together with the initiatives that are underway for delivery in the short term.

There will be a need for a clear steer from each Partner authority when any future RECAP proposals are developed. There will be a role for Overview and Scrutiny to play in this process and in ensuring the proposals are achieved as planned.

The Panel has discussed the risks associated with the joint procurement of services for the bulking, sorting and onward processing of recyclable materials. Particular attention has been paid to the market value obtained per tonne for the recyclate collected by each authority. Recyclate returns will be generated on a pro rata basis for each Partner authority. One of the benefits of this particular work stream is the sharing of costs associated with tipping, which is expected to generate efficiencies for each authority.

There is a lack of awareness generally by both Members and the public over what happens to both recyclable and residual waste after it has been collected from households. There is a need to educate the public and to enhance Members' own understanding of the process. With the latter in mind, Members have agreed to undertake a site visit to Waterbeach Waste Management Plant. The visit is likely to take place on 9th May 2014.

Members' attention has been drawn to the voluntary work being undertaken by a young resident who encourages and promotes recycling within the community. A PR event has been held in March 2014 at Eastfield House with the individual concerned.

Discussion has taken place on the differing practices employed by Partner authorities and the impact this has upon the Partnership as a whole. The example referred to at the meeting is the burning of residual waste by Peterborough City Council whilst other authorities, including Huntingdonshire, send such waste to be rotted down. This is something the Partnership will have to address. A sound business case outlining all available options will be developed to resolve this matter. In addition, a report will be produced in the summer on cross border route optimisation.

The Panel has been informed that planning permission has been granted for Addenbrooke's Hospital to build an Energy Innovation Centre on the Cambridge Biomedical Campus. The development includes a combined heat and power unit, two biomass boilers and a clinical waste incinerator.

32. FLOOD PREVENTION

As the first step in a study on flooding in the District, representatives of the Environment Agency have advised the Panel of the flood risk management activities of their organisation in Huntingdonshire. The purpose of the study is to enable the Panel to take an informed view of the risks and mitigations associated with flooding in the District.

The Panel has received details of the Risk Management Authorities in Huntingdonshire, the roles of the Lead Local Flood Authority and Environment Agency, Flood Risk Management schemes in Huntingdonshire, future areas of work, Internal Drainage Board schemes and the types of maintenance work undertaken within the District. The responsibilities of riparian land owners, the influence the Environment Agency has upon planning and new developments and the flood warning defences and improvements in Huntingdonshire have also been reported to Members.

The dredging of rivers has been discussed. River dredging primarily has an impact upon low level flooding events and will not provide the District with the capacity to deal with large amounts of rainfall that have recently been experienced in other areas of the country.

The role of the Environment Agency in responding to planning applications, particularly on sites proposed for development on flood plains has been considered. Flood risk assessments prepared for applications are scrutinised and reviewed by relevant departments within the Agency. There is a need to differentiate here between fluvial flooding and surface water flooding. The latter is the responsibility of the County Council. The importance of working with Partners on the management and coordination of flood risk has been stressed to Members. The Panel has been encouraged to engage

with the County Council as the Lead Local Flooding Authority in the course of the study.

Other matters discussed include the powers the Environment Agency has to undertake enforcement and prosecution action and the insurance related support provided to homeowners affected by flooding. It has been suggested that the District Council might need to consider the case for financial contributions to be made for flood management works in the future.

To take the study forward, a scoping report has been submitted to the Panel's April 2014 meeting. Members have noted the content of the Scrutiny of Flooding toolkit produced by the Local Government Information Unit. A Working Group has been appointed comprising Councillors G J Bull, D Harty, R S Farrer and Mrs L Kadic to pursue the investigations further. It has been agreed that linkages to the Local Plan and surface water flooding will be explored as part of the study.

33. CABINET FEEDBACK: FACING THE FUTURE

The Panel has noted the deliberations of the Cabinet on the first phase of the Facing the Future process. The Overview and Scrutiny Panel (Economic Well-Being) will undertake a monitoring role of the project as it develops but the Panel will continue to receive specific proposals on service areas falling within its remit.

34. DEVELOPMENT UPDATES

(a) Local Plan to 2036

The Panel has been acquainted with the current position in respect of the new Local Plan. The Plan needs to have a strong evidence base, which includes the Cambridgeshire Long-Term Transport Strategy. This Strategy is due to appear before the Panel in July and will be subject to public consultation in June 2014. The Plan will be finalised for consultation once the Strategy has been approved.

There is some concern over the risks associated with not having a new Local Plan in place. The Executive Councillor for Strategic Planning and Housing has advised that as there are sufficient areas of identified undeveloped land no shortages are expected in the medium term. The public consultation on the Local Plan is expected to take place in November 2014 with a view to its adoption in March 2015. The advantage of this timescale is that it will allow the Council to learn lessons from other authorities who have already been through the adoption process.

It has been confirmed that joint working with partner authorities and agencies takes place wherever necessary. The example referred to at the meeting is the Highway Agency's 20 year transport layout for the East of England region. The Panel has

discussed the viability exercise undertaken to determine when developers will be required to pay for infrastructure works and received assurances that all Council strategies and policies are reviewed to ensure they remain suitable for the purposes of the Local Plan.

(b) Landscape Sensitivity to Wind Turbine Development Draft Revised Supplementary Planning Document

The Panel has received an update on the Draft Supplementary Planning Document (SPD) on Wind Energy Development, which has been launched for consultation from 28th March until 9th May 2014. The Draft SPD includes additional guidance on cumulative landscape and visual impact and revisions to the upper levels of turbine capacity. The SPD is a lengthy and technical document and a summary will be produced and made available to both Members and the public over the next two weeks. It is envisaged that the SPD will be in place in June 2014, in time for the Bicton Wind Farm Public Inquiry, which is scheduled to take place in August 2014.

Members have previously expressed views that separation distances should be included in the SPD. The Executive Councillor for Strategic Planning and Housing has indicated that in order to withstand the rigours of an appeal, due consideration will need to be given to the character and landscape of a site. He has further confirmed that each application is dealt with on a case by case basis. Separation distances are not likely to be effective in an Appeal.

In response to further questions raised by the Panel, it has been confirmed that the views of the consultant employed previously to undertake work on wind turbine development has been incorporated within the Draft SPD and that neighbouring authorities are consulted on it.

35. A TREE STRATEGY FOR HUNTINGDONSHIRE – BRIEFING NOTE

The Panel has been informed that work continues to be undertaken to develop a Tree Strategy for Huntingdonshire. The Strategy aims to protect, maintain and enhance trees within the District. It is due to be considered by the Panel in June 2014 and prior consideration will be given by the Tree Strategy Working Group. The adoption of the Strategy is welcomed as it means that trees will no longer be managed in a fragmented and ad hoc manner. Maintenance will be planned in a coordinated way for the benefit of all stakeholders.

The delay in the Strategy's development has been attributed to resourcing constraints within the Planning Division, which have significantly decreased since 2011. A balance has had to be struck with other priorities faced by the Planning Division.

Members have discussed the use of a consultant employed to complete this work. The Planning Service Manager (Policy) has

confirmed that he is satisfied with the standard of work produced and has made reference to the invaluable contributions made by the Council's Arboricultural Officer who is recognised nationally as an expert in this field of work. The document has been produced in conjunction with other internal service departments to ensure a coordinated approach in the management of the Council's tree estate. It also outlines residents' responsibilities for the maintenance of their own trees.

Other Matters of Interest

36. OVERVIEW AND SCRUTINY PANEL (ENVIRONMENTAL WELL-BEING) - PROGRESS

The Panel has reviewed its programme of studies at each of its meetings. Members have been acquainted with the progress on the production of a new Design Guide, which is likely to be considered by the Panel at the end of May/June 2014. Councillor Mrs L Kadic has reported that she will be attending two Working Group meetings set up by the Cambridgeshire Future Transport Initiative on 24th June and 1st July 2014. It has been confirmed that the Panel will have sight of the Huntingdonshire Infrastructure Business Plan at its October 2014 meeting.

The Chairman has reported on the review being undertaken of the operation of the Overview and Scrutiny Panels. There is a desire to improve current practices, in particular to enhance the overview element of the Panel's role by being involved in pre-policy development work in conjunction with the Cabinet. Members have concurred with a suggestion that the number of Panels should be reduced from three to two. They have been encouraged to forward any further comments directly to the Chairman.

37. WORK PLAN STUDIES

The Panel has received details of the studies being undertaken by the other Overview and Scrutiny Panels.

38. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has been acquainted with the Notice of Key Executive Decisions at its meetings. A brief update has been received on the A14, the consultation for which was launched on 7th April 2014. The Panel also has received an update on the Senior Management Restructure and noted the latest position with regard to the recruitment to the Directors and Heads of Service posts for the authority.

39. SCRUTINY

The Panel has considered the latest editions of the Decision Digest and discussed matters contained therein.

G J Bull
Chairman

Overview and Scrutiny Panel (Social Well-Being)

Report of the meetings held on 4th March and 1st April 2014

Matters for Information

43. SIX MONTH MONITORING REPORT ON ORGANISATIONS IN RECEIPT OF THREE YEAR GRANT AID AWARDS

The outcome of the Voluntary Sector Working Group's meetings with each of the Voluntary Organisations in October 2013 has been reported to the Panel. The purpose of these meetings has been to review each organisation's performance against the acceptance agreements made with the Council during the first six months of the 2013/14 financial year.

All voluntary organisations have demonstrated a wealth of enthusiasm in their own area of work. Specific mention has been made of the Hunts Forum of Voluntary Organisations and its role in acting as a conduit between the District Council and the numerous voluntary organisations within the District. The Working Group is of the view that there is some merit in building on the strengths of Hunts Forum to establish it as an overarching unit within Huntingdonshire. The performance and activities of other voluntary organisations and suggested areas for development have also been reported.

Members have concerns over the reported performance levels of Rural Cambs CAB and the future sustainability of all organisations. The latter is of particular significance given that the County Council only awards funding on an annual basis.

There is a need for better links to be established between the District and County Councils funding for voluntary organisations. It is considered that joint aims should be established. With the exception of Hunts Forum of Voluntary Organisations, all appear to operate in isolation. There is a need to drive forward and encourage innovative and creative working within the voluntary sector.

The Panel has concurred with the Working Group that dialogue should be held with relevant parties to establish a presence by Rural Cambs CAB at the Maple Centre. Questions have been raised about the volume and types of enquiries received by Rural Cambs CAB in the Huntingdon, St Ives and St Neots areas and whether the service is able to cope with increased levels of demand arising from the welfare reforms. It has been noted that the organisation has received

£240,000 from the Big Lotto Fund. Huntingdon Town Council also offer Rural Cambs CAB £5,000 of funding in kind through reduced premises rates at the Town Hall and is currently considering a request for the organisation to open on Saturday mornings. There is an opportunity for this extended service to be made available at the Maple Centre.

The Executive Councillor for Strategic Economic Development and Legal will refer a suggestion that Huntingdon Shopmobility should be transferred to the Huntingdon BID at the next Huntingdon BID meeting.

There is an evident need for the Working Group to continue its investigations and to take forward the issues raised by Members at the meeting. The Working Group particularly has been tasked with exploring how voluntary organisations could work under a common structure and with undertaking further review meetings at the end of Year 1 of the organisations' grant funding arrangement terms.

44. CENTRE FOR PUBLIC SCRUTINY – POLICE AND CRIME PANELS: THE FIRST YEAR

The Panel has considered the outcome of a national review of Police and Crime Panels in their first year of operation. As the Council's representative on the Cambridgeshire Police and Crime Panel, Councillor J D Ablewhite has explained how the Cambridgeshire Police and Crime Panel fulfils its role in scrutinising the Police and Crime Commissioner. He is of the view that there is a need for the Police and Crime Panel to adopt a more robust approach to its work and to start exploring specific areas of concern such as the amalgamation of Cambridgeshire, Bedfordshire and Hertfordshire Police Force and its impact upon Huntingdonshire.

The Panel has concerns over public accessibility to the Police and Crime Commissioner and differs in its opinion of what the Commissioner regards as an operational matter as opposed to a political one. The example referred to at the meeting is speeding. It has been confirmed that the Commissioner is not legally allowed to interfere in operational decisions made by the Police Force but the view has been expressed that the Commissioner appears to be disengaged from the public. There is, however, an opportunity for the public to ask questions at Police and Crime Panel meetings.

The Panel has drawn attention to the finding within the Centre for Public Scrutiny's report that few Police and Crime Panels can demonstrate a tangible impact on the local community. The view has also been expressed that Huntingdonshire is not fairly treated when it comes to the allocation of Police resources in Cambridgeshire and Peterborough. Members have then commented on the Commissioner's lack of engagement with the press and that there is a need for him to have greater public visibility. Members have warned that the Cambridgeshire and Peterborough Police and Crime Panel should be wary of the general inability of Police and Crime Panels to

influence the work of Commissioners. The Panel has requested sight of the Commissioner's Annual Report.

Given the Panel's concerns it has been decided to submit questions to the Police and Crime Panel at its meeting on 19th March 2014. Councillor I C Curtis has attended the meeting to present questions submitted by the Panel on the Commissioners level of engagement with communities and how he determines whether decisions are treated as political or as operational. In terms of the former, the Commissioner has appointed an individual to undertake public engagement activity on his behalf. With regard to the latter, the Police and Crime Panel has appointed a Working Group to explore the matter further.

45. LOCALISM

The Panel has made a request for the Cabinet to develop the work initiated at the Parish Conference held in December 2013. It has been recommended that a scheme of funding should be established for Parishes, including grants, as a means of encouraging and supporting them in developing Community Plans.

The Chairman has held initial discussions with the Executive Councillor for Healthy and Active Communities and the Managing Director on how the Council will respond to the issues raised at the Parish Conference. The Executive Councillor for Healthy and Active Communities strongly supports Community Planning and has stated that Parishes should be encouraged to engage in this process. Furthermore, the District Council should work alongside Cambridgeshire ACRE with a view to re-launching and providing support to Parishes for Community Planning.

There is a need to differentiate between Community Planning and Neighbourhood Planning. The former covers matters outside of planning considerations but can help communities to prepare for Neighbourhood Plans. It is expected that Towns and larger villages will include matters relating to housing and transport within their Community Plans with smaller villages in more rural areas focussing upon other aims. Community Plans are where Localism can be best expressed whilst also helping to improve community resilience.

Community Plans will provide benefits not only for the Parishes themselves but for the District Council as well. The Plans will encompass a number of wide ranging matters such as improving the health of communities, supporting older people, maintenance of drainage and ensuring that standards are maintained for roads, etc. They must continually be followed-up to ensure they are acted upon and that aims are being achieved. There is a need for Parishes to review their Plans at regular intervals.

If there is support for the principles of Community Planning, the Council will need to manage the Community Planning process so that they are realistic and achievable. It may be necessary to involve

Cambridgeshire ACRE to take advantage of its considerable experience and expertise.

The Panel has debated whether the Community Chest funding of £30,000 can be utilised for Community Planning and whether any financial support should be provided to Parishes for this purpose. Members are of the view that this is not an appropriate use of the Community Chest but that a separate budget should be established to stimulate and incentivise the development of Community Plans with Parishes being able to apply for grant funding to enable them to undertake this work. Applicants would be asked to demonstrate how their Plan will benefit the community in addition to meeting certain criteria.

The proposal has been considered at the Executive Leader's Strategy Group in March 2014. There has been recognition that some form of support should be provided to Parishes. It has been agreed that a follow up workshop event will be arranged for Parishes to deliver training on how to develop Community Plans which will be undertaken in conjunction with Partners.

46. HINCHINGBROOKE HOSPITAL: REVIEW OF THE YEAR AND 16 POINT PLAN FOR 2014/15

The Panel has received a presentation from representatives of Circle Healthcare and Hinchingsbrooke Hospital reviewing the activities of the Hospital over the 2013 calendar year. It has been two years since Circle took over responsibility for operating Hinchingsbrooke Health Care NHS Trust through a ten-year franchise agreement. Circle's management approach is one of empowerment, where clinicians take responsibility for and make decisions on the services and facilities they are involved with at the Hospital.

The Hospital continues to strive to become one of the top ten District General Hospitals in the Country. Circle's 16 point plan for 2014/15 sets out how this will be achieved. There has been a noticeable improvement in quality standards over the previous two years and the Care Quality Commission has ranked the quality of care at the Hospital as "green", which is the highest available ranking. The Maternity Ward has also been awarded CNST Level 3 status for safety and the Hospital's Accident and Emergency targets are continually being met, with Hinchingsbrooke regularly featuring within the top ten best performing facilities across the nation. In addition, patient referral waiting times from GPs to the Hospital are being achieved and the Hospital has an 80% referral rate in its "Friends and Family" test which demonstrates positive patient experiences. There have been no outbreaks of infections and all relevant targets are being achieved.

Significant improvements have been made to the Hospital's finances over the previous two years but further improvements are needed. In order to achieve a balanced budget last year, Circle invested £3.7m of its own money into the Hospital. This year's outturn position is likely to reveal a £700,000 deficit, which again will be met by Circle.

The total £4.4m will eventually be paid back to Circle. This will happen before any profits are returned to the Hospital. The Hospital is currently negotiating with the Clinical Commissioning Group on its commissioning agreement to take into account the increase in demand for services by patients choosing to have their treatment there. The projections were underestimated last year resulting in over activity in some service areas thereby impacting upon the Hospital's use of temporary and agency staff.

The Panel has questioned the Hospital about recent articles in the local press on staff morale, the types of issues raised by patients not wishing to refer their friends and family, increases in demand for services, its level of expenditure on temporary and agency staff, the adoption of a 24/7 approach to care and whether estimated waiting times could be displayed in the Accident and Emergency Department. The Hospital has agreed to look at the absence of support from Macmillan Nurses from the Acorn Cancer Support Group, waiting times for patients referred from GP's to the Accident and Emergency Department, whether staffing levels for patients suffering from dementia or Alzheimer's are adequate together with the common feeling of isolation and the need for adequate care to be provided in the community provision as a means of preventing unnecessary Hospital admissions.

On the question of revalidation and the need for enhanced levels of communication between GP's and consultants, the Hospital has acknowledged that this is an area for improvement. A work stream is being developed to improve communications next year.

Representatives of Circle and Hinchingsbrooke Hospital will return in a year's time to deliver a further update on the Hospital's progress and plans for the future.

