

PART 4

Rules of Procedure

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SECTION A – Council Rules of Procedure (Standing Orders)

Issued: July 2002; Revised December 2007

Introduction

The purpose of these rules (Standing Orders) is to regulate the Proceedings and Business of the Council, Committees, Sub Committees and Advisory Panels of the Borough of Epsom and Ewell to ensure that the Council's business is carried out honestly, fairly and efficiently. They should be used to guide Members towards making the right decisions, not to make debating points or unreasonably to obstruct business.

(a) Relating to Procedures of the Council

1 Meetings of the Council

- 1.1 The meetings of the Council shall normally be held at the Town Hall, The Parade, Epsom.
- 1.2 At least five clear working days before a meeting of the Council a summons to attend the meeting in the name of the Head of Legal and Democratic Services together with an agenda specifying the business to be transacted and any reports for consideration shall be delivered to the usual place of residence (or such other address as the member may specify) of every member of the Council, provided that want of service of the summons shall not affect the validity of the meeting.
- 1.3 All meetings of the Council shall start at 1930 hours unless otherwise stated on the Summons.
- 1.4 An extraordinary meeting of the Council may be called at any time by the Mayor or the Head of Legal and Democratic Services.
- 1.5 The Mayor may, after consultation with the Chairman/Leaders of all groups represented on the Council, cancel a scheduled meeting of the Council if he/she is satisfied that there is insufficient business and that no-one will be prejudiced by leaving any item to the next meeting.
- 1.6 Five members may send to the Mayor a signed request for an Extraordinary Meeting of the Council. If after receiving such a request the Mayor does not, within 5 working days, call an Extraordinary Meeting then any five members have a statutory right immediately to require the Head of Legal and Democratic Services to call an Extraordinary Meeting. In either case, the meeting shall be held within three weeks (fifteen working days) of the request being made.
- 1.7 No business may be transacted at a meeting of the Council unless at least one third of the Members of the Council are present.
- 1.8 If the Mayor is present he/she shall preside at meetings of the Council unless he/she has declared an interest in the matter under discussion. Any power or duty assigned to the Mayor in relation to the conduct of a Council meeting may be exercised by the Deputy Mayor or other person presiding at the meeting.

2 Public Access

- 2.1 Public access will be granted in accordance with the Rules set out in Part 4 of the Council's Constitution.

3 Order of Business

- 3.1 Except where the Council on the grounds of urgency varies the order of business in accordance with SO 3.5, the order of business at every meeting of the Council other than at the Annual Meeting shall be:-
- 3.1.1 To choose a person to preside if the Mayor is absent;
 - 3.1.2 To approve as a true record the Minutes of the last meeting of the Council, a copy of which shall be circulated to each Member not later than the date of issue of the summons to attend the meeting, subject only to SO 7.2;
 - 3.1.3 To deal with business expressly required by statute to be done;
 - 3.1.4 To receive Declarations of Personal and Prejudicial Interests from Members in respect of any item to be considered at the meeting;
 - 3.1.5 To receive such communications or deal with such business as the Mayor may wish to lay before the Council;
 - 3.1.6 To answer questions asked pursuant to SO 6;
 - 3.1.7 To dispose of business (if any) remaining from the last meeting;
 - 3.1.8 To receive, consider and, where appropriate, adopt reports, recommendations or Minutes of Committees, Sub-Committees and Advisory Panels;
 - 3.1.9 To receive and consider reports from the Chief Executive as Head of the Paid Service or from the Monitoring Officer or from the Director of Finance as Chief Finance Officer;
 - 3.1.10 To authorise the sealing of documents when the Council's specific authority is required;
 - 3.1.11 To consider notices of motion for debate in the order in which they have been received;
 - 3.1.12 Other business, if any, specified on the agenda;
 - 3.1.13 Any business which in the view of the Mayor and the Chief Executive is urgent and cannot be dealt with by one of the Council's Committees.
- 3.2 With the exception of any item under 3.1.13 above, business at Council meetings may not be transacted under the headings in SO 3.1 unless the subject has been specified in the summons.

- 3.3 At the Annual Meeting of the Council the election of the Mayor shall be the first business transacted and the business specified under SO 3.1.6 and 3.1.11 shall not be included except where the Mayor rules otherwise on the grounds of urgency.
- 3.4 Any business which the Council decides shall be dealt with after the press and public have been excluded shall be considered after all other business to be dealt with at that meeting has been disposed of.
- 3.5 A motion to vary the order of business on the grounds of urgency: -
- 3.5.1 shall not displace business falling under SO 3.1.1 or, in the case of the Annual Meeting, the election of the Mayor;
 - 3.5.2 may, at any time when an item of business on the agenda has been disposed of, be proposed either by the Mayor or by any member;
 - 3.5.3 if proposed by the Mayor, may be put to the vote without being seconded, notwithstanding SO 8.2;
 - 3.5.4 shall be put to the vote without discussion.

4 Motions for Debate

- 4.1 Every motion shall be relevant to some question over which the Council has power, or which, in the opinion of the Mayor, affects the Borough.

[A motion is a formal proposal put before the meeting of full Council or a committee recommendation to full Council or a committee decision which has been made a recommendation to full Council.]

Notice by Members

- 4.2 Except for motions which can be moved without notice under SO5, written notice of every motion, must be delivered by the Member(s) proposing the motion, to the Head of Legal and Democratic Services at least seven clear working days* before the date of the meeting. These will be entered in a book open to public inspection. Delivery may be by electronic means.

*[*For a meeting of the Council held on a Tuesday the closing date for notices of motion pursuant to SO 4 is the Thursday (1700 hours) prior to the week immediately preceding the meeting]*

Notice must be set out in Summons

- 4.3 The Head of Legal and Democratic Services shall submit every notice of motion to the Mayor and if the Mayor rules that the motion is not in order or has not been framed in appropriate language, it shall not be included in the summons for the meeting of the Council and the Member or Members who gave the notice shall be informed of the reason for such ruling.

- 4.4 Motions for which notice has been given will be listed on the agenda in the order in which notice was received, unless the Member giving notice states, in writing, that they propose to move it at a later meeting or withdraw it.