47. CLINICAL COMMISSIONING GROUP PUBLIC CONSULTATION – PROPOSALS TO IMPROVE OLDER PEOPLES HEALTHCARE AND ADULT COMMUNITY SERVICES

Representatives of Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) have attended the Panel's April meeting to acquaint Members with the current consultation being undertaken on improving older people's healthcare and adult community services. An outline has been provided on the reasons why there is a need to improve care for older people within the CCG area together with what services are being included within the proposals. These include community services for older people and adults, emergency hospital care for patients aged 65 and over, older people's mental health services and various other services that support the care of older people. Details of the events leading up to the consultation have been provided.

The aim is to appoint a lead organisation to be responsible for joining up care to enable different parts of the NHS to work better together. Accord Health, Care for Life, Uniting Care Partnership and Virgin Care Limited are the shortlisted bidders in a procurement exercise for

this role. Better clinical outcomes and patient experiences will be achieved. These will be measured through an Outcomes Framework. A number of common themes have arisen from the submissions made by the shortlisted bidders, which include delivering more joined up care for patients, better planning and communication, supporting older people to stay independent, improving community services and end of life care. The shortlisted bidders will submit full proposals to the CCG in July 2014, with the preferred bidder being selected in September 2014. The new service is expected to start in January 2015.

The Panel has reiterated its previous concerns over the lack of elected Member involvement in the process and the tight timescales for the mobilisation of the contract. Members have welcomed the intention to provide services that are joined up in their approach to delivery and they have noted the benefits that a multi-disciplinary team can bring to patients in terms of enhancing their experiences and providing a better level of care.

It is expected that there will be notable improvements to older peoples and adult services from January 2015 onwards which will be designed to reduce the risks to patients. This, and the training of staff on the adoption of new systems and practices, the implications of the proposals for Cambridgeshire Community Services, the need for the new provider to engage positively with local communities wishing to build community resilience, how the CCG will ensure the chosen bidder achieves satisfactory performance levels in the first year and the balance which needs to be struck in terms of accountability between the voluntary sector and the new provider will form the basis of the Panel's deliberations on its response to the consultation.

Given that the consultation period runs from 17th March to 16th June 2014 inclusive, the Panel has appointed Councillors R C Carter, S J Criswell, Mrs P A Jordan, J W G Pethard and S M Van De Kerkhove onto a Working Group tasked with formulating a draft response to the consultation on behalf of the Panel. The draft response will be submitted to the Panel's June 2014 meeting for endorsement.

48. CAMBRIDGESHIRE ADULTS WELLBEING AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE

The Panel has been advised of matters currently being considered by the Cambridgeshire Adults Wellbeing and Health Overview and Scrutiny Committee. These include the procurement of the Older People's Programme, delayed discharge and the discharge planning review, performance on assessments and the NHS 111 service. The Panel also has been acquainted with reviews of adult social care, older people's services and mental health.

Other Matters of Interest

49. OVERVIEW AND SCRUTINY PANEL (SOCIAL WELL-BEING) – PROGRESS

The Panel has reviewed its work programme at each of its meetings. The composition of the Hinchingsbrooke Hospital Joint Working Group might need to be changed pending Cambridgeshire County Council's move to a committee system. A brief update has been delivered on the outcome of a recent meeting of the Elderly Patient Care Working Group and the work being undertaken by the Economic Well-Being Panel in monitoring the Facing the Future project.

The Panel has established a Working Group comprising Councillors I J Curtis, R Fuller, P Kadewere and S M Van De Kerkhove to investigate the policies and procedures of Registered Social Landlords to establish how services vary between different organisations and how they work with each other and with the Council.

50. WORK PLAN STUDIES

The Panel has received details of studies being undertaken by the other Overview and Scrutiny Panels. Support has been expressed for the study being undertaken by the Environmental Well-Being Panel on flood prevention within the District.

The Chairman has reported on the review being undertaken in conjunction with the other Overview and Scrutiny Panel Chairmen and Vice-Chairmen on the operation of the Overview and Scrutiny Panels. It is suggested that a Select Committee style of working should be adopted. It has been confirmed that the Panel will continue to undertake external scrutiny work. Any changes should improve the Council's internal scrutiny working practices. Concerns exist about the time it takes the various Working Groups to complete their work. A suggestion has been made that the Panels should issue more frequent press releases when matters of local concern are being considered at meetings. Members have been encouraged to forward any further comments directly to the Chairman.

51. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has been acquainted with the Notice of Key Executive Decisions at each of its meetings. Members will have sight of the Consultation and Engagement Strategy and Cambridgeshire Home Improvement Agency – 2 Year Review at future Panel meetings.

52. SCRUTINY

The Panel has considered the latest editions of the Decision Digest and discussed matters contained therein.

S J Criswell
Chairman

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Development Management Panel

**Report of the meetings held on 24th February,
17th March and 7th April 2014**

Matters for Information

**16. ADDITION OF 'CIL' FORM TO 'LOCAL LIST' APPLICATION
VALIDATION REQUIREMENT**

In Item No. 7 of their Report to the meeting of the Council held on 13th November 2013, the Panel reported that it had, following consultation with the local community, undertaken a review and approved revisions to its 'Local List' of the information necessary to validate a planning application.

Since then, a review of the process for the administration of CIL has revealed that it would be of benefit to applicants and the District Council to also insist on the submission of a 'CIL Planning Application Additional Information Requirement Form' as necessary to validate a planning application. Asking for this additional information, at this stage, would ensure all applicants were aware of any liability to CIL before committing to the submission of a formal planning application thereby, ultimately, saving both the applicant and the local planning authority time, effort and money.

Having received one representation during a further round of consultation undertaken on this issue between 11th November and 8th January, the Panel has agreed that the form be introduced for certain categories of application with effect from 1st July which would enable the Planning Service to give applicants advance notice of the new requirement. The Panel also has reaffirmed its decision to authorise the Planning Service Manager (Development Management) to make any necessary changes to the 'Local List' in the future in response to Government guidance and changes in local policy or circumstances.

**17. DEVELOPMENT MANAGEMENT PROGRESS REPORT:
1ST OCTOBER TO 31ST DECEMBER 2013**

The Panel has undertaken its regular review of the activities and performance of the Development Management Service over the period 1st October to 31st December 2013 in comparison with the preceding quarter and the corresponding period in 2012. The Panel was pleased to note that 84% of all applications received had been determined within the timescales prescribed in comparison with the

previous quarter with fee income marginally better than in the corresponding quarter in 2012.

18. DEVELOPMENT APPLICATIONS

The Panel has determined thirty three development applications over three meetings of which twenty six were approved, five refused and two deferred, principally for further information on issues which had arisen at the meeting. Several significant applications were determined by the Panel as follows.

Having received legal advice that it would not be reasonable or appropriate to refuse an application on the basis of the non-implementation of previous but expired consents, the Panel approved, subject to conditions, an application for the erection of a petrol filling station on the car park of the Co Op supermarket, Constable Road, St Ives. Still in St Ives and having been made aware of the support for the proposal by Holywell cum Needingworth Parish and St Ives Town Council, the Panel has approved the establishment of a new supermarket on part of St Ives Business Park. The development is subject to completion of a Section 106 Agreement which will secure the provision of local bus services through the site, pedestrian signage to the store from St Ives town centre, a community notice board and travel plan. The hours of opening of the new, largely food store, will be determined by the Assistant Director, Environment, Growth & Planning after consultation with the Chairman.

Lastly, the Panel has indicated its support, in principle, for a proposed mixed use urban extension including some 2800 dwellings, employment land, community facilities and services, schools, shops and open space on a site to the east of St Neots known as Wintringham Park. This application is one of two which, if approved, will form the proposed St Neots Eastern Expansion. The Assistant Director, Environment, Growth & Planning has been requested to negotiate obligations to make the development acceptable in planning terms based on the principles supported by the Panel as well as suggest matters which should be the subject of conditions.

D B Dew
Chairman

Standards Committee

Report of the meeting held on 6th March 2014

Matters for Decision

13. PROPOSED CHANGES TO CODE OF CONDUCT

In Item No 8 of their Report to the meeting of the Council held on 18th December 2013, the Committee reported that the Department of Communities and Local Government (DCLG) had published guidance entitled 'Openness & transparency on personal interests' which had suggested that the interests to be registered and declared by Councillors should include membership of a trade union. This advice was new and had not been specified in the Regulations issued by the Government following the Localism Act 2011. At that time, the Committee was of the opinion that the Council should take the opportunity to review the Code more generally (in the light of practical experience since its adoption in July 2012) and potentially extend the Code of Conduct to include other interests similar to those included in the previous National Code and in that promoted by the National Association of Local Councils (NALC).

Consequently, having considered proposed changes to the Code of Conduct (a copy of the report by the Head of Legal & Democratic Services is enclosed as Appendix A) and the action required to be taken as a result, the Committee

RECOMMEND

that the proposed changes to the Code of Conduct as set out in Annex 1 be approved and the consequential new Code of Conduct adopted by the Council with effect from 4th June 2014 i.e. the date of the Annual Council meeting.

14. MEMBERSHIP OF THE COMMITTEE

In view of the valuable contributions made by the Parish Council representatives to the Committee and training events and the excellent working relationship established by the Monitoring Officer with the Lead and Deputy Independent Persons in the period since their appointments, the Committee has supported a proposal (described in a report by the Head of Legal & Democratic Services reproduced as Appendix B hereto) for the terms of office of both to be extended to 30th April 2016 (equivalent to a four year and three year term respectively) without the requirement in the case of the Independent Persons for any further ratification by the Council.

In the case of the current Parish Council representatives, they would continue to serve for a further two years to 30th April 2016 or until such time as their Parish Council office expires if earlier. As the appointment of the Lead and Deputy Independent Persons are required to be confirmed by the Council, the Committee

RECOMMEND

that the appointment of Mrs Gillian Holmes and Mr Peter Baker to the posts of Lead and Deputy Independent Persons respectively for the remainder of the three year term to 30th April 2016 be reaffirmed without the requirement for further annual ratification.

Matters for Information

15. REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE

In March 2013, the Corporate Governance Panel was requested to consider both its own Constitution and that of the Committee. There was a view, at that time, that the terms of reference and title of the Corporate Governance Panel might be varied perhaps to an Audit and Accounts Committee so that its functions related specifically to risk management, audit, accounts and resources, for example, with the governance, constitutional and possibly complaints responsibilities transferred to the Committee or to a potentially re-named Governance and Standards Panel for instance.

This suggestion also arose because of the contrast in the workload of each. The Corporate Governance Panel had become increasingly busy in recent years as greater emphasis had been placed on governance issues. At the same time, the demise of "Standards for England" and the impact of the Localism Act 2011 had resulted in a less procedurally prescriptive standards regime and a subsequent reduction in the level of business considered by the Committee.

The Chairmen met to consider several options for change together with the current arrangements made by other Cambridgeshire Authorities dealing with corporate governance and standards issues and the outcome of their discussion and their preferred approach was presented to the Committee.

After discussion, Members have indicated that it would wish the Committee and the Corporate Governance Panel to continue to operate as separate principal bodies and that were the Panel/Committee to be renamed to reflect any new functions it should retain the word "Standards" within its title in order to promote and maintain the profile of the Code of Conduct and the continuing importance of high standards of conduct by Councillors and other related protocols within the Constitution. There was also support for

a limited transfer of functions from the Corporate Governance Panel and the Elections Working Group to the Committee.

Having regard to the current terms of reference of the Panel and Committee, Members were of the view that the following functions could be transferred and be undertaken, in future, by the Committee rather than the Corporate Governance Panel –

- ◆ considering proposals to change the Council's Constitutional arrangements and making appropriate recommendations to the Council (a function formerly undertaken by Standards);
- ◆ determining the Council's Customer Feedback Procedure, monitoring compliance with the procedure, compensatory payments to complainants and formulation of recommendations to the Cabinet or Council on any action to be taken as a consequence; and
- ◆ considering reports by the Local Government Ombudsman, approval of compensatory payments to complainants and formulation of recommendations to the Cabinet or Council on any remedial action to be taken as a consequence.

Although ultimately, certain issues still would be reserved to Council as part of the policy and statutory framework, Members also supported the suggestion that the following matters relating to electoral arrangements also could fall to be dealt with by the Committee rather than the Elections Working Group as at present. Electoral arrangements in its widest sense might involve –

- ◆ the review of District and Parish electoral arrangements including boundaries;
- ◆ matters relating to the powers of a Parish Council, numbers of Parish Councillors and new Parish Councils and Parish Wards;
- ◆ District and District Ward boundaries arising from any review; and
- ◆ the periodic electoral review.

These views have been conveyed to the Corporate Governance Panel in conjunction with the review of the Constitution (Item No 37 of the Report of that Panel refers).

16. UPDATE ON CODE OF CONDUCT AND REGISTER OF DISCLOSABLE PECUNIARY INTERESTS

The Monitoring Officer has updated the Committee on the adoption of a Code of Conduct by Town and Parish Councils and the receipt and publication of register of interests' forms on behalf of District and Town and Parish Councillors. The Monitoring Officer has a duty to establish and maintain a register of disclosable pecuniary interests and matters relating to breaches of the Code of Conduct remain under the auspices of the Committee.

The Committee was pleased to note that all seventy one Town and Parish Councils had now adopted a Code of Conduct, with fifty six based on that adopted by the District Council and ten opting for the Code promoted by NALC. Of the remaining Councils, four have adopted their own version of the Code but the Monitoring Officer is satisfied that these are adequate for the purpose. Of the seventy one Town and Parish Councils, fifty eight have had their full Register and 11 part Registers published (which comprise the Disclosable Pecuniary Interests (DPI) forms of all Councillors). Where part registers have been published this can reflect where changes are in progress. In terms of individual DPIs, 594 of a total of 650 have been received from Parish Councillors, 35 are outstanding and 27 are vacancies. The forms of all District Councillors are published. The Committee has expressed its appreciation to the Monitoring Officer and the Democratic Services Manager on their success in having achieved such a comprehensive return.

17. TRAINING UPDATE AND RECENT CASES

Since the last meeting, the Committee has noted that a training session has been held at Perry Parish Council. Eight Members of the Council and the Clerk were in attendance together with Members from Great Staughton Parish and the Clerk to Great Paxton Parish. Articles of interest to the Committee describing the outcome of Code of Conduct complaints also have been discussed by the Committee.

A Hansard
Chairman

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Proposed Amendments to Code of Conduct

Meeting/Date: Standards Committee – 6th March 2014

Executive Portfolio: Strategic Economic Development & Legal

Report by: Head of Legal & Democratic Services

Wards affected: All

Executive Summary:

To consider possible amendments to the Council's Code of Conduct to reflect recent DCLG Guidance on registering and declaring trade union interests.

Recommendations:

That

- (i) Standards Committee approve the proposed changes to the Code of Conduct and recommend its adoption by Council; and**
- (ii) the revised code take effect on the date of the Annual General Meeting on 4 June 2014.**

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1. WHAT IS THIS REPORT ABOUT?

- 1.1 To consider proposed amendments to the Council's Code of Conduct to reflect recent DCLG Guidance on registering and declaring trade union interests.

2. BACKGROUND

- 2.1 Under Sections 28 and 29 of the Localism Act 2011, the Council must adopt a Code of Conduct that is consistent with the 7 Nolan Principles and that includes provision for the registration and disclosure of pecuniary interests and interests other than pecuniary interests.
- 2.2 The Council adopted a Code of Conduct on 4th July 2012, which required the registration of those interests specifically defined by the Government in legislation, namely Disclosable Pecuniary Interests. Other interests defined under the Council's Code simply had to be declared at a meeting if they were affected by a matter under discussion.
- 2.3 DCLG has recently published revised guidance entitled "Openness and transparency on personal interests" indicating that interests to be registered and declared should also include membership of a trade union.
- 2.4 At its last meeting the Standards Committee resolved that the Head of Legal and Democratic Services prepare a revised Code of Conduct to reflect the changes discussed and this is attached as Annex 1. As the new Code is less than 2 years old, changes have been kept to a minimum. Additions are shown underlined and deletions have the text struck through.

3. ANALYSIS

- 3.1 If Trades Union interests are to be registered and declared, then it would seem appropriate to include similar bodies whose purpose is to influence public opinion, such as membership of a political party. This was a requirement under the previous national Code of Conduct and is also reflected in the model Code published by NALC.
- 3.2 Appendix B has been added to cover registration of these interests and a new clause 4 added specifically dealing with initial registration and any subsequent changes or new interests.
- 3.3 The opportunity has also been taken to simplify the definition of non statutory interests.

4. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 4.1 If Members consider that changes should be made to the Code and the content of their Register of Interests, it would seem sensible for this to be introduced from the start of the new municipal year in June 2014. This will avoid additional work of having to produce new Declaration of Interest Forms and all Members having to complete and submit them. It will also provide an opportunity to give advice to and provide training both to members and to Town and Parish Councils who wish to make similar changes to their Codes.

5. LEGAL IMPLICATIONS

- 5.1 The Council has the power under Section 28 of the Localism Act to revise its Code of Conduct.

6. RECOMMENDATIONS

6.1 That

- (i) Standards Committee approve the proposed changes to the Code of Conduct as set out in Annex 1 and recommend its adoption by Council; and**
- (ii) the revised code take effect on the date of the Annual General Meeting on 4th June 2014.**

7. LIST OF APPENDICES INCLUDED

Annex 1 - Revised Code of Conduct

BACKGROUND PAPERS

Localism Act 2011

CONTACT OFFICER

Colin Meadowcroft - Head of Legal & Democratic Services
Tel No. 01480 388021

HUNTINGDONSHIRE DISTRICT COUNCIL

CODE OF CONDUCT FOR MEMBERS

Introduction

Huntingdonshire District Council (the Authority) has adopted this Code of Conduct pursuant to Section 27 of the Localism Act 2011 to promote and maintain high standards of behaviour by its members and co-opted members whenever they are acting in their capacity as a member of the Authority or when they claim to act or give the impression of acting as a representative of the Authority.

This Code is based on the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership (“the Nolan Principles”).