Dealing with Notices of Motion at the Council Meeting

- 4.5 Where the subject matter of a Motion comes within the province of any committee, sub-committee or advisory panel it shall stand referred without discussion to such body for consideration and report in conjunction with the motion at the next meeting of the Council. Such motions shall only be formally moved and seconded and speeches pursuant to SO 8.5 will be reserved until the motion is discussed, unless the Mayor, on grounds of urgency, considers it convenient and would facilitate the business to allow the motion to be decided at the meeting at which it is moved.
- 4.6 On consideration of a report from a committee, sub-committee or advisory panel on a motion formally moved and seconded at a previous Council meeting, the mover and seconder shall first be afforded the opportunity to speak pursuant to SO 8.5 and at the same time shall move any amendment to the committee resolution as they may wish.
- 4.7 If a motion is not moved it shall, unless postponed by consent of the Council, be treated as abandoned and shall not be moved without fresh notice.
- 4.8 In the absence from the meeting of the Member or all the Members by whom the notice of motion was given, any Member may adopt the Motion and seek a seconder.

5 Motions which may be moved without notice

- 5.1 The following motions may be moved without notice: -
- 5.1.1 Appointment of a Chairman of the meeting at which the motion is made;
 - 5.1.2 Motions relating to the accuracy of the Minutes, closure of discussion, adjournment, or order of business;
 - 5.1.3 Reference to a committee, sub-committee or advisory panel;
 - 5.1.4 Appointment of a committee, sub-committee or advisory panel or Members thereof, if arising from an item mentioned in the summons to the meeting;
 - 5.1.5 Reception and adoption of reports and recommendations of committees, sub-committee or advisory panel or Officers and any consequent resolutions including any motions or amendments moved in pursuance of SO 9.6;
 - 5.1.6 That leave be given to withdraw a motion;
 - 5.1.7 Amendments to motions;
 - 5.1.8 Authorising the sealing of documents;
 - 5.1.9 Extending the time limit for speeches;

- 5.1.10 That an item of business specified in the summons have precedence (see SO 3.5.2);
- 5.1.11 Suspending Standing Orders (see SO 19);
- 5.1.12 Excluding the press and public;
- 5.1.13 That a Member named under SO 16 be not further heard or do leave the meeting;
- 5.1.14 Giving consent of the Council where it is required by these Standing Orders.

6 Questions in Writing

6.1 Provided that there is no relevant paragraph of a report or other relevant item before the Council in respect of which a question may be asked under SO 9.3 a Member may:-

- 6.1.1 If two clear working days' notice * in writing has been given to the Head of Legal and Democratic Services, ask the Mayor or the Chairman of the appropriate committee, sub-committee or advisory panel any question relating to business of the Council;

[For a meeting of the Council held on a Tuesday the closing date for questions pursuant to SO 6 is the preceding Thursday (1700 hours)]*

and

- 6.1.2 With the permission of the Mayor, put to him/her or to the Chairman of any committee, sub-committee or advisory panel questions relating to urgent business, of which such notice has not been given, but a copy of any such question shall, if possible, be delivered to the Head of Legal and Democratic Services not later than 1000 hours on the day of the meeting.
- 6.2 Every question in writing shall be put and answered without discussion subject to the proviso that one supplementary question which is necessary for the elucidation of the answer given may be put, at the discretion of the Mayor, by the original questioner or, if he/she does not do so, by any other Member and answered without discussion. The person to whom a question has been put may decline to answer if he/she considers it would not be in the public interest to give the information asked for.
- 6.3 Where a written question is addressed to the Mayor or to the Chairman of a committee, sub-committee or advisory panel and the desired information is contained in any of the Council's publications, it shall be deemed a sufficient reply if the publication containing the information is indicated.
- 6.4 Where the reply to any question cannot conveniently be given orally, it shall be deemed a sufficient reply if a written answer is sent to Members of the Council within four working days of the meeting.

7 Minutes

- 7.1 The Mayor shall put the question that the Minutes of the Meeting of the Council held on the day in question be signed as a true record.
- 7.2 When a Council meeting is followed by a special or extraordinary meeting, then the following ordinary meeting of the Council shall be treated as a suitable meeting for the signing of the Minutes.
- 7.3 No motion or discussion shall take place upon the Minutes, except upon their accuracy, and any question of their accuracy shall be raised by way of formal amendment. If no such question is raised, or if it is raised, then as soon as it has been disposed of, the Mayor shall sign the Minutes.

8 Rules of Debate

Recommendations to Constitute Motions

- 8.1 A resolution in the form of a recommendation from a committee, sub-committee or advisory panel constitutes a motion which does not require proposing or seconding. Members may therefore speak for or against such a recommendation or may move a motion under SO 8.2 to refer the recommendation back to the committee, sub-committee or advisory panel or may move an amendment in accordance with SO 8.7.

Motions and amendments to be moved and seconded

- 8.2 The Mayor shall not allow a motion or amendment to be discussed unless it has been proposed and seconded, and unless notice has already been given in accordance with SO 4 it shall, if required by the Mayor, be handed to the Mayor in writing before it is further discussed or put to the meeting.

Secunder may reserve speech

- 8.3 When seconding a motion or amendment, a member may, if he/she then declares an intention to do so, reserve his/her speech until a later period of the debate but has no right to be called last before the relevant Chairman.

Members to stand when speaking

- 8.4 A Member shall stand when speaking and shall address the Chair. Whenever the Mayor rises during the debate a Member then speaking or standing shall resume his/her seat and the Council shall be silent.

Subject matter and length of speeches

- 8.5 Speeches shall be relevant to the question under discussion or to an explanation or to a question of order or to a declaration of interest. Other than budget speeches in accordance with SO8.6, no speech shall exceed three minutes except that a Member moving a Motion or an amendment to a Motion and the Chairman of a relevant committee, sub-committee of advisory panel when exercising a right of reply may speak for up to five minutes. These times shall only be extended by consent of the mayor.
- 8.6 No time limit shall apply to the Chairman of Strategy and Resources when presenting the annual budget and policy framework. One spokesman from each opposition Group may then have up to ten minutes to make a response.
- 8.7 When called upon by the Mayor to speak a Member shall announce his/her intention of moving or seconding a motion or an amendment or of speaking pursuant to SO 8.5 or SO 9.3.