1 Application

This Code of Conduct applies to you whenever you are acting, claim to act or give the impression you are acting in your capacity as a Member of the Authority, including –

- 1.1 at formal Meetings of the Authority
- 1.2 when acting as a representative of the Authority
- 1.3 in taking any decision as a Cabinet Member or a Ward Councillor
- 1.4 in discharging your functions as a Ward Councillor
- 1.5 when corresponding with the authority other than in a private capacity

2 Meeting

In this Code “Meeting” means any meeting organised by or on behalf of the Authority, including :-

- 2.1 any meeting of the Council, or a Committee or Sub-Committee of Council
- 2.2 any meeting of the Cabinet and any Committee of the Cabinet
- 2.3 at any briefing by Officers; and
- 2.4 at any site visit to do with the business of the Authority

3 General Conduct

You must –

- 3.1 provide leadership to the authority and communities within its area, by personal example and

- 3.2 respect others and not bully or threaten or attempt to bully or threaten any person
- 3.3 respect the confidentiality of information which you receive as a Member by–
 - 3.3.1 not disclosing confidential information to third parties unless required by law to do so or where there is a clear and over-riding public interest in doing so; and
 - 3.3.2 not obstructing third parties' legal rights of access to information
- 3.4 not conduct yourself in a manner which is likely to bring the Authority into disrepute
- 3.5 use your position as a Member in the public interest and not for personal advantage
- 3.6 comply with the Authority's reasonable rules on the use of public resources for private and political purposes
- 3.7 exercise your own independent judgement, taking decisions for good and substantial reasons by–
 - 3.7.1 attaching appropriate weight to all relevant considerations including, where appropriate, public opinion and the views of political groups;
 - 3.7.2 paying due regard to the advice of Officers, and in particular to the advice of the statutory officers, namely the Head of Paid Service, the Chief Finance Officer and the Monitoring Officer; and
 - 3.7.3 stating the reasons for your decisions where those reasons are not otherwise apparent
- 3.8 do nothing that causes the Authority to act unlawfully.

4. Registration of Interests

- 4.1 Within 28 days of this Code being adopted by the Council, or your election (if later), you must register with the Monitoring Officer any interests listed in Appendices A and B
- 4.2 You must ensure that your register of interests is kept up to date and notify the Monitoring Officer in writing within 28 days of becoming aware of any change in respect of any interests listed in Appendices A and B

4.5 Disclosable Pecuniary Interests

- 4.5.1** You have a disclosable pecuniary interest if it is of a description specified in regulations made by the Secretary of State (attached at Appendix A) and either:
 - (a) it is an interest of yours, or
 - (b) it is an interest of:
 - (i) your spouse or civil partner; or
 - (ii) a person with whom you are living as husband and wife; or
 - (iii) a person with whom you are living as if you were civil partners;
 and you are aware that other person has the interest.

45.2 You must -

45.2.1 comply with the statutory and the Authority's requirements to register, disclose and withdraw from participating in respect of any matter in which you have a disclosable pecuniary interest.

~~4.2.2 ensure that your register of interests is kept up to date and notify the Monitoring Officer in writing within 28 days of becoming aware of any change in respect of your disclosable pecuniary interests.~~

45.2.3 make a verbal declaration of the existence and nature of any disclosable pecuniary interest at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.

45.2.4 Where you have a disclosable pecuniary interest, whether the interest is registered or not, you must not (unless you have obtained a dispensation from the Authority's Monitoring Officer) –

- (i) participate, or participate further, in any discussion of the matter at the meeting; or
- (ii) remain in the meeting room whilst the matter is being debated or participate in any vote taken on the matter at the meeting.

~~56~~ Other Non Statutory Disclosable Interests

56.1 In addition to the requirements of Paragraph 45, if you attend a meeting at which any item of business is to be considered and you are aware that you have a "non-~~statutory~~ disclosable ~~pecuniary~~ interest ~~or non-pecuniary interest~~" in that item, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent

56.2 You have a "non-~~statutory~~ disclosable ~~pecuniary~~-interest ~~or non-pecuniary interest~~" in an item of business of your authority where –

56.2.1 a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or

56.2.2 it relates to or is likely to affect any of the interests listed in the Table in the Appendix A to this Code, but in respect of a member of your family (other than a "relevant person") or a person with whom you have a close association; or

~~6.2.3 it relates to or is likely to affect any of the interests listed in the Appendix B to this Code~~

and that interest is not a disclosable pecuniary interest.

6.7 Gifts and Hospitality

- 6.7.1** You must, within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £50 which you have accepted as a Member from any person or body other than the authority.
- 6.7.2** The Monitoring Officer will place your notification on a public register of gifts and hospitality.

NOTE: Members must also comply with the relevant Codes and Protocols contained in Part 5 of the Constitution.

Appendix A

Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<i>Interest</i>	<i>Prescribed description</i>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992).
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or

longer.

Corporate tenancies

Any tenancy where (to M's knowledge)—
(a) the landlord is the relevant authority; and
(b) the tenant is a body in which the relevant person has a beneficial interest.

Securities

Any beneficial interest in securities of a body where—
(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and
(b) either—

(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose –

“the Act” means the Localism Act 2011;

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant authority;

“member” includes a co-opted member;

“relevant authority” means the authority of which M is a member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act;

“securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

APPENDIX B

An interest which relates to or is likely to affect any body:-

(a) exercising functions of a public nature; or

(b) directed to charitable purposes; or

(c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union

of which you are a member or in a position of control or management.

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Membership of the Committee

Meeting/Date: 6th March 2014

Executive Portfolio: Councillor T D Sanderson – Executive Councillor for Strategic Economic Development and Legal

Report by: Head of Legal and Democratic Services and Monitoring Officer

Wards affected: All

Executive Summary:

When the Council considered new arrangements for “Standards” required by the Localism Act 2011, it was agreed to retain a Standards Committee. It no longer remained a duty for Parish Council representatives to be appointed but the Council decided that Parish Councils should be invited to nominate two Parish Councillors to be co-opted as non-voting Members on the new Committee. Subsequently, two Parish Council representatives were appointed to serve until 30th April 2014.

The Act also established the concept of “Independent Persons” and the appointment of Lead and Deputy Independent Persons was subsequently confirmed by the Council in September 2013 for a three-year term subject to further ratification in each year by the Council at its Annual Meeting.

Recommendation:

This report recommends:-

- ◆ **that, subject to the consent of current appointees, an extension to the term of office of the Parish Council representatives for a further two-year period to 30th April 2016 or until such time as their Parish Council office expires;**
- ◆ **that, the Council reaffirms the appointment of Mrs Gillian Holmes and Mr Peter Baker to the posts of Lead and Deputy Independent Persons respectively for the remainder of the three-year term to 30th April 2016 without the requirement for further annual ratification.**

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

1.1 The Standards Committee currently comprises:-

- ◆ 8 Members of the Council including one Member who is a Member of the Executive;
- ◆ 2 Town or Parish Councillors, representing Town and Parish Councils in the District who are co-opted and non-voting Members of the Committee;
- ◆ the Independent Person (and Deputy) appointed to serve on the Committee for a term of three-years from the date of their appointment as required under Section 28 (7) of the Localism Act.

1.2 The terms of office of the Parish Council representatives are due to expire on 30th April 2014 having been appointed by the Monitoring Officer after consultation with the Chairman in December 2012. The appointments of the Lead and Deputy Independent Persons are required to be reaffirmed by the Council at its Annual Meeting.

1.3 The position of the Parish Council representatives is subject to the continuing retention of the Standards Committee in its current form. The appointment of the 'Independent Person' is required by law.

2. OPTIONS CONSIDERED/FURTHER DETAILS

2.1 Given the valuable contributions made by the Parish Council representatives to the Standards Committee and training events thus far and the excellent working relationship established by the Monitoring Officer with the Lead and Deputy Independent Persons in the period since their appointments, it is suggested that the terms of office of both the Parish Council representatives and Lead and Deputy Independent Persons be extended to 30th April 2016 (equivalent to a four-year and three-year term respectively) without the requirement in the case of the Independent Persons for any further ratification by the Council.

2.2 Under the former Standards regime, the Parish Council representatives and Independent Members were all appointed for four year terms to ensure that the benefit of understanding, experience gained and training received were retained for a reasonable period.

2.3 Should Members be concerned about attendance at meetings over such an extended period, the Committee might suggest that failure to attend meetings for a period of nine months would require the Monitoring Officer to question future commitment to the position.

2.4 For information, Parish Council representatives continue to receive a modest allowance of £231 per annum plus reimbursement of the costs involved in attending meetings of the Committee and training events. Given their greater involvement in the assessment of complaints, the Lead and Deputy Independent Persons receive an allowance of £1,000 and £500 respectively plus similar expenses.

BACKGROUND PAPERS

District Council's Constitution
Reports/Minutes to the Standards Committee.

CONTACT OFFICER

Christine Deller, Democratic Services Manager, (01480) 388007.

Corporate Governance Panel

Report of the meeting held on 26th March 2014

Matters for Decision

37. REVIEW OF COUNCIL CONSTITUTION

By reference to a report by the Head of Legal and Democratic Services (a copy of which is reproduced as Appendix A hereto), the Panel has undertaken a review of the Constitution. The changes recommended by the Panel have arisen as a result of practical experience and operation of the Constitution, new legislation and comments by Members and Officers.

The Panel considered a proposal that the monitoring element of the Anti-fraud and Corruption Strategy be transferred from the Corporate Governance Panel to the Overview and Scrutiny Panel but it was unanimously agreed that the function should remain with the Panel.

In discussing a suggestion to vary the terms of reference of the Corporate Governance Panel and Elections Working Group, Members acknowledged that there was merit in transferring some functions to the Standards Committee. However, the Panel felt that the review of the Constitution should remain with the Corporate Governance Panel given its association with the Codes of Financial Management and Procurement.

With regard to a series of initiatives to enliven Council meetings, Members expressed support for trialling alternative layouts in the Civic Suite but felt that further thought needed to be given to the headline debate, Green Paper, frequency of meetings, Annual State of the District Address, the format and responsibilities of the Council Programme Group and Reports of the Cabinet, Panels and Committees. In that respect, the Panel agreed to establish a working group comprising the Executive Leader or Deputy Executive Leader, the Chairman of the Council and Councillors M G Baker, E R Butler, K Churchill and G Harlock to consider these issues further.

Attention was drawn to changes to the Code of Procurement. Having been advised by the Deputy Executive Leader that he would seek the views of the Cabinet on the procurement thresholds as he felt that they were too prescriptive, Members requested that their deliberations be forwarded to the new Working Group for consideration.

Having also supported proposed changes to the reporting arrangements for the settlement of a complaint, the process for determination of pay awards, the Employees' Code of Conduct, Member Champions, Motions without Notice, the Code of Financial Management and the Management Structure, the Panel

RECOMMEND

- (a) that the requirement for a report to be submitted to an ensuing meeting of the Panel following payment of up to £1,000 in compensation in settlement of a complaint be deleted from the Panel's Scheme of Delegation;**
- (b) that the following functions be transferred from the Corporate Governance Panel to the Standards Committee:-**
 - (i) determination of the Council's Customer Feedback Procedure, monitoring compliance with the procedure, compensatory payments to complainants and formulation of recommendations to the Cabinet or Council on any action to be taken as a consequence; and**
 - (ii) consideration of reports by the Local Government Ombudsman, approval of compensatory payments to complainants and formulation of recommendations to the Cabinet or Council or any remedial action to be taken as a consequence.**
- (c) that the following matters relating to electoral arrangements be transferred from the Elections Working Group to the Standards Committee and the Working group be discontinued:-**
 - (i) review of the District and Parish electoral arrangements including boundaries;**
 - (ii) matters relating to the powers of a Parish Council, number of Parish Councillors and new Parish Councils and Parish Wards;**
 - (iii) District and District Ward boundaries arising from any review; and**
 - (iv) the periodic electoral review.**

- (d) that with regard to the Employment Panel's Terms of Reference:-
- (i) the third bullet point on page 70 of the Constitution be amended such that the words "report" be deleted so the function would read –

to make recommendations in relation to employment and workforce practices within the Council.
 - (ii) that paragraph (iii) of the authority delegated to the Head of Paid Service be amended to enable the postholder to "negotiate, determine and implement local pay awards etc...."
 - (iii) that the following function remain the responsibility of the Panel:-

"to monitor and advise the Council on the adoption, revision, content and operation of its Code of Conduct for Officers (Employee Handbook) in the light of best practice, changes in law and guidance"
- (e) that the practice of using Member Champions be re-established formally, that they be appointed by the Executive Leader when the need arises and listed for clarity and convenience in Part 3 of the Constitution.
- (f) that with regard to the Council's Procedure Rules:-
- (i) the following paragraph on Motions without Notice be inserted after (h) (paragraph 10, page 196) –

"in the case of proposed amendments to recommendations on draft or final budgets, Leaders of the Opposition Groups shall seek the advice of the Responsible Financial Officer at least 2 working days prior to the meeting to enable the implications of the proposed amendment to be reviewed and calculated for presentation to the Council"
 - (ii) the following paragraph on the recording of votes at budget meetings be added to Section 14:-

"14.7 – when the vote is taken at a budget decision meeting of the Council, there must be recorded in the Minutes of the meeting, the names of the Members who cast a vote for or against the Motion or who had abstained from voting."

- (g) that the Code of Financial Management be adopted;
- (h) that, subject to the inclusion of the following sentence under paragraph 13.1, the Code of Procurement be adopted:-

“unsuccessful tenderers shall be advised in writing of the winning supplier, the value of the contract awarded and the strengths and weaknesses of their tender...” ; and

- (i) that the Head of Legal and Democratic Services be authorised to make such amendments as necessary to Part 7 of the Constitution to reflect the new management and organisational structure of the Council.

38. EMPLOYEE HANDBOOK

The Panel has considered the content of an Employee Handbook designed to replace and strengthen the existing Employees' Code of Conduct. A copy of the Handbook has been circulated separately with the Council agenda. Members were informed that the consultation process for the document with Staff Council, HR and others was in progress and that all employees would be required to sign up to the handbook annually. In supporting the document, the Panel has authorised the Head of Paid Services, after consultation with the Chairmen and Vice Chairmen of the Corporate Governance and Employment Panels, to consider and finalise the Handbook with a view to submitting it to Council for adoption. As the Code forms part of the Constitution, the Panel

RECOMMEND

that the new Employee Handbook be adopted.

Matters for Information

39. PROCUREMENT MEASURES TO SUPPORT COMPLIANCE

The Panel has endorsed a series of measures introduced to support compliance with the Code of Procurement. These include the drafting of a Procurement Strategy, a training schedule, monthly checks of the contracts register and the introduction of a forward plan of contracts to be advertised in the following year.

40. EXTERNAL AUDIT PLAN 2013/2014

The draft External Audit Plan for 2013/2014 has been presented to the Panel by the Council's external auditors. Members' attention was

drawn to the key audit risk areas identified and the approach that will be undertaken to complete these audits was noted.

The Panel's views on fraud were sought by the external auditors. In response, Members referred to the work of the Fraud Working Group and the activities of the Fraud Team.

Having received an explanation on how the triviality threshold was derived the Panel has set the threshold level at £90k.

41. ACCOUNTING POLICIES FOR THE ANNUAL FINANCIAL REPORT 2013/14

The Panel has approved four changes to the accounting policies, only two of which were considered to be significant. Members were informed that changes proposed were for the purpose of clarification and transparency to ensure compliance with reporting standards and will not have any direct financial implications.

42. AUDIT COMMITTEE GUIDANCE

The Panel has been given the opportunity to consider new guidance issued by the Chartered Institute of Public Finance & Accountancy on the role and functions of an audit committee. The Guidance describes in brief, a revised position statement, proposed terms of reference and two checklists for evaluating the Panel's effectiveness. The Panel was assured that their current terms of reference had been assessed against the model terms and remain appropriate. However, Members agreed to consider the model terms in more detail as part of their annual effectiveness review.

43. RISK REGISTER

The Panel has noted changes made to the Risk Register between 3rd September 2013 – 11th March 2014 inclusive.

44. WORK PROGRAMME AND TRAINING

The Panel has noted details of their anticipated work programme in 2014/15.

E R Butler
Chairman

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HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Review of the Constitution
Meeting/Date:	Corporate Governance Panel – 26th March 2014 Council – 30th April 2014
Executive Portfolio:	Councillor T D Sanderson – Executive Councillor for Strategic Economic Development and Legal
Report by:	Head of Legal and Democratic Services
Wards affected:	All

Executive Summary:

Under the Local Government Act 2000, local authorities were required to adopt a written Constitution setting out its governance arrangements. Since then the Council has continued to review its Constitution regularly and more recently on an annual basis. The purpose of the review is to identify changes required to the Constitution to reflect new legislation and working practices which have emerged since March 2013, to overcome any inconsistencies which may have arisen and to make positive adjustments to improve or modify the way that the Constitution currently operates.

The terms of reference for the Corporate Governance Panel includes responsibility “to review the Council’s Constitutional arrangements and make appropriate recommendations to the Council”. This report is therefore submitted to enable the Panel to undertake a review in the current year.

Members and Senior Managers Group have been invited to highlight any issues or areas which could be improved, clarified or revised based on experience of the Constitution over the previous year and any submitted will be discussed in this report.

To identify the changes proposed, Members will need to refer to the Constitution available electronically on both the Council’s website and intranet. A copy is available to peruse in the Members’ Room.

Recommendation:

The Panel is requested to consider the recommendations contained in the following report and to recommend to Council accordingly.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

1.1 The Council may amend its Constitution at any time. Any change will require reference to the Secretary of State only if the Council proposes to change significantly the present form of executive and scrutiny arrangements.

1.2 It is good practice to review the Constitution on a regular basis if just to take account of updates in legislation and practice and for these reasons the text will require amendment, in any event, to reflect –

- ◆ new legislation; and
- ◆ alterations to –
 - the text generally to update job titles etc;
 - Table 2 – appointments to outside organisations to reflect the addition/variation of appointments; and
 - Table 4 – Scheme of Delegation to incorporate amendments to the Scheme which may have occurred during the preceding year.

1.3 In terms of the Scheme of Delegation (Part 3, Table 4, Pages 81 – 187) [a copy has been circulated to the Members of the Panel only] potential changes to the senior management structure will require many of the delegations to be reassigned. Members can be assured, however, that the local authority may not delegate any decision-making functions without express or implied statutory authority and whilst an authority has wide powers under Section 101 of the Local Government Act 1972 to arrange for the discharge of any of its functions by Committee, Sub-Committee or by an Officer, that power has to be lawfully delegated based on proper interpretation of a resolution.