Amendments to motions

- 8.8 An amendment to a motion must be relevant to the motion and will either be:-
- 8.8.1 to refer the matter to an appropriate body or individual for consideration or reconsideration;
 - 8.8.2 to leave out words;
 - 8.8.3 to leave out words and insert or add others; or
 - 8.8.4 to insert or add words.
- 8.9 Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.
- 8.10 If an amendment is not carried, other amendments to the original motion may be moved;
- 8.11 If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.
- 8.12 After an amendment has been carried, the Mayor will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

Alteration of motion

- 8.13 A Member may alter a motion of which he/she has given notice with the consent of the meeting and the seconder. The meeting's consent will be signified without discussion;

- 8.14 A Member may alter a motion which he/she has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.
- 8.15 Only alterations which could be made as an amendment may be made.

When a Member may speak again

- 8.16 A Member who has spoken on a motion (other than asking a question or making a statement under SOs 9.3 and 9.4) may not speak again whilst it is the subject of debate, except:
- 8.16.1 to speak once on an amendment moved by another Member;
 - 8.16.2 to move a further amendment if the motion has been amended since he/she last spoke;
 - 8.16.3 to withdraw a motion or amendment;
 - 8.16.4 if his/her first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);
 - 8.16.5 in exercise of a right of reply;
 - 8.16.6 on a point of order; and
 - 8.16.7 by way of personal explanation;
 - 8.16.8 to move 'That the Question now be put'.

Closure motions

- 8.17 A Member may move, without comment, the following motions at the end of a speech of another Member:-
- 8.17.1 to proceed to the next business;
 - 8.17.2 that the question be now put;
 - 8.17.3 to adjourn a debate; or
 - 8.17.4 to adjourn a meeting.
- 8.18 If a motion "to proceed to next business" is seconded and the Mayor thinks the item has been sufficiently discussed, he or she will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- 8.19 If a motion "that the question be now put" is seconded and the Mayor thinks the item has been sufficiently discussed, he/she will put the procedural motion to the vote. If it is passed he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote.

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

Points of Order or Points of Personal Explanation

- 8.21 A member may raise a point of order or personal explanation:-

8.21.1 A point of order may only relate to an alleged breach of these standing orders or the law. The member must indicate the rule or law and the way in which he or she considers it has been broken;

8.21.2 A personal explanation shall consist of the right to correct any statement concerning the member made about him/her by another member during a previous speech in the course of the same debate;

8.21.3 Where a member raises a point of order or a personal explanation, he or she shall be entitled to be heard immediately and the speaker shall give way.

- 8.22 The decision of the Mayor on upholding a point of order or a personal explanation shall be final.

[A Point of Order is a point of procedure. It relates to an alleged breach of standing order or statutory provision. It is not concerned with the arguments or the principles or the Political views put forward in debate, or with the truth or falsehood, correctness or incorrectness of statements made in the course of debate.]

[A Member may find that a later speaker has misunderstood or misquoted him/her. In such circumstances the Member is allowed to rise on a point of personal explanation to make the desired correction.]

Withdrawal of motion or amendment

- 8.23 A Member may withdraw a motion which he/she has moved, with the consent of both the meeting and the seconder. The meeting’s consent will be signified without discussion. No Member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused. No agreement from a seconder is required when a Chairman is seeking leave to withdraw a recommendation from his/her Committee, Sub-Committee or Advisory Panel.

Motions which may be moved when a motion is under debate

- 8.24 When a motion is under debate no other motion shall be moved except the following:-
- 8.24.1 to amend the motion;
 - 8.24.2 to withdraw a motion or amendment;
 - 8.24.3 to postpone consideration of the motion;

- 8.24.4 to refer the subject of debate back to a Committee;
- 8.24.5 to proceed to the next business;
- 8.24.6 to adjourn the meeting (see SO 18);
- 8.24.7 to adjourn the debate;
- 8.24.8 that the question be now put (see SO 8);
- 8.24.9 that a Member be not further heard (see SO 16);
- 8.24.10 that a Member do leave the meeting (see SO 16);
- 8.24.11 to exclude the public;
- 8.24.12 to amend the time limit for speeches;
- 8.24.13 to suspend any standing order capable of being suspended.

Right of Reply

- 8.25 The Chairman of the Committee, Sub-Committee or Advisory Panel concerned shall have the opportunity to speak immediately before the mover of the motion or the proposer of an amendment replies to the debate.
- 8.26 The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.
- 8.27 If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it.

[Procedural Note: The sequence of events in debating a motion which is amended is therefore as follows: The Mayor will ask the member who submitted the motion to move its adoption (Member A). The motion will be seconded by another member (Member B) who may reserve his/her right to speak later in the debate but must do so before the relevant Chairman. (It is a seconder's responsibility to ensure that he/she indicates that he/she wishes to speak). The Mayor will ask if anyone wishes to speak to the motion and during the debate, a member (Member C) may move an amendment. The amendment must be seconded by another member (Member D) who may reserve his/her right to speak later in the debate but must do so before the relevant Chairman. Member A may elect to accept the amendment, in which case there is no need for debate on it but otherwise the Mayor will allow a debate. Member B may speak at any time during the debate on the amendment. The Mayor will indicate when he/she considers the debate on the amendment is reaching its conclusion and will invite the Chairman of the relevant Committee to speak followed by the proposer of the amendment (Member C) followed by the proposer of the original motion (Member A). A vote will then be taken on the amendment without further discussion. If the amendment is carried, it replaces the original motion and will be called by the Mayor to allow an opportunity for other amendments to be moved].