1.4 In November 2011 and Spring 2013, the Council was similarly affected by changes to the senior management structure. In 2011, the Corporate Governance Panel and subsequently the Council agreed, given the resulting changes required to the Scheme of Delegation and the likelihood that these would be generally administrative within principles established by Statute, that the Head of Legal and Democratic Services be authorised, after consultation with the Chairman of the Panel to make any necessary amendments to the Scheme relating solely to the structure of the organisation and post titles and not to substantive change and to make any further adjustments when these are considered to be necessary in the future. In practice, this authority has been used sparingly in the past year but it is considered essential that this remains in place given the changes ahead.

2. OPTIONS TO BE CONSIDERED/ANALYSIS PART 3 – RESPONSIBILITY FOR FUNCTIONS

2.1 Corporate Governance Panel

(Table 2, page 71 and Table 4, Scheme of Delegations page 125)

Under a review of its effectiveness last September, the Corporate Governance Panel recommended the adoption of new terms of reference. These included under the heading ‘**Fraud and Corruption**’ –

“12. Monitoring the Anti-Fraud and Corruption Strategy and receive annual updates on countering fraud.”

Subsequently, Chief Officers’ Management Team (COMT) has suggested that the monitoring element of this function should be better directed towards the

appropriate Overview and Scrutiny Panel as part of their continuing work on performance monitoring. It is within the remit of the Overview and Scrutiny Panels to “review the performance of the Council and the achievement of performance indicators and targets” (Article 6, page 23). **Accordingly, it is recommended that the function ‘Monitoring the Anti Fraud & Corruption Strategy’ be deleted from paragraph 12 of the terms of reference of the Panel and that, in future, performance information produced by the Corporate Fraud Team be submitted to the relevant Overview and Scrutiny Panel.**

The Panel would continue to receive annual updates on countering fraud.

Currently, the Scheme of Delegation of the Corporate Governance Panel enables the Head of Legal and Democratic Services to approve payments of up to £1,000 in compensation to complainants under the District Council’s complaints system after consultation with the Chairman of the Panel and subject to details of any payments being reported to the ensuing meeting of the Panel.

Mindful of the extent of business regularly tabled for the Panel to consider, Members might wish to consider varying that part of the delegation which requires a report to the next convenient Panel meeting. Currently, the Head of Legal and Democratic Services is required to report to COMT at six monthly interviews on complaints received and lessons learned. The Panel also receives an annual report on complaint outcomes and trends both for internal complaints and those referred to the Local Government Ombudsman. Given the framework that exists for reviewing received/outcomes of complaints, and given that the Chairman of the Panel still would be consulted before payments of over £1,000 are made, **the Panel is requested to consider deleting the requirement for a report to be submitted to an ensuing meeting following payment in settlement of a complaint.** (See paragraph 2.2 should this function be transferred to the Standards Committee, it is suggested that the same would apply.)

2.2 **Corporate Governance Panel/Standards Committee** (Table 2, pages 67-69, 71-75)

In March 2013, the Corporate Governance Panel was requested to consider both its own Constitution and that of the Standards Committee. There was a view, at that time, that the terms of reference and title of the Corporate Governance Panel should be varied perhaps to an Audit and Accounts Committee so that its functions related solely to risk management, audit, accounts and resources for example with the governance, constitutional and possibly complaints responsibilities transferred to the Standards Committee or to a re-named Governance and Standards Panel for instance.

This suggestion also arose because of the contrast in the workload of each. The Corporate Governance Panel has become increasingly busy in recent years as greater emphasis has been placed on governance issues. At the same time, the demise of “Standards for England” and the impact of the Localism Act 2011 has resulted in a lower profile standards regime and a subsequent reduction in the level of business considered by the Standards Committee.

At a meeting of the Chairmen, Councillors E R Butler and A Hansard considered several options for change and the current arrangements made by other Cambridgeshire Authorities dealing with corporate governance and

standards issues and recommended their preferred approach to the Standards Committee

At their meeting on 6th March, the Standards Committee indicated that they would wish the Committee and the Corporate Governance Panel to continue to operate as separate principal bodies and that were the Panel/Committee to be renamed to reflect any new functions it should retain the word “Standards” within its title in order to promote and maintain the profile of the Code of Conduct and the continuing importance of high standards of conduct by Councillors and other related protocols within the Constitution. Members also supported a limited transfer of functions from the Corporate Governance Panel and the Elections Working Group to the Committee.

Having regard to the current terms of reference of the Panel and Committee, Members were of the view that the following functions could be transferred and be undertaken, in future, by the Standards Committee rather than the Corporate Governance Panel –

- ◆ considering proposals to change the Council's Constitutional arrangements and making appropriate recommendations to the Council (a function formerly undertaken by Standards);
- ◆ determining the Council's Customer Feedback Procedure, monitoring compliance with the procedure, compensatory payments to complainants and formulation of recommendations to the Cabinet or Council on any action to be taken as a consequence; and
- ◆ considering reports by the Local Government Ombudsman, approval of compensatory payments to complainants and formulation of recommendations to the Cabinet or Council on any remedial action to be taken as a consequence.

Although ultimately, certain issues still would be reserved to Council as part of the policy and statutory framework, Members also supported the suggestion that the following matters relating to electoral arrangements also could fall to be dealt with by the Standards Committee rather than the Elections Working Group as at present. Electoral arrangements in its widest sense might involve –

- ◆ the review of District and Parish electoral arrangements including boundaries;
- ◆ matters relating to the powers of a Parish Council, numbers of Parish Councillors and new Parish Councils and Parish Wards;
- ◆ District and District Ward boundaries arising from any review; and
- ◆ the periodic electoral review.

The Working Group currently meets as and when required (one meeting in 2013) so would not add too great a burden to the Committee.

Given that the potential transfer of functions impacts on the workload of the Corporate Governance Panel, the Panel is requested to consider the matter and to recommend accordingly.

2.3 **Employment Panel**

(Table 2, page 70, Table 4, page 85)

New arrangements for streamlining consideration of employment matters were approved during the 2013 review. These arrangements provided for the following employment matters to be delegated to the Head of Paid Service –

'To deal with the following employment matters –

- (i) to make all staff appointments below Head of Service;
- (ii) to determine salary and terms and conditions of all posts in accordance with adopted human resources policies;
- (iii) to negotiate and implement local pay awards in compliance with any limitations contained in the Code of Financial Management following consultation with the Chairman of the Employment Panel and the Executive Leader;
- (iv) to negotiate and implement changes to terms of conditions of employment and human resource policies;
- (v) to be responsible for consultation and information sharing arrangements with staff;
- (vi) to administer the provisions of the Local Government and Housing Act 1989 relating to politically restricted posts; and
- (vii) to be responsible for exercising employer discretions in relation to the Local Government Pension Scheme for staff below Chief Officer'.

The Employment Panel has recently undertaken its annual review of its terms of reference and was of the opinion that there were no specific changes required. However, in a year when there have been several changes to employment policies, interpretation of the role of the Panel under the new terms and the extent of delegation to the Head of Paid Service has proved problematic.

Paragraphs (iii) and (iv) of the delegation has authorised the Head of Paid Service to negotiate and implement but not determine local pay awards and changes to terms and conditions. Similarly, the Panel's terms of reference provide for it to make recommendations to Council and/or Cabinet in relation to employment and workforce practices within the Council but not to approve.

Either the terms of reference of the Panel or delegation to the Head of Paid Service require clarification as to where determination of pay awards and new policies should lie. In the absence of such clarity over the year, the Panel has indicated their support for proposals allowing the Head of Paid Service to implement changes as authorised. The Head of Legal & Democratic Services recalls that it was the Panel's intention that the Head of Paid Service be authorised to actually determine local pay awards after negotiation **To overcome this uncertainty, it is proposed that the third bullet point of the Panel's terms of reference on page 70 of the Constitution be amended such that the words 'report' be deleted so the function would read –**

- ◆ **to make recommendations in relation to employment and workforce practices within the Council;**

It also is suggested that paragraph (iii) of the authority delegated to the Head of Paid Service be amended to enable the postholder to 'negotiate, determine and implement local pay awards etc.....'

During the same exercise, functions relating to the Employees' Code of Conduct were deleted from the Panel's terms of reference. Whilst responsibility for the Employees' Code of Conduct (Employee Handbook) could arguably be considered as a role for either the Standards Committee or Corporate Governance Panel it is the view that this should remain a function of the Employment Panel given their overall responsibility for "People Management".

It is recommended that the following function be re-inserted into the terms of reference of the Employment Panel –

“to monitor and advise the Council on the adoption, revision, content and operation of its Code of Conduct for Officers (Employee Handbook) in the light of best practice, changes in law and guidance.”

2.4 **Member Champions**

The District Council has, in the past, appointed a number of Member Champions often because they were specialists in particular areas or held expertise which enabled them to advise on specific areas of interest. Arguably they existed to ensure that the issue they were championing was taken into account or given a profile when Council policy was being reviewed or decisions made but which might not be the responsibility of any Committee or Panel. For convenience, Member Champions were, at one stage, listed in the Constitution although they had no particular status in law. Arising from the review of the effectiveness of the Overview and Scrutiny Panels, it was recommended that the appointment of Member Champions be formalised and a list of appointments maintained. It was also recommended that Chairmen should promote the appointment of the Member Champion role. Currently two Member Champions act on behalf of the Document Centre and Conservation and Heritage issues.

Part 3 of the Constitution specifies where certain functions and responsibilities lie. Should it be the Panel's view that a list of appointments be maintained, it would be reasonable to include such information in this section of the Constitution. For consistency, the Panel may also consider that Member Champions should be appointed by the Executive Leader.

It is recommended that the practice of using Member Champions be re-established formally, that they be appointed by the Executive Leader as appropriate and listed for clarity and convenience in Part 3 of the Constitution.

3. **PART 4 – RULES OF PROCEDURE**

3.1 **Role of the Council**

(Article 4, pages 15 – 17 and Council Procedure Rules (Standing Orders) pages 191 – 211)

Article 4 lists the powers that have been reserved to Council. These relate to the approval of the budget and various policies and strategies that together make up the Council's policy and budgetary framework. Therefore, the Council remains the arena in which the important policy and budget decisions are made. Attempts have been made over recent years to enliven Council meetings and encourage public attendance. Initiatives introduced following the last review of the democratic structure in 2009 have had limited success.

As it is now five years since the last review of the Council meeting itself, Members may feel that it is opportune to look at the way the Council currently operates. It is suggested that the following features are retained without need for further discussion or variation -

- ◆ the opportunity for the public to ask questions;
- ◆ 7 pm start time (6 pm for the Annual Meeting); and

- ◆ the opportunity for the public to present petitions containing more than 50 signatures.

Some of the initiatives are enshrined within the Council Procedure Rules (where written guidelines are required to ensure that they operate consistently) and others are practised informally. For convenience both aspects are discussed in this Section -

(a) **Headline Debate**

It was the original intention that major policy decisions reserved to Council should be the subject of debate at Council meetings before public consultation as well as arrangements made for single issue debates (with the Principal Opposition invited to choose the subject for debate at one meeting per annum). Whilst there have been some notable debates, the choice of robust debate topics has often been handicapped when policies and strategies have already been the subject of public consultation, agreement with partners and discussion at Scrutiny and Cabinet en route to Council. Often there is little left to discuss.

There has been a greater tendency for single issue debates and these have proved more successful - those led by the Chief Constable, Andrew Stunell, MP and the DCLG on the National Planning Policy Framework for instance. Given the other significant issues facing the authority and local government generally and the importance of meeting time for the Council to consider these matters in the detail required, it is proposed that single issue debates on matters of topical issues be retained with external speakers/organisations invited to brief Members on issues of relevance and significance but that these debates occur only as and when such topics arise or can be identified by the Council Programme Group. It is no longer considered necessary to make specific arrangements for debates on major policy decisions as these should take place, in any event, during the normal course of the Council's business.

As the Leaders of the Opposition Groups are represented on the Council Programme Group and, in practice, contribute fully to suggestions for debate items it is also considered to be no longer necessary to reserve one meeting per annum for that purpose.

Members' views are invited.

(b) **Green Paper**

The Green Paper feature was designed to enable Executive Councillors to give early notice to the Council of the launch of new policy initiatives and proposals and to raise these at Council meetings on a more informal basis prior to wider consultation. Whilst arguably this has not been successful, it is an area which could be further developed and it is proposed that the Senior Managers' Group could become more actively engaged in identifying emerging policies on a regular basis. It may also be considered more appropriate 'Green Paper' items were presented to Overview and Scrutiny Panels rather than Council.

Alternatively, the Deputy Executive Leader has suggested that provision be made for one (or two) Members per meeting to be able to

address the Council for up to 10 minutes on matters relevant to the Council's business which may be of concern/interest to them. Guidelines for such provision would need to be drafted but it is anticipated that these would require advance notification of issues to be raised and a way to register Members' requests to speak.

Members' views are invited.

(c) **Frequency and timing of meetings**

During the last review and given the number of initiatives involved at that time, it was considered that there may be a need for additional meetings of Council. Consequently meetings of Council were increased to six from five (plus the Annual Meeting) each year. It was also agreed that meetings should commence at 7 pm (rather than 2.30 pm) to encourage public attendance and enable guest speakers from partner and other organisations to attend for debate items. It is the view that Council meetings should continue to take place at 7pm but suggested that the number of meetings per annum be reduced by one to five (plus the Annual Meeting). Experience has shown that the meeting of the Council in November has, since 2009, been light in the terms of business it has had to consider given it has no clear role in the cycle for example in financial or service planning terms, unlike the September meeting, which considers the Financial Strategy with which the Annual Budget and MTP is to be prepared.

It is recommended therefore that the November Council meeting be deleted from the calendar.

(d) **Presentations by Executive Councillors/Annual State of the District Address** (page 205, paragraph 12)

Oral Questions by Councillors

(page 194 paragraph 8.3) and Guidelines (page 213 Annex [i])

Paragraph 12 of the Council Procedure Rules refer to the Annual State of the District Address. In recent years this has been resurrected by the Executive Leader who has taken the opportunity at the September meeting to address Members on the activities of the Council in the previous year and his plans for the year ahead. Members might consider that this address should be better delivered at the first meeting in each municipal year either in June or July. Should this suggestion be supported **it is recommended that the word "autumn" in paragraph 12.1 be deleted and replaced by the word "summer".**

Subsequent meetings, therefore, would present the opportunity for Members of the Cabinet to update the Council on relevant issues within their portfolios by way of a written report which would be included within the Council Book. This could include updates on new policy/initiatives or progress on significant issues and on conclusion of presentations a period could be set aside for the Council to ask questions of portfolio holders specifically and the Cabinet in general. This would allow the Council to hold the Executive (the Cabinet) to account. Developing this theme further, it is suggested that the current separate 30 minute period for questions by Councillors be discontinued but that the opportunity to ask questions be programmed after presentations by Executive Councillors.

The guidelines for oral questions (*page 213*) would also remain unchanged other than paragraph 4 as clearly there would no longer be a requirement to complete a pro forma slip in advance of the Council meeting to indicate that a Member wishes to ask a question. Questions may be asked in response to the contents of the address by the Executive Councillor and on any other matter in accordance with Annex (i), paragraphs 1 and 2. The prescribed period for questions of 30 minutes would be no longer necessary. Currently questions may also be asked of the Chairmen of a Committee or Panel. It is proposed that this opportunity should remain and that a separate item be placed on the agenda for this purpose. For clarity, the current Constitution already provides for written questions to be raised as a 'matter of urgency'.

To seek to make the period for questions more meaningful it is proposed that where Councillors have questions requiring a detailed and lengthy reply that they be encouraged to submit them to the Head of Legal and Democratic Services by noon at least eight clear working days in advance of the meeting to enable a draft response to be prepared in advance. This practice would seek to overcome the need for written answers to be drafted for the questioner after the meeting. If this proposal is supported paragraph 8.3 would be amended accordingly.

The Panel is requested to support the proposed changes to the scheduling of the Annual State of the District Address and the adjustments to the arrangements for oral questions to the Executive Leader, Deputy Leader and Executive Councillors and Chairmen of Panels etc

(e) **Council Programme Meeting**
(*Article 5 - Chairing the Council*)

Article 5 discusses the role and function of the Chairman of the Council. In terms of the procedural duties of the Chairman, he/she also has responsibility to "liaise with the Deputy Executive Leader and the Leaders of Opposition Groups and Independent Councillors on the business to be conducted in Council meetings." In practice, the Chairman of Council chairs the Council Programme Group which meets mid-way between Council meetings to discuss future business. It also has been suggested that, in future, Chairmanship of this Group should lie with the Deputy Executive Leader. Whilst this Group has clearly improved the future programming of business for the Council meeting there might be a case, if it is to be retained, that its business planning role should be further enhanced by having regular sight of the agenda plan documents for Cabinet and Overview & Scrutiny.

The views of the Panel are invited to comment on whether to retain the Council Programme Group in its current format, to transfer its chairmanship to the Deputy Executive Leader and to broaden its business planning role such that it also has sight of Cabinet and Overview & Scrutiny Panel agenda plans when discussing the programme for future meetings.

(f) **Non Constitution Matters relating to Council meetings**

(i) Layout of Civic Suite

For sometime, there has been some disquiet on the part of Members as to the current layout of the Civic Suite for Council meetings. To seek to avoid a situation whereby the Cabinet have their backs to Members when speaking, an alternative layout will be trialled at a future meeting with the Cabinet facing the body of the meeting.

(ii) Reports of the Cabinet, Panels and Committee

To streamline the presentation of reports to the Council and to generate meeting time to enable Council to focus on significant rather than routine matters it is suggested that, with the exception of the reports of the Overview & Scrutiny Panels, reports of Panels where items are submitted for information only should be discontinued. Reports would continue to be submitted where Panels are recommending a course of action to the Council meeting. Members are reminded that monthly editions of the "Decision Digest" will continue to summarise the business considered and decisions taken by Panels and that this is circulated in various formats, via the Member Alert and published on the Members' Homepage and with the Overview & Scrutiny Panel agenda. The Digest could also be despatched separately with the Council agenda should Members consider that it could be useful to do so. It is also proposed that Chairmen should remain in their positions when presenting reports (with recommendations) rather than coming forward to the lectern.