9 Procedure upon Presentation of Recommendations of Committees,

Sub-committees or Advisory Panels

- 9.1 Recommendations from Committees, Sub-Committees or Advisory Panels shall be taken in the order in which they appear in the summons of the meeting. The Mayor may alter the order if in his/her opinion it would facilitate the business of the Council.
- 9.2 Chairmen of the relevant Committees, Sub-Committees or Advisory Panels (including the Independent Chairman of the Standards Committee, who is not a Councillor) shall move the reception of their recommendation and, may make any introductory remarks by way of explanation for no longer than three minutes. By leave of the Mayor this time may be extended. The motions for the reception and adoption of recommendation need not be seconded, and the recommendations shall be put by the Mayor without being formally moved and seconded.
- 9.3 Upon a recommendation being called, any Member may put a question to the Chairman of the Committee, Sub-Committee or Advisory Panel with a view to eliciting explanation or information on that subject.
- 9.4 Following the response of the relevant Chairman required by SO 9.3, the Member putting the question may make a short relevant statement of not more than three minutes duration to which the relevant Chairman may reply. This rule also applies to the Chairman of the Standards Committee.
- 9.5 A Member shall not be permitted, without the consent of the Council, to speak on a recommendation after the following recommendation has been called by the Mayor.
- 9.6 A motion, or an amendment to any recommendation, may be moved when the recommendation is called by the Mayor, and the Chairman of the Committee, Sub-Committee or Advisory Panel shall have a right of reply immediately before the proposer of a motion or amendment exercises the right of reply pursuant to SO 8.25. This rule also applies to the Chairman of the Standards Committee.
- 9.7 In a debate on a recommendation from another committee, sub-committee or advisory panel which has also been considered by Strategy and Resources Committee, the Chairman of Strategy and Resources shall have the right of reply immediately after the Chairman of the other committee, sub-committee or advisory panel.
- 9.8 Following consideration of a recommendation of a committee, sub-committee or advisory panel the motion shall be put by the Chairman "that the recommendation be adopted" or "that the recommendation, as amended, be adopted", as the case may be and no amendment of such a motion shall be in order.

10 Motions on Expenditure

- 10.1 Any motion which is moved otherwise than in pursuance of a recommendation of Strategy and Resources Committee (or of another committee, sub-committee or advisory panel after the recommendation has been approved by Strategy and Resources) and which if carried would materially increase the expenditure upon or reduce the revenue of any service or would involve capital expenditure, shall when proposed and seconded stand adjourned without discussion to the next ordinary meeting of the Council. Any Committee affected by such a motion shall consider whether it wishes to report on it. Strategy and Resources Committee shall report on the financial aspect of the proposal to the next ordinary meeting of the Council.

11 Motions Affecting Persons Employed by the Council

- 11.1 If any question arises at a meeting of the Council as to the appointment, promotion, dismissal, salary or conditions of service, or as to the conduct of any employee, it shall, unless the Council decides otherwise, be considered by the Council after a resolution has been passed to exclude the Press and Public from the meeting.

12 Rescission or Alteration of Previous Resolutions

- 12.1 No motion may be moved to rescind or alter any decision of the Council passed within the preceding six months, and no motion or amendment to the same effect as one which has been negated within the preceding six months, shall be proposed unless: -
- 12.1.1 it is recommended by a committee; or
 - 12.1.2 notice thereof has been given under SO 4 bearing the names of at least seven Members of the Council.
- 12.2 Once such a motion or amendment has been disposed of by the Council, no Member may propose a similar motion within a further period of six months.

13 Withdrawal of Reports

- 13.1 No part of the report of a committee, sub-committee or advisory panel before the Council shall be withdrawn without the consent of the Council.

14 Voting

- 14.1 Every question shall be decided, unless otherwise determined by the Council, by a show of hands. The Chief Executive shall be responsible for counting and declaring the number of votes cast. On the request of any eight Members, who so signify by rising in their places, the voting on any question shall be recorded in the Minutes so as to show how each Member gave his/her vote and the names of Members not voting shall also be recorded.
- 14.2 Where immediately after a vote is taken at a meeting of the Council any Member so requires, there shall be recorded in the minutes of the proceedings of that meeting whether that person cast his/ her vote for the question or against the question or whether he/she abstained from voting.

- 14.3 If, when the votes are cast, there is an equal number for and against a motion, the Mayor shall have a casting vote.

15 Voting on the Filling of Appointments or Positions

- 15.1 Where there are any appointments or positions to be filled by the Council, and the number of persons nominated exceeds the number of appointments or positions to be filled, voting by ballot shall take place, and the appointment or election shall be made by an absolute majority of those present and voting. If the first vote does not produce an absolute majority, the candidate lowest on the list shall be struck off the list and a fresh vote taken, and so on until an absolute majority of those present and voting is given in favour of the number of the persons required to fill the number of appointments or positions vacant.
- 15.2 No nomination shall be withdrawn after voting has commenced.

16 Disorderly Conduct

- 16.1 If at any meeting any Member, in the opinion of the Mayor, misconducts him/herself by persistently disregarding the rule of the Chair, or by behaving irregularly, improperly, or offensively, or by wilfully obstructing the business of the Council, the Mayor or any Member may move "That the Member named be not further heard during the debate" or "That the Member named do leave the meeting" and, if seconded, the motion shall be put and determined without discussion. If the latter motion is carried the Member named shall forthwith leave the Chamber for the duration of the item then under discussion.
- 16.2 If, after the motion "That the Member named be not further heard during the debate" has been carried, the misconduct or obstruction is continued, and in the opinion of the Mayor the orderly dispatch of business is impossible, the Mayor may without question adjourn or suspend the sitting of the Council for so long as he/she considers necessary, or may request the offending Member to retire from the Council Chamber for the duration of the item under discussion.
- 16.3 If the offending Member does not thereupon retire, a motion may be moved that he/she be removed from the Council Chamber and excluded therefrom for the duration of the item under discussion. Such a motion shall, upon being seconded, be immediately put without debate or amendment and, if carried, the Mayor shall thereupon be authorised to cause the removal from the Council Chamber of such offending Member, who shall be excluded from the meeting for the duration of the item under discussion. The Mayor shall take such measures as he/she considers necessary to prevent such Member re-entering the meeting during the discussion of the item.
- 16.4 If a member of the public interrupts the proceedings at any meeting the Mayor may, after warning, order his or her removal from the Council Chamber. In the case of a general disturbance in any part of the Chamber open to the public the Mayor shall order that part to be cleared and, if necessary, may adjourn or suspend the sitting of the Council.

17 Guillotine

- 17.1 At Council meetings commencing at 1930 hours, if all business has not been dealt with by 2300 hours, the Mayor shall then review the order of the remaining items on the agenda. Any items still outstanding shall be dealt with in the order announced by the Mayor and in order to do so the Mayor may, if necessary, invoke SO 18.5.

18 Adjournment of Meetings

- 18.1 The Council may adjourn any meeting to a later hour on the same day, or to any other day and hour.
- 18.2 If any meeting is adjourned to a specified date, the adjourned meeting shall be deemed a continuation of the original meeting. If no date is set for a reconvened meeting, any unfinished business shall be postponed until the next ordinary meeting.
- 18.3 No business shall be transacted at any adjourned meeting which was not included in the notice convening the meeting of which it is an adjournment.
- 18.4 When any meeting is adjourned to another day, notice of the adjourned meeting shall be sent by the Head of Legal and Democratic Services to each Member specifying the business to be transacted.
- 18.5 Any meeting of the Council which has sat continuously for four hours shall, if items remain to be dealt with, be adjourned to a day and time to be appointed by the Mayor. (See SO17).

19 Suspension of Standing Orders

- 19.1 Any of the preceding Standing Orders may be suspended during a meeting by a simple majority, providing at least two thirds of the whole number of the Council are present. In all other circumstances, the Suspension of Standing Orders requires a Notice of Motion duly given under SO4.

20 Interpretation of Standing Orders

- 20.1 The Mayor's interpretation and application of these standing orders shall be final

(b) Relating to the Conduct of Committees, Sub-Committees and Advisory Panels

21 Appointment

- 21.1 At its Annual Meeting the Council shall appoint committees and may at any time appoint such other bodies as are necessary to carry out the work of the Council but, subject to any statutory provision in that behalf:
- 21.1.1 shall not appoint any Member of a committee, with the exception of the lay persons appointed to the Standards Committee so as to hold office later than the next Annual Meeting of the Council;

21.1.2 may at any time alter the membership of a Committee, Sub-Committee or Panel;

21.1.3 may appoint sub-committees on a time-limited, project specific basis.

21.2 A Committee may appoint a Sub-Committee on a time-limited, project specific basis.

22 Composition of Committees, Sub-Committees and Advisory Panels; Substitutes

22.1 In accordance with the provisions of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1991, the number of seats on Committees, Sub-Committees (other than the Licensing Hearings Sub-Committee) and Advisory Panels allocated to each political group shall bear the same proportion to the total of all seats on the Committees, Sub-Committees and Advisory Panels as is borne by the number of Members of that group to the total Council membership.

22.2 A Member of a Committee (other than the Standards Committee), Joint Committee, Sub-Committee or Advisory Panel may for the whole of a specified meeting designate as his/her substitute another Member other than a Member of the Scrutiny Committee. The substitute may attend the meeting on behalf of, but not in addition to, the nominating Member and shall be entitled to speak and vote. The nominating Member, or in their absence, the Leader/Chairman of his/her Group, shall inform the Head of Legal and Democratic Services or his representative in writing or by e-mail, prior to the meeting in question, that his/her substitute will be attending.

22.3 Provisions for the appointment of substitutes do not apply to meetings of the Licensing Committee or Licensing Hearings Sub-Committee.

23 Vacancies

23.1 Any Member of a committee, sub-committee or advisory panel may resign his/her seat by a notice in writing signed by him/her and sent to the Head of Legal and Democratic Services, who shall forthwith inform the relevant Chairman.

23.2 Every vacancy on a committee, sub-committee or advisory panel or an appointment to an external body shall be notified by the Head of Legal and Democratic Services to the Council at its first meeting after such vacancy has arisen, and such vacancy shall be filled, if deemed desirable, at the Council Meeting.

24 Attendance of Members of the Council at Meetings of Committees, Sub-Committees and Advisory Panels

24.1 Any Member shall be entitled to attend a meeting of any committee, sub-committee or advisory panel of which he/she is not a Member. He/she shall not be entitled to vote, but may speak at such a meeting if permission to do so has been granted by the presiding Chairman subject to SO 24.2 and SO 24.3. This does not apply to the Licensing Committee and Licensing Hearings Sub-Committee.

- 24.2 At the discretion of the Chairman of a committee where an urgent matter of Council-wide importance is to be considered by that body, all Members of the Council may be invited to attend the Meeting and may speak and vote on the issue in question. Any decision made on such a matter may not be the subject of a Recommendation under SO 34 or the subject of call-in. This Standing Order does not apply to the Licensing Committee and Licensing Hearings Sub-Committee
- 24.3 A Member who has proposed a motion which has been referred to any committee, sub-committee or advisory panel shall be given notice of the meeting at which it is proposed to consider the motion. The Member shall have the opportunity of speaking first to explain the motion, but may not vote unless he or she is a Member of that committee, sub-committee or advisory panel or unless acting as a designated substitute (see SO 22.2).

[Note: Any Member of the Scrutiny Committee may propose or second a motion under this Standing Order. However, if that member then speaks on the item at the meeting of the policy committee to which the motion is referred, he or she would be directly involved in decision-making, even if they do not take part in a vote. Consequently, that Member would then need to remove him/herself from any scrutiny of a decision made by the policy committee.]

25 Election and Duties of Chairmen

- 25.1 The Council shall at the Annual Meeting elect Chairmen and Vice-Chairmen of Committees, Sub-Committees and Advisory Panels.
- 25.2 A Member may hold the office of Chairman of only one Committee at a time.
- 25.3 Any duty or right assigned to a Chairman of a committee sub-committee or advisory panel under Standing Orders may also be performed or exercised by the Vice-Chairman or other person presiding at the meeting.
- 25.4 The Minutes of a meeting of the Committee, Sub-Committee or Advisory Panel shall be signed by the Chairman or by the person who presided at the meeting in question.

26 Quorum

- 26.1 At least one quarter of the membership or three Members of the Committee, Sub-Committee or Advisory Panel (whichever is the greater number), must be present at a meeting of that body in order to transact business, except where authorised by statute or where ordered by the Council.

27 Other rules for conduct of Committees and Sub-Committees

- 27.1 There shall be no limit to the length or number of speeches but after a Member has spoken for five minutes the Chairman may, if he/she considers a matter has been sufficiently debated, give warning to a Member then speaking that he/she should conclude his/her speech within two minutes.

- 27.2 At 2200 hours (or 2½ hours after a committee or sub-committee meeting has commenced) the Chairman shall review the business remaining to be transacted and shall order the items so as to dispose of all matters requiring a decision by 2230 hours. Any matters still outstanding at 2230 hours shall either be agreed as presented without debate or discussion or shall be held over until the next meeting.
- 27.3 Standing Orders may be suspended so far as regards any business at a meeting of a committee or sub-committee only if it is agreed by a two-thirds majority of the Members of that committee or sub-committee then present.