Members are requested to note commencement of these new arrangements.

3.2 **Other matters relating to the Council Procedure Rules**

(a) **Motions Without Notice**
(paragraph 10, page 196)

Currently there is no provision in the Constitution to regulate the submission of an "alternative budget" to the Council which has in the past led to confusion at the budget-making meeting in February and no opportunity for Officers to give advice to the proposer and the Council on the affordability or practicality of any "alternative" proposal. To better manage this process and facilitate the presentation of any potential "alternative budget" by opposition groups, it is **recommended that the following paragraph be inserted after (h) –**

'(i) in the case of proposed amendments to recommendations on draft or final budgets, Leaders of the Opposition Groups shall seek the advice of the Responsible Financial Officer at least 2 working days prior to the meeting to enable the implications of the proposed amendment to be reviewed and calculated for presentation to the Council.'

The consequential alphabetical list would be amended accordingly.

(b) **Voting**
(paragraph 14, page 205)

Section 14 of the Rules relate to voting. Unless a recorded vote is requested, matters are decided by a simple majority of those Members voting and present in the room when a question is put.

The Local Authorities Standing Orders (England) (Amendment) Regulations 2014 came into force on 25th February 2014. Put simply, these Regulations provide that votes at key budget decision meetings by local authorities are recorded. It is the view of the Government that this new requirement will increase Council transparency and accountability over Council Tax. The Regulations make it mandatory for Councils, as soon as practicable, after the Regulations are in force to amend their Standing Orders so as to include provisions requiring recorded votes at budget meetings. Accordingly, the Panel is **recommended to approve the addition of the following paragraph in Section 14 of the Rules.**

‘14.7 - when the vote is taken at a budget decision meeting of the Council, there must be recorded in the Minutes of the meeting, the names of the Members who cast a vote for or against the Motion or who had abstained from voting.

(In this context, “budget decision meeting” means the meeting of the Council where the final budget and Council Tax precept is decided.)

It was the expectation of the Department for Communities and Local Government that all Councils would adopt the practice of recorded votes at this year’s budget and Council tax meeting in line with the Regulations even if the Council had no opportunity to formally amend their Standing Orders in time. In accordance with this advice, the Council resolved at their meeting on 26th February to hold a recorded vote in line with the Regulations.

4. OVERVIEW AND SCRUTINY PROCEDURE RULES
(pages 255 – 262 also Article 6, pages 21-26)

4.1 The Overview & Scrutiny Panel Chairmen and Vice Chairmen have met with the Deputy Executive Leader to discuss his suggestions for the future operation of overview and scrutiny. There is general agreement that the Panels should operate in a manner similar to that of a Select Committee. This can be introduced without any change to the Constitution.

4.2 As the new Corporate Plan had not been completed at this stage and given that this could have implications for the Cabinet portfolios, the Chairmen and Vice-Chairmen indicated that they wished to look in more detail at what the options might be. This work will commence imminently. Therefore, no changes are proposed to Article 6 and the Overview & Scrutiny Procedure Rules at present.

The Panel are asked to note this position.

5. CODES OF FINANCIAL MANAGEMENT AND PROCUREMENT

(pages 263 – 299)

- 5.1 As part of the review exercise, the opportunity is always taken to propose changes to the Codes of Financial Management and Procurement should these be necessary.
- 5.2 The Codes are important elements of the Council's Constitution that detail sound governance principles for the activities. It is important that they are "live" documents that adapt to the changing needs of the Council and that they are reviewed regularly.
- 5.3 The draft Codes are attached at Annexes A and B and changes are highlighted. Changes to the **Code of Procurement** impact on the following sections –

EU Thresholds

(Sections 2.1 and 2.2)

The revised (increased) EU thresholds effective from 1st January 2014 have been incorporated into the tables and have been circulated to all Managers.

Sourcing Policy

(Section 5.6)

The formal "threshold" (£5k) has been unchanged since at least 1999 and does not reflect the increased cost of goods and services over that time. Formal quotes are "simplified tenders" but nevertheless are disproportionate effort for such a low level of spend. There is anecdotal evidence that the formal quote process is inhibiting suppliers from providing quotes for the lower value requirements. Revision of the threshold upwards to £10k would realign the threshold nearer its original "purchasing power" and reduce the frequency of formal procurement action. A simple requirement to get three written quotes for purchases between £1k and £10k would maintain the essential element of competition whilst easing the administrative burden. The following table shows a summary of the proposed changes to procurement thresholds –

Estimated total value of procurement

Existing threshold	Summary of the Process	Proposed threshold
Up to £5,000	Single quote	£1,000
	At least 3 quotations offers invited in writing (email on suppliers headed paperwork)	£1,000 up to £10,000
£5,000 up to £50,000	At least 3 formal quotations invited	£10,000 up to £50,000

Supplier Meetings/Briefings

(Section 5.9)

Supplier engagement or "soft market testing" is a pre-competition process to encourage the market to bring innovative and cost-effective solutions. Whilst the process can bring benefits in refining the requirement and understanding the markets capabilities, there are significant compliance risks. The principal ground for challenge is that some suppliers receive an unfair advantage

through the provision of relevant information not made available in any subsequent competition. Likewise supplier open days need to run to avoid any differences in the information provided. This change outlines steps to ameliorate that risk:

- preference for an open day format;
- all questions and answers recorded with a minimum of two officers present;
- and the appropriate number of suppliers invited.

Evaluations

(Section 6.4)

The proposed change is a requirement to consider two specific evaluation criteria:-

- ◆ the Social Value Act 2012 requires consideration of possible social benefits deliverable in a procurement exercise; and
- ◆ Government Policy encourages structuring competitions for greater participation of Small and Medium Enterprises (SMEs). This may also encourage more local participation as the majority of local firms are SMEs.

Tender/Quotation Opening

(Section 9.9)

The existing Rule does not allow any discretion in the acceptance of late tenders. This does not fit the current case law which does give Authorities latitude to accept late tenders under some circumstances. The risk is that we would reject tenders in circumstances where the Courts have decided that this should be admitted.

Consultants

(Section 17)

There are circumstances where the Inland Revenue can deem a consultant engaged by the Council is a “de-facto employee” making the Council liable for national insurance and other charges as well as the potential for a fine. The proposed changes require that any terms and conditions of the engagement of consultants have a clause requiring the contractor to indemnify the Council against that risk.

Code of Financial Management

Several changes are proposed to the Code of Financial Management. These reflect both adjustments to financial management procedure to financial management and the new management structure.

Where previously the Code referred to:

- i. Assistant Director (Finance and Resources); this is now the Chief Financial Officer; as the designated Section 151 Officer (Local Government Act 1972) and Chief Financial Officer (Accounts and Audit Regulations 2011), and
- ii. Accountancy Manager, this is now the Deputy Chief Financial Officer; as the designated Deputy Section 151 Officer.

- iii. Head of Legal and Democratic Services; this is now the Monitoring Officer

The main changes to the Code of Financial Management are summarised below. However, the list does not include the post title changes noted above as this would distract from the aim of showing only the “main changes”.

Paragraph No.	Section	Change
3.1	Financial Monitoring	Clarification of financial monitoring by budget managers; including reporting to the Chief Financial Officer and Corporate Management Teams, the publication of the Financial Performance Monitoring Suite and the Financial Dashboard.
3.6	Budget Transfers	Note in respect of Technical Budgets and that they are the responsibility of the Deputy Chief Financial Officer.
4.2	Income	<ul style="list-style-type: none"> • Inclusion of the responsibility of the Head of Customer Services to manage the Council Tax and Non-Domestic Rates collection service. • Clarification that the Deputy Chief Financial Officer manages a “sundry” debts debt collection service.
4.3	Treasury Management	The inclusion of the Treasury Management Advisory Group.
5.2 (and 5.9)	Annual Financial Report	Change of title, from the Statement of Accounts to Annual Financial Report.
5.3	Records	Inclusion of a payments control that was approved by Council in November 2013; in respect of cross-referencing of contracts with general ledger invoice/payment records.
6.3 6.4	Assets (Capital): Acquisition Assets (Capital): Disposal	Clarification in the approach to the acquisition and disposal of capital assets, including achieving “Best Value” and approval from the Capital and Treasury Strategy Group.
6.7	Valuations	Clarification on when assets are to be valued outside of the three year “phased” revaluation programme.
Annex B	Budgets for Pay	The contingency pay budget is removed. Where in-year pay savings are identified in excess of approved MTP savings, appropriate budget adjustments will be made and savings achieved transferred to the “centre” to meet the MTP approved unallocated savings.

The Panel is requested to recommend the Council to adopt the Codes of Financial Management and Procurement (as amended).

6. PART 7 – MANAGEMENT STRUCTURE
(Page 393 – 396)

- 6.1 The Management Structure describes the responsibility of the designated statutory posts – the Head of Paid Service, Chief Financial Officer and Monitoring Officer and the way in which the functions and services are discharged by the organisation. This is a standard feature of the model Constitution. As the Council is currently undertaking a review of its senior management structure, potentially this section could need significant change. As this exercise may not be completed until late Spring, it is **recommended that the Head of Legal and Democratic Services be authorised to make such amendments as necessary to Part 7 of the Constitution to reflect the new management and organisational structure of the Council.**

7. TIMETABLE FOR IMPLEMENTATION

- 7.1 The recommendations of the Panel on the outcome of the review will be submitted to the Council on 30th April for implementation with effect from the date of the Annual Meeting – 4th June 2014.

BACKGROUND PAPERS

Huntingdonshire District Council Constitution.

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Huntingdonshire District Council

**CODE OF
PROCUREMENT**

2014

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CODE OF PROCUREMENT

1. INTRODUCTION

- 1.1 The Code of Procurement defines the regulatory and legal framework for procurement. It has been adopted in accordance with the requirements of Section 135 (2) of the Local Government Act 1972.
- 1.2 Throughout the Code, reference to Manager shall mean Managing Director, **Corporate** Director, Head of Service, Manager, Service Manger or Team Manager as appropriate. A Manager shall be responsible for procuring all goods and services that require the quotation or tender procedures as set out in this Code to be followed.
- 1.3 No Manager shall procure any goods or services valued at **£10,000** or more unless they have attended training provided by the Procurement Manager and consider themselves to have such detailed knowledge and understanding of this Code and how it shall be applied in respect of the total value of the procurement being considered.
- 1.4 This Code applies to the procurement, commissioning, hire, rental or lease of -
- ◆ land and buildings, roads or other infrastructure;
 - ◆ vehicles or plant;
 - ◆ equipment, furniture and fittings;
 - ◆ construction and engineering works;
 - ◆ information and communication technology - hardware and software;
 - ◆ goods, materials and services;
 - ◆ repairs and maintenance;
 - ◆ consultants, agents and professional services.
- 1.5 This Code does not apply to purchases made from internal management units.
- 1.6 The Code applies also to the sale of assets and goods by the Council where the appropriate Manager estimates that the assets, goods or services to be sold exceed £1000. Where the value is estimated to be less than £1000 then the 'Sale of Equipment' procedures contained within the Inventory procedures shall be followed.
- 1.7 The Council includes the Cabinet, Panels, Committees or other body or person(s) acting in accordance with delegated authority on behalf of the Council.
- 1.8 All procurements or sales made by or on behalf of the Council shall comply with this Code, subject to any overriding requirements of the Council's Rules of Procedure and Code of Financial Management and British or European Union law or regulation.
- 1.9 Throughout the Code, reference to contractor(s) or sub-contractor(s) shall mean any person, company or supplier who has –
- ◆ requested to be on an approved or ad-hoc approved list of tenderers;
 - ◆ been approached to provide a quotation or tender;
 - ◆ provided a quotation or tender; or
 - ◆ been awarded a contract in accordance with the provisions of this Code.

- 1.10 The **Corporate Director (Services)** shall annually review all the financial values contained in the Code to take account of the impact of inflation. The **Corporate Director (Services)** shall inform all Managers of any amendments to the values prior to the 1st April from which they shall be operative.

2. REPORTING PROCEDURES AND EU COMPLIANCE

- 2.1 EU Procurement Directives require the Council, to report procurements likely to exceed EU thresholds, both at the start of the year and on an ad-hoc basis as new or changed requirements arise. The EU thresholds (as at 1 January 2014) are:

Threshold	Supplies and Services	Works
£ Sterling	£ 172,514	£ 4,322,012
€ Euro	€ 207,000	€ 5,186,000

2.2 Financial Year Start Reporting

No later than the 1 April each year, Managers shall:

- ◆ provide the following information to the Procurement Manager -
 - Details of each contract expected to be advertised in the following year;
 - An estimate of the total value for each discrete procurement area where the spend is likely to exceed £100,000;
- ◆ advertise very brief details of each contract expected to be advertised in the following year. The advertisement shall take the form of a Prior Indicative Notice (PIN). The publishing of a PIN does not commit the Council, but can reduce timescales if the requirement is subsequently advertised through Official Journal of the European Union (OJEU).

A PIN is also required if the estimate of the aggregated value of the contracts for a given coding class exceeds the published PIN thresholds:

Threshold	Supplies and Services	Works
£ Sterling	£ 625,050	£ 4,322,012
€ Euro	€ 750,000	€ 5,186,000

2.3 Through Year Reporting

Managers shall report, using a PIN where time permits, new or additional requirements likely to meet or exceed EU thresholds as they arise.

2.4 End of Year Reporting

Where a Manager has place a notice in the Official Journal of the European Union, they shall provide the Procurement Manager by the 30 April each year with the following details for contracts placed through OJEU procedures –

- ◆ Common Procurement Vocabulary (CPV) code. (The CPV is a standardised single classification system for public procurement to identify the subject of a contract and is detailed on the OJEU notice);
- ◆ Provider (contractor) Nationality;
- ◆ Award Procedure (from the OJEU notice);
- ◆ Justifications if Negotiated procedure; and
- ◆ Value.

3. **CONTRACTS REGISTER**

3.1 Managers shall keep a record using the Contracts Register, of all tenders and quotes greater than £10,000; of:

- ◆ the reasons (if appropriate) for not advertising on the Council's 'Latest Opportunities' internet site;
- ◆ all those contractors that were requested to quote or tender;
- ◆ the reasons why those particular contractors were selected to quote or tender;
- ◆ if applicable, the reasons why less than three contractors were selected to quote or tender;
- ◆ contract renewal date (if appropriate);
- ◆ summary details of a single tender/quote (if appropriate), and
- ◆ file or other reference to the contract and location of the documents and contract.

4. **METHODS OF ORDERING**

4.1 All orders shall be placed through one of the following recognised methods:

- ◆ An order raised on the e-marketplace.
- ◆ A procurement card order.
- ◆ A manual purchase order.
- ◆ A purchase order raised on the financial management system.

4.2 Where there is an exception requirement and the relevant **Corporate Director** or Manager considers that the work is of an emergency nature necessary to enable the service to continue and none of the ordering methods are suitable, the relevant **Corporate Director** or Manager shall record the details of the exceptional requirement and the action taken for future audit.

5. **'BEST VALUE' AND SOURCING POLICY**

5.1 The Council seeks 'Best Value' in all procurement activity. 'Best Value' being:

- ◆ The opportunity to obtain leverage (better prices and) for volume.
- ◆ Regulatory compliance.
- ◆ Transparent and efficient procurement processes.
- ◆ Appropriate social, environmental and equality outcomes.
- ◆ Minimum procurement over.

5.2 Sourcing policy is determined by the needs of 'Best Value' and in order of preference is:

- (a) Adopted catalogues or framework contracts. An adopted catalogue or framework is the preferred contract for the Council's business within a defined category (a type or group of goods or service). The Procurement

Manager shall make available adopted catalogues or framework contracts on the e-marketplace or publish details of the contract or framework in Procurement Protocols & Guidelines. Managers shall ensure that orders for such categories are placed through the e-marketplace using appropriate 'adopted' catalogue or framework contract. The Procurement Manager shall keep under review the continued suitability of any such catalogues, contracts or framework agreements.

(b) Collaborative procurements with other public bodies or authorities.

(c) Council let corporate contracts.

5.3 Some categories are managed corporately by specialist areas. The Procurement Manager shall provide a list of specialist categories and Managers shall ensure all requirements for such categories are referred to the relevant specialist.

5.4 **Tenders.** Nothing in this Code shall require tenders to be sought: -

(a) for purchases made from a Purchasing Agent (ESPO, **Crown Commercial Service**) where:

- ◆ there is a single supplier 'call-off contract' or catalogue created with fixed prices, or
- ◆ the contract is created to our requirements;
- ◆ for purchases through local authority, government body or agency, police, health or other similar public authority, where the procurement rules of that organisation have been approved by the Procurement Manager and the contract is created in co-operation, agreed joint requirements or partnership;
- ◆ for purchases made at public auction;
- ◆ where the relevant **Corporate Director** or Manager –
 - considers that the work is of an emergency nature or is necessary to enable the service to continue; or
 - with the **Corporate Director (Services)** agreement, considers that it is in the Council's best interest in negotiating a further contract for works, supplies or services of a similar nature with a contractor who is currently undertaking such work. The relevant **Corporate Director** or Manager shall report details of all work awarded under 5.4 d above to:
 - i. the **Monitoring Officer** who shall make a record in a register kept for that purpose; and
 - ii. the next meeting of Cabinet.

5.5 Any procurement estimated to exceed £50,000, which is not covered by the exceptions in paragraph 5.4 above, must be referred to the Procurement Manager before the procurement process is commenced. If a Manager does not wish to accept the Procurement Manager's advice on any significant aspect the matter will be determined by the relevant **Corporate Director**. The discussion will cover:

- ◆ Scope and objectives of the procurement;
- ◆ Budget and costing;

- ◆ Tender methods;
- ◆ Product and market information;
- ◆ Timescales; and
- ◆ Deliverables.

5.6 Where there is no adopted contract or framework, Managers shall, wherever practicable, seek to maximise contract values with other Managers to secure lower costs. The Council nevertheless wishes to balance the effort of going to the market with the effort and efficiency of the procurement process. Managers after determining the proposed contract's total value shall then follow one of the procurement procedures detailed below. These procedures shall be used in all procurements or sales bar those exceptions at paragraph 5.4.

Estimated Total Value of Procurement	Requirement
Up to £1,000	At least 1 written estimate or offer (e-marketplace, email, web or paper) shall be sought and recorded.
£1,000 up to £10,000	At least 3 written estimates or offer (e-marketplace, email or headed paperwork) shall be sought and recorded.
£10,000 to £50,000	At least 3 formal quotations or offers shall be invited, unless the Manager has complied in full with paragraph 6.1e of this Code. The Manager will consider whether the nature of the procurement is such that a full competitive tendering would be likely to be beneficial to the Council by reducing cost (by more than the cost of tendering) or risk.
£50,000 to EU Procurement Threshold	Competitive tenders shall be obtained using one of the tendering options in this Code, and a formal written contract prepared in accordance with paragraph 11.2.
The EU Threshold and above	The appropriate EU procurement directive shall be complied with.

5.7 Total value is the cost of all elements of the procurement (e.g. installation, testing, training, maintenance, etc). The Manager shall ensure that a procurement is not split or otherwise disaggregated and may choose to competitively tender requirements less than £50,000.

5.8 Achieving 'Best Value' needs valid competition and valid competition is dependant on the existence of an 'open' market with the selected contractors having the interest, capability and capacity for the work or business being offered. Wherever possible a minimum of three competitive tenders or quotations shall be sought. In selecting contractors to provide a tender or quotation Managers shall ensure that wherever possible -

- ◆ the selection process they are using is fair and equitable, and that no favouritism is shown to any one contractor (e.g. the requirement is not an extract of a contractor's product specification).
- ◆ checks are made to ensure that contractors are interested in this type of business;
- ◆ repeat or 'automatic' invitations to the 'same' contractor or group of contractors are avoided, particularly where previously invited to bid and had failed to do so;
- ◆ 'new' contractors are sought and invited to tender or quote;
- ◆ the geographic area of the search for potential contractors is widened; and
- ◆ 'no-bids' are checked for the reasons for a contractor's failure to bid.

5.9 Supplier Meetings/Briefings. To avoid the risk of unfair competitive advantage, any such meeting should be structured as an open event; all questions and answers recorded and with a minimum of 2 officers present. If pre-competition a minimum of 3 suppliers shall be invited and during a competition, all participating contractors shall be invited.

5.10 A Manager shall not invite quotations or tenders from any contractor or sub-contractor who has participated in the preparation of documentation or were involved in other preparatory work for the contract, unless they **have, in writing, explained to the Monitoring Officer why this does not constitute an unfair competitive advantage or a conflict of interest and obtained agreement**, in writing, that **the contractor/sub-contractor may compete in the quote/tender process.**

6. TENDER AND FORMAL QUOTATION PROCEDURES

Tendering and Formal Quotation Options

6.1 Managers shall select one of the following procedures. If any alternative procedure is proposed then approval of the Cabinet is required before the proposed procedure is followed.

Option	Requirement
(a) Framework	All contractors on the framework (or lot if split into lots) shall be invited to submit a tender or quotation. No public notice is required and general Terms & Conditions are set in the original framework contract but additional Terms & Conditions specific to the requirement may be permitted. Vetting (paragraph 6.3) is not normally required as the contractor was vetted as part of the original framework competition.
(b) List of Approved Tenderers	Tenders shall be invited from at least three contractors selected from an approved list established in accordance with paragraph 7 of this Code. Vetting (paragraph 6.3) is not normally required as the contractor was vetted to join the list.

<p>(c) Open Tenders</p>	<p>Public notice shall be given in one or more newspapers and/or in an appropriate trade journal. The notice shall state the nature and purpose of the contract, where further information and documentation can be obtained, and state the closing date for the process. Where the Manager is satisfied that Expressions of Interest received from a Contracts Register Notice represent contractors with genuine interest and capacity, then no further public notice is required.</p> <p>An Invitation to Tender (ITT) or Request to Quote (RFQ) is sent to all contractors expressing an interest. All ITTs and RFQs shall include an appropriate questionnaire to permit vetting of contractors in accordance with paragraph 6.3 of this Code.</p>
<p>(d) Restricted Tenders & Quotations</p>	<p>The requirement to advertise is the same as paragraph 6.1 (c) above. ITTs or RFQs are <i>restricted</i> to a shortlist of contractors selected after vetting in accordance with paragraph 6.3 of this Code.</p>
<p>(e) Single Tenders or Quotations</p>	<p>A Manager after consulting the Monitoring Officer may obtain a single tender or quotation when:</p> <ol style="list-style-type: none"> a. Prices are wholly controlled by trade organisations or government order and no reasonably satisfactory alternative is available. b. Work to be executed or goods, services or materials to be supplied consist of repairs to or the supply of parts of existing proprietary machinery, equipment, hardware or plant and the repairs or the supply of parts cannot be carried out practicably by alternative contractors. c. Specialist consultants, agents or professional advisers are required and <ul style="list-style-type: none"> ◆ there is no satisfactory alternative; or ◆ evidence indicates that there is likely to be no genuine competition; or ◆ it is in the Council's best interest to engage a particular consultant, agent or adviser. ◆ Products are sold at a fixed price, and market conditions make genuine competition impossible d. The proposed contract shall form part of a serial programme. The contract terms shall be negotiated with a contractor, using as a basis for negotiation the rates and prices contained in an initial contract that was awarded following a competitive tendering process that complied with this Code. No more than two serial contracts shall be negotiated from an initial contract. e. No satisfactory alternative is available. If the single quote/tender option is used, the Manager shall: <ul style="list-style-type: none"> ◆ seek approval of the Monitoring Officer

	<p>who shall make a record in a register kept for that purpose;</p> <ul style="list-style-type: none"> ◆ retain records that demonstrate that the best price or value for money has been obtained from the negotiations with the contractor. <p>f. A Manager can approve a single tender for ongoing maintenance of propriety systems provided:</p> <ul style="list-style-type: none"> ◆ there is evidence that it is a propriety system; ◆ the initial contract award was compliant with this Code; ◆ the renewal is for a period not greater than 4 years (this is the time interval the EU uses to calculate contract value for ongoing contracts); ◆ the total ongoing value does not exceed the EU threshold; and ◆ the direct award is recorded in the single tender register.
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6.2 Invitations To Tenders and Requests for Quotations

Managers shall ensure that all ITTs and RFQs include;

- (a) approved contract terms in accordance with paragraph 11.2 of this Code;
- (b) the following statement regarding Freedom of Information Act 2000 compliance:

“All information supplied to the Authority will be subject to the provisions of the Freedom of Information Act 2000 and as such may be disclosed by the Authority when required to do so under the Act. When such disclosure is necessary the Authority shall use reasonable endeavours to consult with the provider of the information prior to disclosure.”
- (c) a clear statement that explains if the bid is to be evaluated on the basis of lowest price or the most economically advantageous basis (best value).

6.3 Selection Criteria

- (a) The Manager shall undertake sufficient vetting to ensure that all contractors:
 - ◆ comply with minimum standards of Insurance;
 - ◆ have the necessary Health & Safety policy and performance and (where applicable) membership of the Contractor's Health and Safety Scheme or equivalent health and safety standard;
 - ◆ are financial viable based on a risk based assessment;
 - ◆ have an appropriate environmental policy;
 - ◆ comply with equalities legislation and policy; and
 - ◆ possess the experience and capacity required.
- (b) The Procurement Manager shall provide an appropriate questionnaire for the purpose of vetting contractors.

- (c) Managers wishing to have a Pre-Qualification Questionnaire returned in electronic format (Excel) must tell bidding suppliers to use the designated email address “procsupport@huntingdonshire.gov.uk” and inform the Procurement Manager of the closing date. The Procurement Manager shall forward the Pre-Qualification Questionnaires to the Manager after the closing date.

6.4 Evaluation Criteria

Except **where** the Cabinet decides otherwise, all formal quotations or tenders that are being sought shall:

- (a) be based on a definite written specification, which shall include consideration (where relevant to the requirement) of:
 - ◆ environmental performance including low energy and water consumption and the elimination of substances hazardous to health and the environment.
 - ◆ **delivery of social benefit (for services only)**
 - ◆ **inclusion of Small & Medium sized Enterprises**
- (b) include award criteria,
- (c) include specific weightings applied to individual award criteria, and
- (d) if appropriate, include a requirement for a performance bond and liquidated damages

6.5 Non-Traditional Procurement

If a Manager believes that by following one of the procurement procedures detailed in paragraph 5.6 above, that the procurement process will not provide him with the most appropriate method of delivery, the most competitive prices, allow for continuous improvements in delivery, or stifle procurement innovation, then he may suggest alternative procurement strategies.

The Manager shall produce in accordance with guidance issued by the **Monitoring Officer** and prior to proceeding with the procurement, a written procurement strategy that shall be approved by the **Corporate Director (Services)** and the Cabinet.

7. LISTS OF APPROVED TENDERERS

7.1 The Council uses 2 types of list of approved contractors:

- (a) Third party vetted lists of contractors that are compiled and maintained by an external organisation. Only external organisations approved by the **Monitoring Officer**, after consultation with the **Corporate Director (Services)** and the other relevant Manager(s) shall be adopted. The Procurement Manager shall ensure that the external organisation and approved list of contractors is detailed in Procurement Protocols & Guidelines.
- (b) Ad-hoc list of approved tenderers. If a Manager believes that the approved list of tenders does not allow him to obtain sufficient competition for 'Best Value', the Manager shall write to the **Monitoring Officer** and the Procurement Manager seeking approval to source additional contractors or create an ad-hoc list of approved tenderers.

7.2 Subject to approval as required in paragraph 7.1(b) the Manager shall:

- ◆ issue a public notice inviting applications for inclusion on a specific approved list for the supply of goods, services or materials.
- ◆ vet (as detailed at paragraph 6.3) all contractors replying to the public notice or who have requested within the previous 12 months to be considered for work of a similar nature;
- ◆ only include contractors satisfactorily completing the checks;
- ◆ tell all potential suppliers how the approved list operates
- ◆ ensure the ad-hoc list shall only be used for seeking tenders for the supply of goods, services or materials specifically detailed within the original public notice.

7.3 The **Monitoring Officer** in conjunction with the **Corporate Director (Services)** and relevant Managers shall review the continued suitability of any List of Approved Tenderers periodically and at least prior to the third anniversary of its initial or further adoption.

8. SUB-CONTRACTS AND NOMINATED SUPPLIERS

8.1 Quotations or tenders for sub-contracts to be performed or for goods, services or materials to be supplied by nominated sub-contractors shall be invited in accordance with this Code.

8.2 The relevant Manager is authorised to nominate to a main contractor a sub-contractor whose quotation or tender has been obtained in full accordance with this Code.

9. RECEIPT AND OPENING OF TENDERS AND QUOTATIONS

9.1 Contractors shall be notified that tenders or formal quotations are invited in accordance with this Code no tender or quotation will be considered unless -

- (a) the tender or quotation has been received via the e-marketplace 'sealed quote' facility; or
- (b) contained in a plain envelope which shall be securely sealed and shall bear the word "Tender" or "Quotation", the Unique Reference Number (URN) from the Contracts Register; and the envelope shall not bear any distinguishing matter or mark intended to indicate the identity of the sender. Such envelope shall be addressed
 - ◆ impersonally to the **Monitoring Officer** if it contains a "Tender", or
 - ◆ the appropriate Manager if it contains a "Quotation"; or
- (c) it has been sent electronically to a specific e-mail address, which the appropriate Manager shall obtain from the IMD Service Manager. The IMD Service Manager shall ensure that the e-mail address is secure.

9.2 All envelopes or e-mails received shall be kept securely and shall not be opened or accessed until the time appointed for their opening except at the request of the **Monitoring Officer** or officers specifically appointed by him.

9.3 All tenders or quotations invited in accordance with this Code shall be opened at one time only and by at least two officers -

- ◆ Tenders shall be opened by officers nominated by the **Monitoring Officer** and by the appropriate Head of Service/Service Manager. The

Procurement Manager shall be notified of the time and place appointed for the opening.

- ◆ Quotations shall be opened by the appropriate Manager and/or his nominee(s) and one other Officer. The Internal Audit Manager shall be notified of the time and place appointed for the opening.

9.4 All tenders or quotations upon opening shall be recorded in writing on either a tender or quotation opening record unless the Contracts Register is being completed contemporaneously. The format of the opening record shall have been previously agreed with the **Monitoring Officer** and **Corporate Director (Services)**. The Form of Tender or Quotation and any accompanying documentation shall be marked with the date of opening, and signed by all officers present at the opening. The tender or quotation opening record shall be signed by at least two officers present at the opening and record the method that has been selected to evaluate the bids received. If the Contracts Register has been completed, then all of the required fields will be completed as per the guidance issued by the Procurement Manager.

9.5 The original opening record shall be retained by the **Monitoring Officer** in respect of tenders, and the relevant Manager in respect of quotations. A copy of the opening record shall be provided to the Internal Audit Manager.

9.6 Any tenders or quotations received after the specified time **may in exceptional circumstances be accepted by Monitoring Officer** otherwise they shall be returned promptly to the contractor by the **Monitoring Officer** or his nominated officer in respect of tenders, or by the appropriate Manager or his nominated officer in respect of a quotation.

9.7 Late tenders shall be rejected once any other tender/quotation has been opened. The tender or quotation may be opened to ascertain the name of the contractor but no details of the tender or quotation shall be disclosed.

10. ACCEPTANCE OF TENDERS AND QUOTATIONS

10.1 The appropriate Manager shall evaluate all the tenders or quotations received in accordance with the award criteria set out in the bid documentation and shall accept, subject to the provisos set out in this paragraph, either -

- ◆ the lowest priced tender or quotation; or
- ◆ the most economically advantageous tender or quotation, as evaluated against the award criteria.

10.2 Tenders or quotations exceeding the approved estimate may only be accepted once approval to further expenditure is obtained.

10.3 If the lowest priced, or most economically advantageous quotation exceeds £50,000 but -

- ◆ is within 15% of the original estimate, the appropriate Manager may accept the quotation without seeking further competition; or
- ◆ is in excess of 15% of the original estimate then a competitive tender exercise in accordance with paragraph 6.1 above shall be carried out, unless the appropriate Manager has consulted and obtained the approval of the **Monitoring Officer**, the Procurement Manager and relevant Executive Councillor that the quotation can be accepted.

10.4 A tender or quotation shall not be accepted -

- (a) where payment is to be made by the Council and –
 - ◆ it is not the lowest priced tender or quotation, or
 - ◆ the most economically advantageous tender or quotation in accordance with the award criteria set out in the tender or quotation documentation; or
- (b) if payment is to be received by the Council and the tender or quotation is not the highest price or value;
- (c) unless –
 - ◆ the Cabinet have considered a written report from the appropriate Head of Service/Service Manager, or
 - ◆ in cases of urgency, the **Monitoring Officer** has consulted and obtained the approval of the relevant executive councillor. Tenders or quotations accepted in this way shall be reported by the appropriate Manager to the next meeting of the Cabinet.

10.5 Where post-tender negotiations have been undertaken in accordance with paragraph 10.6 below, the appropriate Manager shall only accept the lowest priced tender received. A tender other than the lowest shall not be accepted until the Cabinet have considered a written report from the appropriate Head of Service/Service Manager, and recommended acceptance of a tender other than the lowest.

10.6 **Arithmetical Errors and Post-Tender Negotiations**

- (a) Contractors can alter their tenders or quotations after the date specified for their receipt but before the acceptance of the tender or quotation, where examination of the tender or quotation documents reveals arithmetical errors or discrepancies which affect the tender or quotation figure. The contractor shall be given details of all such errors or discrepancies and afforded an opportunity of confirming, amending or withdrawing his offer.
- (b) Post-tender negotiations shall not be used to degrade the original specification unless:
 - ◆ the capital or revenue budget is exceeded; or
 - ◆ other special circumstances exist;

in which case the **Monitoring Officer** and Procurement Manager shall decide which of those contractors who originally submitted a tender or quotation shall be given the opportunity to submit a further bid based upon a degraded specification. This decision shall be recorded in writing.

- (c) In evaluating tenders, the appropriate Manager may invite one or more contractors who have submitted a tender to submit a revised offer following post-tender negotiations.
- (d) All post-tender negotiations shall:
 - ◆ only be undertaken where permitted by law and where the appropriate Manager and **Monitoring Officer** and **Corporate Director (Services)** consider additional financial or other benefits

- may be obtained which over the period of the contract shall exceed the cost of the post-tender negotiation process;
 - ◆ be conducted by a team of officers approved in writing by the **Monitoring Officer** and **Corporate Director (Services)**;
 - ◆ be conducted in accordance with guidance issued by the **Monitoring Officer**; and
 - ◆ not disclose commercially sensitive information supplied by other bidders for the contract.
- (e) The appropriate Manager shall ensure that all post-tender negotiation meetings are properly minuted with all savings and benefits offered clearly costed. Following negotiations but before the letting of the contract, amendments to the original tender submitted shall be put in writing by the contractor(s) and shall be signed by him.

11. TERMS OF BUSINESS AND THE FORM OF CONTRACTS

11.1 All orders placed by the Council shall be on the Council's Terms and Conditions (T&Cs). Managers shall not use Contractor's documentation to order, acknowledge, instruct to proceed or make any other commitment where the documentation makes any reference to the Contractor's T&Cs. Where a contractor formally insists on trading on T&Cs other than the Council's T&Cs, the Procurement Manager shall be informed, except for -

- ◆ Any contract where the estimated total value is likely to exceed £50,000, paragraph 11.2 shall apply.
- ◆ Any framework or contract formally adopted by the Council.
- ◆ Purchasing Agency (e.g. ESPO, Crown Commercial Service) arranged contracts and orders.
- ◆ Orders of a total value of less than **£10,000** where the goods or service are purchased on a 'retail' basis on terms available to the general public.
- ◆ Orders for software where the licence is for 'standard' product but not where customisation, development or on-site service is required for the 'standard' product.

11.2 Every contract that exceeds £50,000 in value shall be in writing in a form approved by the **Monitoring Officer** who shall also determine the format of any contract for a lesser value. Managers shall ensure that advice of the **Monitoring Officer** is sought at a stage as early as practicable (normally before the issue of an Invitation to Tender).

11.3 In the case of any contract for the execution of works or for the supply of goods, services or materials, the Manager after consulting with the **Corporate Director (Services)** and the **Monitoring Officer** shall consider whether the Council should require security for its due performance and shall either certify that no such security is necessary or shall specify in the specification of tender the nature and amount of the security to be given. In the latter event, the Council shall require and take a bond or other sufficient security for the due performance of the contract.