28 Voting in Committees and Sub-Committees

- 28.1 All questions shall be determined by a show of hands by a majority of the Members of the Committee or Sub-Committee present and voting. If when the votes are cast there is an equality of votes, the Chairman shall have a second or casting vote.
- 28.2 On the request of any four Members, the voting on any question shall be recorded in the Minutes so as to show how each Member voted and to show the names of those not voting.
- 28.3 Where immediately after a vote is taken at a meeting of a committee or sub-committee any member of that body so requires, there shall be recorded in the minutes of the proceedings of that meeting whether that person cast his/her vote for the question or against the question or whether he/she abstained from voting.
- 28.4 The Chief Executive or his representative shall be responsible for counting and, where necessary, recording the votes cast.

29 Advisory Panels

- 29.1 The Council may appoint advisory panels for purposes to be specified by the Council.
- 29.2 The Council shall have power to co-opt persons to serve on advisory panels, but if they are not Members of the Council, co-opted members will only have the right to vote on such issues as may be determined by the Council.
- 29.3 The rules relating to declarations of interest by Members shall also apply to non-Councillor Members of an advisory panel, as well as all other matters contained within the Code of Conduct for Members and Co-opted Members.
- 29.4 At least one quarter or three of the Council Members of an advisory panel must be present at a meeting of the Panel in order to transact business, except: -
- 29.4.1 Where authorised by statute; or
- 29.4.2 Where ordered by the Council.

29.5 At 2200 hours (or 2½ hours after a meeting has commenced) the Chairman shall review the business remaining to be transacted and shall order the items so as to dispose of all matters requiring a decision by 22:30 hours. Any matters still outstanding at 22:30 hours shall either be agreed as presented without debate or discussion or shall be held over until the next meeting.

30 Standing Orders applying to the Committees, Sub-Committees and Advisory Panels

30.1 The following Standing Orders shall apply to Committees and Sub-Committees: -

30.2 Nos 2, 3.2, 3.4, 7, 11, 15, 16, 18.1-18.4, 21, 22, 23, 24, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35 and 36

30.3 The following Standing Orders shall apply to Advisory Panels: -

30.4 Nos 2, 3.2, 3.4, 7, 11, 18.1-18.4, 21, 22, 23, 24.1, 24.3, 25, 26, 29, 30, 32, 34, 35, 36

31 Licensing

31.1 The conduct of meetings of the Licensing Committee or Licensing Hearings Sub-Committee to determine such Licensing applications as fall within its Terms of Reference is set out separately in guidance notes issued to Members of the Committee and set out in Part 5 (Section F) of the Constitution.

32 Emergency Committee

32.1 The Council shall appoint an Emergency Committee which shall be authorised to take any decisions during the summer recess or at other times when normal procedures are not possible, such as local or national disaster.

33 Terms of Reference and Delegated Powers

33.1 All matters specified in the Terms of Reference shall be referred for consideration to the Committees, Sub-Committees or Advisory Panels under whose names such matters appear. Committees shall be authorised to take such action as they think fit in relation to any matters falling within their Terms of Reference, subject to their reporting to the Council with their recommendations thereon where matters of principle or policy are involved.

33.2 Committees shall consider, recommend to the Council and implement schemes of delegation of authority to: -

33.2.1 Sub-Committees;

33.2.2 Officers;

33.2.3 Officers in consultation with Members

- 33.3 No Committee shall be empowered to levy or issue a precept for a rate, borrow money, or, unless authorised by the Council so to do, incur any expenditure not provided for in its current estimates, or enter into any contract under seal.

34 Recommendations to Council Meeting

- 34.1 Upon any resolution being made by any Committee or Sub-Committee (subject to 34.2, 34.3 and 34.4 below) any one Member may require immediately on the resolution being passed, or at any time prior, that such resolution shall be submitted as a recommendation to the next available meeting of the Council. Such requisition shall be recorded in the Minutes of the Committee and the resolution to which it relates shall be so submitted to the Council. No action shall then be taken upon the resolution of the Committee until the matter has been considered by the Council.
- 34.2 SO 34.1 shall not apply to resolutions made by the Planning Committee. Upon resolutions made by the Planning Committee, a minimum of three Members present and able to vote on the matter under debate may require, immediately upon the resolution being passed, that such resolution shall be submitted as a recommendation to the next available meeting of the Council, except where failure to determine within a strict time limit would mean that Planning Permission was automatically granted, in which case no recommendation(s) should be made to Council.
- 34.3 Standing Order 34.1 shall not apply to resolutions made by the Standards Committee on determining complaints of misconduct against Members, nor to the Licensing Committee or Sub-Committee in respect of licensing applications, nor to resolutions of the Scrutiny Committee, nor to resolutions passed at a Committee meeting to which all Members have been invited to speak and vote.
- 34.4 Standing Order 34.1 shall not apply if the action requesting that a Committee's decision be referred to the Council would have the effect of taking the decision away from the Authority and reversing the decision of the Committee.

35 Special Meetings

- 35.1 The Chairman of a committee, sub-committee or advisory panel may summon a special meeting of that body at any time. A special meeting shall also be summoned within ten clear working days on the requisition in writing of at least three of the Members of the Committee, Sub-Committee or Advisory Panel. The summons shall set out the business to be considered at the special meeting, and no business other than that set out shall be considered at that meeting.

36 Public speaking at meetings of Committees

- 36.1 At the discretion of the Chairman, members of the public may address meetings of the Planning Committee, policy committees and any sub-committees on matters relevant to the agenda for the meeting for a period of up to three minutes, subject to prior notification of their intention to do so. In addition, at the discretion of the Chairman, members of the public may address or ask questions at meetings of the Scrutiny Committee on any matter relating to the Council's performance, subject to prior notification of their intention to do so. The Council will make available a copy of the rules governing these procedures at the Town Hall or by post on request.

(c) Relating to the Conduct of Members

37 Non-Attendance

- 37.1 A record shall be kept of the attendance of each Member at meetings of the Council and of committees, sub-committees and advisory panels. If a Member fails to attend any meeting of the Council, its committees, sub-committee or advisory panels, for a consecutive period of six months, he/she shall cease to be a Councillor, unless otherwise determined by the Council prior to the expiry of the period.

38 Council Tax and Restrictions on voting

- 38.1 If a Member owes Council Tax and that sum has remained unpaid for two months he/she should, when any matter relating to Council Tax is under discussion in the circumstances set out in Section 106 of the Local Government Finance Act 1992, disclose the fact that Section 106 of the Act applies to him/her and shall not vote. This restriction concerns any decisions on budgetary requirements, the level of Council Tax, calculation, enforcement and penalties of Council Tax. If a Member is uncertain whether or not this Standing Order applies, he/she should seek the advice of the Monitoring Officer.

39 Involvement of Members in Contracts

- 39.1 Members shall not undertake private paid work for the Council nor submit tenders for Council contracts.

40 Officers' Reports

- 40.1 The Head of Legal and Democratic Services is responsible for the compilation and presentation of all reports and documents submitted to the Council. Reports to committees, sub-committees and advisory panels may be compiled and presented by the Council's Chief Executive, Directors, Service Managers or by the Chairman of the relevant Committee, subject to confirmation by the Head of Legal and Democratic Services that the report complies with legal and policy requirements.
- 40.2 No Member shall request individual officers to prepare reports. Any request shall be made to the Chief Executive or to the appropriate Director who after consultation with the Chairman of the Committee, Sub-Committee or Advisory Panel concerned will decide whether a report is required and will issue instructions accordingly. If at least ten clear working days notice is given, any Member may have an item included on an Agenda to decide whether a report shall be prepared providing the subject matter in question has not been before the Council within the preceding six months.

41 Inspection of Documents

- 41.1 Any document which is in the possession or under the control of the Council and contains material relating to any business to be transacted at a meeting of the Council or a committee, sub-committee or advisory panel shall be open to inspection by any Member, except where such document discloses exempt information.

[A Member has a right to be provided with or to inspect documents which it is reasonable for him/her to see in order to carry out his/her duties as a Member. A Member has no right to a roving commission to browse at large through the Authority's papers (out of mere curiosity or for some indirect motive or to act against the Council, e.g. to assist someone in litigation with the Council.)]

42 Outside Meetings

- 42.1 A Member may not:-

- 42.1.1 require officers to attend meetings at sites or premises away from Council offices unless he/she is specifically authorised to do so by the Council or the appropriate committee, sub-committee or advisory panel or the Director concerned;
- 42.1.2 issue any order respecting any works which are being carried out by or on behalf of the Council;
- 42.1.3 interview any officer in relation to the exercise or performance of his/her duties, without the approval of the appropriate Director or as laid down in the rules for the conduct of Scrutiny reviews.

43 Confidentiality and Publicity

- 43.1 All documents communicated to Members containing exempt information as referred to in Part 4 of the Council's Constitution must remain confidential unless the Council, Committee, Sub-Committee or Advisory Panel otherwise decides.
- 43.2 The Chairman, or in his/her absence the Vice-Chairman, of any Committee, Sub-Committee or Advisory Panel and the Chief Executive may jointly approve a statement to be issued to the press prior to the meeting of the Council on matters of public interest which have been considered by the Committee, Sub-Committee or Advisory Panel.

44 Correspondence and Petitions

- 44.1 Any letter or other document received by a Member relating to a matter to be considered by the Council and not being of a personal character shall immediately be forwarded by him/her to the Head of Legal and Democratic Services (or relevant Director) so that it can, when necessary, be submitted or reported to the Council or to the appropriate committee, sub-committee or advisory panel or otherwise dealt with as the circumstances require.

[This Standing Order does not affect the right of Members to discharge their constituency role by dealing with correspondence not requiring consideration by a Committee, Sub-Committee or Advisory Panel; but such correspondence must not be conducted in the name of the Council.]

- 44.2 The receipt of any petition shall be reported immediately to the Members of the appropriate committee. Subject to the agreement of the Chief Executive, the request of the petitioners shall then be investigated and a report on the matter shall be brought to a meeting of that Committee as soon as possible. The organiser of the petition and the Ward Councillors shall be informed of when the issue is due to be considered.

(d) General Matters

45 Matters of Urgency

- 45.1 In the event of any matter of urgency arising which may render necessary the immediate exercise of the Council's powers, the Chief Executive after consultation with the Mayor, or in his/her absence the Deputy Mayor, and the Chairman of any relevant Committee shall be authorised to give such directions or instructions as he/she may consider desirable to deal with the situation. The Chief Executive shall report the fact of having given such directions or instructions and the reason therefore to the next meeting of the Council or, appropriate Committee.

SECTION B - Access to Information Procedure Rules

1 Scope

- 1.1 These rules apply to all meetings of the Council, the Scrutiny Committee, policy and other Committees, sub-Committees and the Standards Committee (together called meetings).

2 Additional rights to information

- 2.1 These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law (such as the Freedom of Information Act).

3 Rights to attend meetings

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

4 Notices of meeting

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

5 Access to agenda and reports before the meeting

- 5.1 The Council will make copies of the agenda and reports open to the public available for inspection at the Town Hall at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda will be open to inspection from the time the item was added to the agenda. Where reports are prepared after the summons has been sent out, the Chief Executive will make each such report available to the public as soon as the report is completed and sent to Councillors.

6 Supply of copies

- 6.1 The Council will supply copies of any:-
- (a) agenda and reports which are open to public inspection;
 - (b) further statements or particulars necessary to indicate the nature of the items in the agenda;
- and
- (c) any other documents supplied to Councillors in connection with an item, if the Chief Executive thinks fit;

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

7 Access to minutes etc. after the meeting

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

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

8 Background papers

List of Background Papers

- 8.1 The Chief Executive will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:-
- (a) disclose any facts or matters on which the report or an important part of the report is based;
- and
- (b) which have been relied on to a material extent in preparing the report.
- 8.2 but does not include published works or those which disclose exempt or confidential information (as defined in Rule 9.3 and 9.4).