11.4 Managers shall produce the final version of all contracts in 2 copies and present both to the Authorised Officer for signature. Once signed by the contractor, the signed contract, all original documents, including specifications, drawings, tender documents and correspondence relating to a contract exceeding a total value of £50,000 shall be forwarded by the **Monitoring Officer**. Where the total value of the contract is less than £50,000 the relevant

Manager shall make arrangements for the retention of all the original documentation.

11.5 Managers shall maintain a record (in the form detailed in the Procurement Protocols & Guidance) for their area of each contract or agreement (both written and verbal agreements).

11.6 Managers shall include the specific T&Cs listed in the Procurement Protocols & Guidance in all contracts. Where a Manager considers a term or condition inappropriate they shall seek advice of the **Monitoring Officer** on the modification or deletion of the term or condition.

12. LETTERS OF INTENT

12.1 Letters of intent provide a contractor with the authority to proceed prior to the award of a contract. However, letters of intent have two main disadvantages:-

- (a) if the contract is not awarded the contractor is entitled to payment regardless as to whether the work was actually needed;
- (b) the Council's negotiating position is weakened as the contractor may believe actual award of contract is a formality and therefore, the contractor may refuse to accept conditions that are seen as disadvantageous.

12.2 Managers shall ensure that:-

- (a) all letters of intent are in a form approved by **Monitoring Officer**; and
- (b) all letters of intent are signed by an Authorised Officer with sufficient authority for either the value of the intended contract or the estimated value of any 'extension' period defined in the letter of intent.

13. POST-COMPETITION DEBRIEFS

13.1 For all contracts greater than **£10,000**, Managers shall maintain records of selection and evaluation scoring and where requested by participating suppliers, provide a suitable post-tender debrief **in writing**. For contracts greater than **£50,000**, **unsuccessful tenderers shall be advised in writing of the winning supplier, the value of the contract awarded and the strengths and weaknesses of their tender** and the advice of the Procurement Manager shall be sought on the format and scope of the debrief

14. LOCAL GOVERNMENT ACT – COMMUNITY RIGHT TO CHALLENGE

14.1 The Local Government act permits relevant bodies (charities, community bodies, town & parish councils and staff) to submit Expressions of Interest to provide Council services. The Procurement Manager shall maintain and publish a timetable for the submission of Expressions of Interest. All Expressions of Interest received from relevant bodies should be forwarded to the Information and Research Officer.

15. RETENTION OF DOCUMENTS

15.1 Managers shall ensure that every contract or quotation is assigned the Unique Reference Number (URN) from the Contract Register, which is to be used in all correspondence. Any Division or reference may be included in addition to the URN shall comprise abbreviation for the Division and year. Formal amendments to a contract or order should also be given unique numbers showing the order in Which the amendments were made.

- 15.2 Documentation retention periods are dictated by the Statute of Limitations and (where applicable) EU requirements. The following rules apply:-
- (a) retention for 12 years from the date of completion of the contract for contracts made under deed;
 - (b) retention for 6 years from the date of completion of the contract:-
 - ◆ Contract Documents
 - ◆ Hire/Rental Agreements
 - ◆ Successful Tenders
 - ◆ Summary of Tender Opening
 - ◆ Disposal Board papers
 - ◆ All selection and evaluation scoring and reports
 - ◆ Goods Received Notes
 - ◆ HM Customs and Excise Import documentation
 - ◆ Invitations to Tender/Quotation Requests
 - ◆ Maintenance/Software licence agreements
 - ◆ Specifications
 - ◆ Successful Quotations
 - ◆ Suppliers' Advice Notes;
 - (c) retention for 3 years after the last entry:-
 - ◆ Stock and Purchase Record Cards or Registers
 - (d) retention for 2 years after the financial year to which the document relates:-
 - ◆ Unsuccessful Quotations.
 - ◆ Unsuccessful Tenders.

16. FREEDOM OF INFORMATION ACT 2000 (FOIA)

- 16.1 Managers shall ensure that the handling of requests for procurement information complies with the detailed guidance published as Procurement Protocols & Procedures and the general FOIA guidance published by the Council's Freedom of Information Officer.

17. CONSULTANTS

- 17.1 It shall be a condition of the engagement of any consultant, agent or professional adviser who is to be responsible to the Council for the management or supervision of a contract on its behalf, that in relation to that contract he shall -
- ◆ comply with this Code as though he were an employee of the Council;
 - ◆ at any time during the carrying out of the contract produce to the appropriate Manager, on request, all the records maintained by him in relation to the contract; and
 - ◆ on completion of the contract transmit all records that he has produced or received that relate to the contract to the appropriate Manager.
 - ◆ **that the terms and conditions of their contract indemnifies the Council against any costs arising from the consultant being classified an 'employee' under Inland Revenue rules.**
- 17.2 The Manager responsible for appointing any consultant, agent or professional adviser under paragraph 17.1 shall provide them with a copy of this Code.

18. PROCUREMENT TRAINING

- 18.1 The Procurement Manger shall create, maintain and arrange the delivery of training for Officers undertaking procurement duties.
- 18.2 Managers shall ensure that all Officers routinely undertaking purchasing or procurement duties where the gross value of the procurement is £10,000 or more shall have undertaken appropriate training.
- 18.3 LGSS HR and Payroll Services shall arrange to record the details of staff that have completed suitable procurement training.

1. FINANCIAL RESPONSIBILITIES

1.1 General

Before any proposal that affects the Council's financial position is made the body or person(s) responsible for making that decision, or for making a recommendation to that body or person(s), shall consider a written report, approved by the **Chief Financial Officer**, detailing the financial implications.

1.2 The Council

Will:

- ◆ determine the Council's Financial Strategy and Medium Term Financial Plan (MTP), approve the annual budget and set the level of the council tax.
- ◆ approve the Council's Treasury Management Strategy and Prudential Indicators.
- ◆ approve changes to this Code.

1.3 The Corporate Governance Panel

Will:

- ◆ ensure that the financial management of the Council is adequate and effective.
- ◆ ensure that the Council has a sound system of internal control including arrangements for the management of risk.
- ◆ consider the Council's Code of Corporate Governance and approve the annual statement.
- ◆ approve the internal audit charter and the annual internal audit plan and comment on the external audit plan.
- ◆ approve the Council's final accounts before publication.
- ◆ consider reports from the external auditor.
- ◆ recommend changes to this Code to the Council.

1.4 The Cabinet

Will:

- ◆ propose to the Council:
 - the Financial Strategy
 - the MTP
 - the annual budget and council tax level
 - a combined annual report including the Treasury Management Strategy, Treasury Management Policy and Prudential Indicators,

after considering the views of the appropriate Overview and Scrutiny Panel and representatives of the business community.
- ◆ set financial priorities, allocate and re-allocate resources in accordance with the limits in this Code, monitor and review financial performance.

1.5 **Overview and Scrutiny Panels**

Will contribute to the development of, and review the effectiveness of, the Council's Financial Strategy, MTP, Treasury Management and annual budget.

1.6 **Cabinet, Panels and Working Groups**

Will ensure that all decisions within their remit are made within the resources allocated within relevant budgets and are consistent with achieving the Council's objectives. If they wish to make proposals that will require additional resources, these will need to be subject to Officers, the Cabinet or the Council making these available in accordance with this Code.

1.7 **Members and Employees**

Will contribute to the general stewardship, integrity and confidence in the Council's financial affairs and comply with this Code and any systems, procedures, or policies relating to the financial management of the Council.

Specifically, they shall bring to the attention of the **Chief Financial Officer** any act or omission that is contrary to the provisions of this Code or the maintenance of high standards of financial probity, and provide information or explanation on matters within their responsibility to him/her, the Monitoring Officer, Internal Audit Service or the Council's external auditors.

Any member or employee who is involved in a transaction with the Council, or who has an **interest** in a transaction between a third party and the Council, shall declare the nature and amount to the Council's Monitoring Officer before any decision on the matter is made by the Council. The Monitoring Officer will advise the member or employee of any actions they should or must take.

*For the purpose of this section an **interest** also includes any interest of a member of your family or a close associate or acquaintance. This shall be interpreted as anyone whom a reasonable member of the public might think you would be prepared to favour or disadvantage.*

1.8 **The Monitoring Officer** or, in his/her absence, the Deputy Monitoring Officer

Will report to the Council on any proposal, decision or omission that in his/her view is likely to result in the contravention of the law or any code of practice enacted under it, fails to comply with a legal duty, represents maladministration or is unjust, in accordance with section 5 of the Local Government and Housing Act 1989.

For these purposes he/she shall have full and unrestricted access to all Council assets, systems, documents, information, employees and Members.

1.10 The **Chief Financial Officer** or, in his/her absence, the **Deputy Chief Financial Officer**.

Will be responsible for the proper administration of the Council's financial affairs, prescribe appropriate financial systems, protocols, procedures and policies, maintain an internal audit service and report to the Council in the event of a decision or action leading to unlawful expenditure, a loss or deficiency or an unlawful accounting entry (in accordance with section 151 of the Local Government Act 1972, section 114 of the Local Government Act 1988 and the Accounts and Audit Regulations).

Will be responsible for ensuring the final accounts are completed and published by the statutory dates and reporting the details of any material amendments specified by the external auditor to the Corporate Governance Panel.

For these purposes he/she shall have full and unrestricted access to all Council assets, systems, documents, information, employees and Members.

1.11 **The Deputy Chief Financial Officer** will be responsible for detailed and operational aspects of the administration of the Council's financial affairs on behalf of the **Chief Financial Officer**, approving new financial systems and undertaking such duties as are set out in this Code.

1.12 **Budget Managers (Corporate Office Manager, Service Managers, Heads of Service, Assistant Directors and Managing Director)**

The Council's management structure is based on Service Managers, Heads of Service, the Managing Director and the Corporate Office Manager taking responsibility for a service and its related budget. For the purpose of this Code they are referred to as Budget Managers. Whilst they retain ultimate responsibility they will often delegate appropriate tasks to their employees.

The Budget Manager responsible for a budget:

- ◆ will be responsible for proper financial and resource management and the prevention of fraud and corruption within the services and functions under their control.
- ◆ will be responsible for informing the Internal Audit & Risk Manager of all suspected or notified cases of fraud, corruption or impropriety
- ◆ may incur financial commitments and liabilities in accordance with this Code, the Council's Scheme of Delegation and resources allocated in budgets that have been released subject to Annex B. In particular they may make purchases of goods and services, subject to the requirements of the Code of Procurement, and employ staff, in accordance with HR policies and any COMT requirements. Annex B deals with the implications of the turnover contingency and includes the requirement that, when an employee leaves, they will determine whether:
 - the post is kept vacant for a period before a decision is made,
 - the post can be deleted,
 - a restructuring should be proposed,
 - joint working with another body should be considered
 - the post should be filled at the end of a defined period,
 - it should be filled as soon as possible,
 - it should be filled as soon as possible and temporary employees or consultants are engaged to provide cover in the meantime.
- ◆ will be responsible for regular and effective monitoring and forecasting of the financial position relating to their services.
- ◆ will determine the inherent risks, within their services, to the achievement of the Council's priorities and establish, maintain and document adequate systems of risk management and internal control, in consultation with the Internal Audit Service, and ensure that relevant employees or Members are familiar with such systems.

- ◆ will be responsible for providing in a timely manner, the information necessary to ensure that the final accounts can be completed by the statutory deadlines.
- ◆ will be responsible for annually reviewing their services to identify any aspects where surplus capacity could be utilised to reduce the net cost of the Council's services. All identified opportunities shall be introduced unless Cabinet or both the Executive Councillor for Finance and of the relevant service consider it would not be appropriate.
- ◆ will be responsible for seeking improvements in the efficiency of their services.
- ◆ will be responsible for identifying opportunities and then bidding for grants or contributions from other bodies to support the achievement of the Council objectives through their services.
- ◆ will be responsible for maximising the income from fees and charges relating to their service in accordance with Annex C.

1.13 **Internal Audit**

Will be responsible for providing an independent and objective opinion on internal control, risk management and governance systems. It will act in accordance with the internal audit charter and undertake reviews that focus on areas of greatest risk to the Council's control environment as contained within a programme agreed annually by the Corporate Governance Panel after consultation with the **Chief Financial Officer** and Budget Managers.

For these purposes internal audit shall have free, full and unrestricted access to services and functions and all Council assets, systems, documents, information, employees and Members. All employees are required to assist internal audit to carry out its role.

2. **FINANCIAL AND SERVICE PLANNING**

2.1 **In the Summer - Overall Review**

The Cabinet shall review the financial performance of the Council in the previous year, compared with the annual budget, on the basis of a report prepared by the **Deputy Chief Financial Officer** in conjunction with Budget Managers.

2.2 **In the Autumn - Financial Strategy**

The Cabinet, after consultation with the relevant Overview and Scrutiny Panel and any appropriate organisations or bodies, shall recommend to the Council a Financial Strategy which will be used to determine the overall financial limits within which the annual budget and MTP will be prepared.

2.3 **In the Winter - Annual Budget and MTP**

The Cabinet shall, after consultation with the relevant Overview and Scrutiny Panel, recommend to the Council an annual budget for the next financial year and a MTP for the succeeding four years, incorporating both capital and revenue expenditure, which is consistent with corporate and service strategies and the Financial Strategy. This budget will include the allocation of resources to individual services and capital projects.

2.4 In the Spring - Service Financial Plans

Following approval of the annual budget each Budget Manager shall update their Service Plan(s) to reflect the approved budget and how the resources allocated will be used to meet service objectives in the forthcoming year.

3. CONTROLLING FINANCIAL PLANS

3.1 Financial Monitoring

Budget Managers will be responsible for regular and effective monitoring and forecasting of the financial position relating to their services. Where it is identified that there will be a significant overspend, this will be promptly reported to the Chief Financial Officer by the Budget Manager. If it is considered necessary by the Chief Financial Officer, the Budget Manager may have to report directly to the Chief Officers' Management Team.

The Chief Officers' Management Team will review, on a monthly basis, the Financial Performance Monitoring Suite (FPMS). The FPMS will include the following:

- ◆ Headline summary of financial performance.
- ◆ Financial Performance Summary (including impact on reserves).
- ◆ Head of Service Corporate Budget Monitoring report for the current year.
- ◆ MTP Savings Forecast for the current year.
- ◆ Pre-achievement of future years savings target report.
- ◆ Financial Dashboard

The FPMS will:

- ◆ be prepared by the Deputy Chief Financial Officer, in consultation with each Budget Manager.
- ◆ Be reported to Cabinet on a monthly basis, starting from July each financial year.

Heads of Service will ensure that relevant Executive Councillors are regularly informed of the progress in delivering approved MTP schemes.

The Deputy Chief Financial Officer will produce and circulate to all members, starting in July of each financial year, a Financial Dashboard. The Financial Dashboard is a high-level financial reporting tool and will include the following for the current financial year:

- ◆ Forecast Revenue Income and Expenditure analysis, including a subjective analysis of gross expenditure.
- ◆ Forecast Capital gross and net income and expenditure, including how the budget has changed from month-to-month and how the capital programme is to be financed.
- ◆ Analysis of Sundry Debtors, including an indication of changes in the Bad Debt Provision.
- ◆ Forecast on the net cost of the Council Tax Support Scheme.
- ◆ Forecast collection of Non-Domestic Rates and Council Tax.
- ◆ Achievement of New Homes Bonus.

3.2 Commitments to Expenditure in Future Years

No new commitment to expenditure beyond the current budget year may be made unless it;

- ◆ is consistent with the achievement of the Council's objectives and other relevant Strategies, **and**
- ◆ is compatible with the Council's MTP and Financial Strategy, **and, either**
- ◆ can be met from within currently approved and released resources. This includes budget transfers in accordance with section 3.6 below, **or**
- ◆ is funded from savings. These must be defined, permanent and not already earmarked for the achievement of the Council's savings targets. This includes any savings identified in accordance with section 3.5 below.

If the Budget Manager has any concerns about their proposal meeting these requirements they must consult the **Deputy Chief Financial Officer**.

3.3 Grants, Cost Sharing and S106/CIL agreements

Where a Budget Manager proposes to take advantage of grants from other organisations, or some other form of cost sharing, whereby they will be able to deliver additional or improved services, consistent with their Service Plan, without creating any current or future commitment to additional net expenditure they may do so subject to:

- ◆ the funds being dependent upon a particular project or service being provided but, in the case of S106/CIL agreements, the location or some other aspect is at the Council's discretion.
- ◆ informing the **Deputy Chief Financial Officer** of the details
- ◆ consulting the relevant Executive Councillor(s) if the proposal exceeds £30,000 revenue or £50,000 capital in any one year or on any discretionary element of a S106/CIL sum.

A Budget Manager may utilise sums of money received under S106/CIL, or equivalent, agreements where there is no discretion. The **Deputy Chief Financial Officer** should be informed of the details. The Budget Manager must also supply the **Deputy Chief Financial Officer** with:

- ◆ A copy of all information that supports the grants received (grant letter etc) so a decision can be made in respect of the correct accounting treatment.
- ◆ Documentation confirming how they plan to meet any grant conditions.

3.4 Approvals for additional spending with a net impact

The Managing Director, or in his absence, the **Chief Financial Officer**, may incur expenditure for the immediate alleviation of hardship or suffering in the case of peacetime emergency in the District. Any exercise of this power must be reported to the Cabinet (under £350,000) or the Council (over £350,000) at the first opportunity.

The Managing Director, or in his absence, the **Chief Financial Officer**, may incur expenditure of up to £350,000 for any purpose which is urgent and demonstrably in the Council's best interests to do so following consultation

with the Executive Leader or Deputy Executive Leader. Any exercise of this power must be reported to the Cabinet at the first opportunity.

Proposals for increases to the total allocated to a budget in the current year (Supplementary Estimates) and their impact in future years may be approved by the Cabinet subject to the revenue impact not exceeding £350,000 in aggregate in any financial year. Once such approvals have been reported to Council the Cabinet's limit will be re-set. A transfer of a sum from capital to revenue will have a revenue impact and so will count as a request for additional spending.

In all other cases the approval of the Council will be required.

3.5 Approvals for additional spending with compensating savings

Proposals that require initial funding but will then result in net surpluses or savings that are at least sufficient to produce a break-even position will be supported in principle if they are:

- ◆ consistent with increasing the achievement of the Council's objectives and compatible with relevant Strategies.
- ◆ achievable within the Council's Financial Strategy.
- ◆ supported by a robust business case which includes a risk assessment.
- ◆ supported by the Chief Officers' Management Team.

The **Chief Financial Officer** may approve such a scheme following consultation with the relevant Executive Councillor for the service and the Executive Councillor for Resources. The relevant budget(s) and MTP will be appropriately adjusted.

3.6 Budget Transfers

Each Budget Manager will have responsibility for some or all of the following types of budget which are defined by the grey highlighted lines in the "Controllable Budget" Annex to the approved budget and MTP.

- ◆ **Service Revenue Budgets**
These budgets include the direct controllable costs of providing the particular service to the public and are shown in the controllable budget annex when the budget is approved. They do not include any revenue impact of capital funding or recharges from any Management Units or Overhead Budgets.
- ◆ **Capital Scheme Budgets**
These provide the funding to complete a defined capital project and may include provision for some recharges from Management Units and Overhead Budgets to cover project management and design fees where these are carried out internally.
- ◆ **Management Unit Budgets**
Management Unit budgets collect together the employment and ancillary costs of those employees who carry out or support the Council's services. In some cases, where the employees are only involved in providing a single service they may be included under the relevant Service Revenue budget.
- ◆ **Overhead Budgets**
Overhead budgets collect together the direct costs of certain overheads which support the delivery of services. e.g. office costs.
- ◆ **Technical Budgets**

These budgets will be the responsibility of the Deputy Responsible Finance Officer. These include items such as borrowing and investment interest, unallocated contingencies and the Minimum Revenue Provision. They will not be available for transfer to other budgets except in meeting the specific purpose for which they were established.

Whilst most budgets will reflect a net cost, some will identify an expected surplus.

The transfer of resources within, or between, any of the types of budgets is supported in principle when it will make it more likely that the Council will achieve its service objectives and targets or enhance value for money. There do, however, need to be some limitations for effective financial management and to ensure that Executive Councillors, Cabinet and Council are aware of, and involved in, the more significant changes or where there is a financial implication.

The limitations fall into three categories. The first relates to Technical Budgets and recharges and Annex A details the budget transfers that will not be permitted in relation to them. The second relates to budgets for pay, national insurance and pension contributions and Annex B explains why and how budget transfers relating to these items are limited. Finally, the required involvement of Members is defined below.

The Budget Manager may approve a budget transfer within and between the budgets they are responsible for providing it is:

- ◆ Consistent with increasing, or at least maintaining the achievement of service objectives and compatible with the Council's Financial and other relevant Strategies.
- ◆ Not to or from a Technical Budget or from a pay, NI or pension contributions budget unless permitted by Annexes A or B.
- ◆ Not from capital to revenue.
- ◆ Notified to the Deputy Chief Financial Officer
- ◆ Within the following limits if between budgets (there shall be no financial limits within a budget):
 - Revenue to revenue £75k
 - Revenue to capital £75k
 - Capital to capital £75k

The **Chief Officers' Management Team** may, subject to the same criteria, except for the enhanced limits shown below, approve budget transfers between any budgets:

- Revenue to revenue £150k
- Revenue to capital £150k
- Capital to capital £150k

Cabinet may approve budget transfers of up to:

- Revenue to revenue £350k
- Revenue to capital £350k
- Capital to capital £350k

In all cases, any previous transfers in the same financial year relating to those budgets shall be aggregated for determining whether the limit has been

exceeded, however once the impact of any approval has been included in a relevant financial report to Council, the relevant limit will be re-set.

In all other cases the approval of the Council will be required.

3.7 Re-phasing of Expenditure

The re-phasing of expenditure and consequent transfer of budget between years may be made by the **Chief Financial Officer** following a request from a Budget Manager, providing that it is consistent with service objectives and compatible with the Council's Financial and other relevant Strategies. Revenue expenditure will only, normally, be rephased to later years if it relates to a specific project with identified funding in the current year that has been delayed for reasons outside of the control of the relevant Budget Manager. The amount is further limited by the net under spending on that Budget Manager's relevant budget(s) in the current year.

3.8 Price Base Changes

Allocation to individual Budgets of any provision for inflation or other purposes will be determined by the **Deputy Chief Financial Officer**.

3.9 Project Appraisals

All proposals for changes to the MTP will require an explanatory appraisal, unless the **Deputy Chief Financial Officer** considers that the item is of a technical nature. Appraisals for new and modified schemes will be made available to Members, via the Council's intranet, by the date on which the related reports are circulated.

4. CASH AND CREDIT MANAGEMENT

4.1 Banking

The **Chief Financial Officer** is responsible for all Council banking arrangements and shall maintain an account(s) with an appropriate bank(s) as defined in the Treasury Management Strategy. All transactions involving income or expenditure shall be dealt with through the Council's bank account(s).

4.2 Income

All employees receiving money (including cash, cheques, credit card payments etc.) must comply with the relevant procedures issued by the Head of Customer Services to ensure that the sums are properly recorded, receipted and banked.

No cash payment in excess of £1,000 will be accepted.

The Head of Customer Services will manage the Council Tax and Non-Domestic Rating collection service on behalf of the Council; including the billing and debt recovery procedures.

The **Deputy Chief Financial Officer** shall manage a sundry debt collection service on behalf of the Council and all sums due must be registered by raising an invoice on the Council's Financial Management System or some other system or procedure approved by the **Deputy Chief Financial Officer**.

All Budget Holders are required to ensure that:

- ◆ Invoices are raised promptly
- ◆ The income team are advised promptly of any required invoice adjustments
- ◆ Invoice queries are answered promptly
- ◆ The income team are informed of any information that may affect the recovery of any invoiced sums
- ◆ They periodically consider, in liaison with the income team, whether there would be a more effective or efficient way of collecting sums due (e.g. cash in advance).

4.3 Treasury Management

All Treasury Management activities will be undertaken in accordance with the Council's annual Treasury Management Strategy, which includes its policies, objectives, approach to risk management and its prudential indicators. The Strategy will comply with the Code of Practice for Treasury Management and the Prudential Code for Capital Finance, both published by the Chartered Institute of Public Finance and Accountancy (CIPFA), and reflect any published Government advice.

The Council shall have overall responsibility for Treasury Management and will formally approve the annual Treasury Management Strategy and receive an annual and mid-year report on treasury management activities.

The Cabinet will be responsible for the implementation and regular monitoring of treasury management activity. The Treasury Management Advisory Group will include:

- ◆ the Executive and Deputy Leaders, the Executive Councillor responsible for resources and the Chairman of the Overview and Scrutiny (Economic Well-being) Panel. Other members can be co-opted onto the group at the discretion of the Executive Leader.
- ◆ The Managing Director, the Chief Financial Officer and the Deputy Chief Financial Officer. Other officers can be co-opted onto the group at the discretion of the Managing Director or the Chief Financial Officer.

The Overview and Scrutiny (Economic Well-being) Panel will be responsible for the scrutiny of treasury management.

The execution and administration of treasury management is delegated to the Deputy Chief Financial Officer who will establish treasury management practices for the operation of the function which will ensure compliance with the Strategy and create appropriate systems of monitoring and control.

4.4 Payments

All payments must be made either:

- ◆ through the Council's purchase ledger system, with payments being made direct to the supplier's bank account wherever this is practicable.
- ◆ by corporate card or procurement card
- ◆ by direct debits or standing orders

- ◆ by some other system specifically approved by the Deputy Chief Financial Officer.

in each case complying fully with the relevant procedures for that system (e.g. appropriate authorisation), particularly the requirement to obtain official VAT receipts, as determined by the Deputy Chief Financial Officer.

5. ACCOUNTING PROCEDURES

5.1 The Council will follow the best practice guidance contained in the Accounting Code of Practice and other relevant publications produced by CIPFA in the preparation and maintenance of its accounts.

5.2 Annual Financial Report

The Annual Financial Report (formerly the Statement of Accounts) shall be presented to the Corporate Governance Panel for approval within the prescribed statutory timescale.

5.3 Records

Each Budget Manager is responsible for maintaining records of financial transactions and commitments and employee time, in forms agreed with the Deputy Chief Financial Officer, and for ensuring that all financial transactions are properly recorded in the appropriate financial period and to an appropriate account within the Council's Financial Management System. Each Budget Manager is responsible for ensuring that the Financial Management System is used only by authorised individuals and for proper council purposes.

In respect of all contractual payments where the contract was required to be recorded on the Contracts Register in accordance with paragraph 3.1 of the Code of Procurement, the Budget Manager shall ensure that all invoices or payment records authorised for payment shall include in the 'Our Reference' field in Council's Financial Management System (efinancials), the unique Contract Register reference. This number shall be in the same format/style as allocated by the Contract Register.

5.4 Retention of Documents

Documents required for the verification of accounts, including invoices, shall be retained in a retrievable format for any statutory period, or otherwise for six years or such other time that is specified by the Deputy Chief Financial Officer.

5.5 Contingent Assets and Liabilities

Any Officer who is aware of a material and outstanding contingent asset or liability shall notify the Deputy Chief Financial Officer, who shall include details in the Council's accounts or in a Letter of Representation to be presented to the Council's external auditors in respect of those accounts.

5.6 Stock

The Deputy Chief Financial Officer shall determine, after consultation with the relevant Budget Manager, when Stock accounts shall be maintained. This will normally be where the value of the items are significant or the items are considered to be vulnerable to loss or theft.

In such cases the relevant Budget Manager shall ensure that a certified stock-take is carried out in the last week of March each year, and that records of receipt and issue of all stock are maintained throughout the year in a manner agreed with the Deputy Chief Financial Officer.

5.7 Insurance

The Internal Audit Manager shall obtain insurance to protect the Council or minimise its potential losses from risks including those to employees, property, equipment and cash. Any decision not to insure significant risks must be based on a detailed risk assessment.

5.8 Write-off of Irrecoverable Debts

The Head of Customer Services, or in his/her absence the Deputy Chief Financial Officer, is authorised to write-off debts with an individual value of up to £5,000, or of a greater amount after consultation with the Executive Councillor responsible for resources, having taken appropriate steps to satisfy himself/herself that the debts are irrecoverable or cannot be recovered without incurring disproportionate costs.

A summary report of debts written-off shall be submitted to the Cabinet quarterly.

5.9 Accounts Closure, Accounting Accruals and Estimates

The Annual Financial Report will be produced in line with both statutory regulations and relevant Codes of Practice.

The Deputy Chief Financial Officer will ensure that there is appropriate liaison with service teams prior to closure, including the hosting of relevant training and the issue of closure guidance and timetables. The accruals de-minimis limits will be adhered to by all services, and where estimated accruals are to be issued they are to be supported by accurate calculation. Other accounting estimates will be calculated by accountancy staff in line with professional advice.

Provisions, either for Bad Debts or other purposes will be calculated in line with the guidelines approved by the Deputy Chief Financial Officer. Earmarked reserves can only be established with the agreement of the Chief Financial Officer.

6. ASSETS (Capital)

6.1 Definition

An asset is an item of land, building, road or other infrastructure, vehicle or plant, equipment, furniture and fittings or information and communications technology, (hardware and software) with a life exceeding one year.

6.2 Control of Assets

Each Budget Manager is responsible for ensuring that the assets relating to their services are properly safeguarded, managed and maintained, and used only to achieve the Council's objectives. This will include establishing and maintaining appropriate security, control systems and records. They will need to consult relevant officers in relation to specialist items and, where vehicles

are concerned, the officer holding the Council's Operating Certificate who has specific statutory responsibilities.

Heads of Service must keep up to date records so a physical verification of all capital assets, and their condition, is possible.

6.3 Acquisition

The purchase of assets has to be in line with the requirements of "Best Value" and should be acquired in a similar way as goods and services are acquired (see the Code of Procurement). Heads of Service:

- ◆ should follow advice from relevant specialist colleagues in appropriate cases e.g. IMD, vehicle management, legal, procurement,
- ◆ must have received approval from the Capital and Treasury Strategy Group that the disposal of the asset is agreed.

The relevant Budget Manager shall inform the Deputy Chief Financial Officer within 10 working days of the acquisition of an asset which meets the definition for capital expenditure:

- ◆ Plant and vehicles over £10k
- ◆ other individual items over £10k
- ◆ aggregations of similar articles amounting to £10k e.g. wheelie bins

6.4 Disposal

The disposal of assets has to be in line with the requirements of "Best Value" and should be disposed of in a similar way as goods and services are acquired (see the Code of Procurement). Heads of Service:

- ◆ should follow advice from relevant specialist colleagues in appropriate cases e.g. IMD, vehicle management, legal, procurement,
- ◆ must have received approval from the Capital and Treasury Strategy Group that the disposal of the asset is agreed.

Once the asset is disposed of, the relevant Budget Manager will inform the Deputy Chief Financial Officer within 10 working days of any disposal of an asset included in the Asset Register.

6.5 Capital Expenditure

The purchase or improvement of any asset will normally be treated as capital expenditure. However, expenditure of less than £10,000 will not normally be treated as capital expenditure unless the Deputy Chief Financial Officer considers it is in the Council's interests to do so.

6.6 Leases

Finance and operating leases are to be used only if they are in the Council's financial interest and with the prior formal approval of the Deputy Chief Financial Officer.

6.7 Valuations

In order to comply with accounting requirements assets will need to be revalued at regular intervals. A three year “phased” revaluation programme will be followed, other than for:

- ◆ those assets that are categorised as “investment” properties (e.g. industrial units), which must be revalued every year, or
- ◆ where, following significant capital investment or disinvestment in an asset within an asset group, whereby the whole asset group will be revalued.

All capital asset revaluations for the Annual Financial Report will be obtained by the Deputy Chief Financial Officer.

TECHNICAL BUDGETS

The following budgets cannot be reduced by officers in order to permit extra expenditure on another budget except where this is part of the specific purpose for which they were established.

- ◆ Any contingency, unless it complies with the approved rules for the use of that contingency or is an adjustment to reflect the technical application of the contingency (e.g. allocation of inflation from an inflation contingency)
- ◆ Capital charges
- ◆ Minimum Revenue Provision
- ◆ Pension Liabilities (as opposed to pension contributions)
- ◆ Interest paid
- ◆ Interest received
- ◆ Recharges

Annex B

BUDGETS FOR PAY (Pay is deemed to include NI and Pension Contributions for the purpose of this annex)

1. The Councils pay budget represents the approved establishment of the Council. For each given year, the pay budget will be net of approved pay savings.
2. In any given year it is unlikely that the Council will exactly meet its pay budget; this could be due to a range of reasons; including delayed recruitment, new starters starting on lower spinal points or natural gaps in the recruitment process.
3. Obviously it is unlikely that each pay budget will be equally affected in any particular year and therefore, to simplify budget monitoring, each pay budget includes 100% of employee costs. Through ongoing budget monitoring, where savings are identified that are in excess of previously approved MTP savings, pay budgets will be reduced and the saving transferred to meet any MTP approved unallocated savings. It is expected that Budget Managers will be robust in their approach to staff budgets and where savings are identified, they will be expected to be given up.
4. Therefore the use of savings, virements or rephasing relating to a pay budgets, whether temporary or permanent, will not be permitted.

Employees Leaving

5. In order to maximise the likelihood of achieving this saving a Budget Manager must, whenever an employee gives their notice, determine whether:
 - a. the post is kept vacant for a period before a decision is made,
 - b. the post can be deleted,
 - c. a restructuring should be proposed,
 - d. joint working with another body should be considered
 - e. the post should be filled at the end of a defined period,
 - f. it should be filled as soon as possible,
 - g. it should be filled as soon as possible and temporary employees or consultants are engaged to provide cover in the meantime.
6. In deciding on which option to take the Budget Manager should take appropriate HR and financial advice. The decision must include consideration of any need for temporary or permanent regradings, acting up allowances, honoraria, employees or consultants.
7. Budget Managers will also need to liaise with HR to arrange recruitment advertising and ensure that the recruitment arrangements comply with the process agreed by the Employment Panel.

Exceptions

8. If the Budget Manager can demonstrate the **critical** nature of maintaining immediate service cover in certain key work areas then the requirements of paragraph 4 above will not apply and the saving/budget reduction may be reduced or nil. Examples where this might apply would be if vacancies would result in insufficient employees with the necessary abilities or skills to run refuse rounds or to safely open swimming pools. This is conditional upon agency, or equivalent employees, being available with the necessary skills and/or abilities.

9. If the Budget Manager can demonstrate that a critical backlog of work has developed from continuing vacancies such that the service to the public is seriously compromised or net additional costs would become unavoidable the saving/budget reduction may be reduced. Examples where this might apply would be dealing with benefit applications or collecting council tax income. This is conditional upon agency, or equivalent employees, being available with the necessary skills and/or abilities.

MAXIMISING INCOME FROM FEES AND CHARGES

The Budget Manager responsible for a budget shall:

- ◆ annually review their services to identify any aspects that are not currently, but could be charged for. Charges for such aspects shall be introduced unless Cabinet **or** both the Executive Councillor for Resources and of the relevant service consider it would not be appropriate.
- ◆ review fees and charges and introduce any resulting changes at least annually, after consultation with the relevant Executive Councillor(s) unless there is a formal requirement for the charges to be determined by Cabinet or a Panel. In doing so, they:
 - shall ensure that relevant legislation that specifies the charges to be made or constrains them in any way is complied with.
 - shall, after having regard to the charges of any alternative service providers with whom the Council is competing, seek to maximise income, net of applicable costs, unless it will have a clearly detrimental impact on the achievement of the Council objectives.
 - may introduce differential pricing to particular client groups where these are expected to stimulate demand and generate additional net income which would otherwise not be obtained.
 - may set prices lower than could be reasonably achieved if this is demonstrably the most cost effective way of achieving Council objectives and the necessary funding is available. Use of this option requires approval of Cabinet **or** both the Executive Councillor for Finance and of the relevant service.
 - may set fees and charges that allow an element of discretion if it can be demonstrated that this will lead to an overall benefit to the Council. It is important that any use of discretion is recorded so that it can be clearly shown that decisions have been made fairly and consistently.
 - shall keep appropriate records to demonstrate that the required actions have been undertaken and how the decisions were reached.