Public Inspection of Background Papers

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

9 Exclusion of access by the public to meetings

Confidential Information - Requirement to Exclude Public

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

Exempt Information - Discretion to Exclude Public

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

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

Meaning of Confidential Information

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

Meaning of Exempt Information

- 9.5 Exempt information means information falling within the seven categories below provided that in all the circumstances the public interest in withholding the information outweighs the public interest in disclosing the information.

EXTRACTS FROM THE LOCAL GOVERNMENT (ACCESS TO INFORMATION)(VARIATIONS) ORDER 2006	
DESCRIPTIONS OF EXEMPT INFORMATION: ENGLAND	
1.	Information relating to any individual
2.	Information which is likely to reveal the identity of an individual
3.	Information relating to the financial or business affairs of any particular person (including the authority holding that information) (N.B. Information within this paragraph is not exempt if it must be registered under: a) the Companies Act 1985 b) the Friendly Societies Act 1974 c) the Friendly Societies Act 1972 d) the Industrial and Provident Societies Acts 1965 to 1978 e) the Building Societies Act 1986 f) the Charities Act 1993)
4.	Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5.	Information in respect of which a claim to legal privilege could be maintained in legal proceedings.

6.	Information which reveals that the authority proposes: a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or b) to make an order or direction under any enactment.
7.	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

9.6 Information falling within any of paragraphs 1 - 7 is not exempt by virtue of that paragraph if it relates to proposed development for which the local planning authority can grant itself planning permission under Regulation 3 of the Town and Country Planning Act General Regulations 1992.

The Standards Committee

9.7 When the Standards Committee is considering a matter of Member conduct under Section 60 or 64 of the Local Government Act 2000, the following paragraphs are to be treated as added to the list of information which can be treated as exempt:

7A	Information which is subject to any obligation of confidentiality
7B	Information which relates in any way to matters concerning national security
7C	The deliberations of a Standards Committee or a Sub-Committee of Standards Committee established under the provisions of Part 3 of the Local Government Act 2000 in reaching any findings on a matter referred under the provisions of Section 60(2) or (3), 64(2), 70(4) or (5) or 71(2) of that Act.

10 Exclusion of access by the public to reports

10.1 If the Chief Executive thinks fit, the Council may exclude access by the public to reports which in his or her opinion relate to items during which, in accordance with Rule 9, the meeting is likely not to be open to the public. Such reports will be marked 'Not for Publication' together with the category of information likely to be disclosed.

11 Summary of public's rights

11.1 A copy of these Rules, constituting a written summary of the public's rights to attend meetings and to inspect and copy documents, will be kept at and available to the public at the Town Hall, Epsom.

SECTION C - Budget and Policy Framework Procedure Rules

1 The framework for decision-making

- 1.1 The Council will be responsible for the adoption of its Budget and Policy Framework as set out in Article 4. Once a Budget or a Policy Framework is in place, it will be the responsibility of the policy committees to implement it.

2 Process for developing the framework

- 2.1 The process by which the Budget and Policy Framework shall be developed is:
- (a) Each year the Strategy and Resources Committee will recommend to the Council, which will then publish, a programme for establishing the Budget and Policy Framework for the following year. Within this programme, it will identify any strategic policy or resource issues on which it wishes to request studies by the Scrutiny Committee.
 - (b) Within the overall programme, each policy committee may identify any study it wishes to request from the Scrutiny Committee related to policy issues on which it wishes to make recommendations to the Council as part of the Budget and Policy Framework.
 - (c) Policy studies undertaken by the Scrutiny Committee should engage as widely as possible with citizens and stakeholders in the community and use a variety of methods to gauge public views. The results should be presented to the relevant policy committee which will then develop proposals to be submitted to the Council.
 - (d) The Policy and Budget Framework to be presented to Council will be available for public consultation for a period of 4 weeks.
 - (e) In approving the Policy and Budgetary Framework presented to it by the Strategy and Resources Committee, the Council will also specify the extent of virement within the Budget and degree of in-year changes to the Policy Framework which may be undertaken by policy committees, in accordance with paragraphs 3 and 4 of these Rules (virement and in-year adjustments). Any other changes to the Budget and Policy Framework are reserved to the Council.

3 Virement

- 3.1 The Council will decide on virement limits having regard to the nature of its functions, the size of its budget, and the need to maintain a balance between the Budget and Policy Framework and the flexibility needed in-year to deliver services in accordance with Best Value principles.

4 In-year changes to policy framework

4.1 The responsibility for agreeing the Budget and Policy Framework lies with the Council, and decisions by policy committees or officers with delegated authority must be in line with it. No changes to any policy and strategy which make up the Policy Framework may be made by a policy committee or officer with delegated authority except changes:

- (a) necessary to meet a budgetary constraint;
- (b) necessary to ensure compliance with the law, ministerial direction or government guidance;

and

- (c) in relation to the Policy Framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration.

4.2 The Council may make in-year changes to its Budget and Policy Framework other than in the circumstances set out in 4.1 above, but will only do so on the recommendation of a policy committee or in response to a report from the Chief Executive or on a motion after proper notice in accordance with the Council Procedure Rules set out in Part 4 of this Constitution, in all cases after a period of consultation with citizens and stakeholders appropriate to the nature of the changes proposed.

SECTION D - Overview and Scrutiny Procedure Rules

1 Number of, and arrangements for, Scrutiny Committee(s)

- 1.1 The Council will have one Scrutiny Committee which will arrange for the performance of all overview and scrutiny functions on behalf of the Council. It will consist of at least five Councillors.
- 1.2 The Scrutiny Committee will be responsible for:-
- (a) arranging the performance of overview and scrutiny functions on behalf of the Council;
 - (b) the appointment of such sub-committees or panels as it considers appropriate to fulfil those review and scrutiny functions;
 - (c) ensuring that the Council complies with its duty concerning Best Value, in accordance with the Local Government Act 1999;
 - (d) approving an annual Overview and Scrutiny Work Programme, including the programme of any sub-committees or panels;
 - (e) Monitoring the Council's financial and audit arrangements and considering regular reports from the auditor on the outcome of audits.
 - (f) putting in place a system to ensure that referrals from the Scrutiny Committee to Council and to the policy committees, either by way of report or for reconsideration, are managed efficiently.
 - (g) scrutinising the development and implementation of the Community Strategy.
 - (h) monitoring progress on the Council's Corporate Plan.

2 Who may sit on the Scrutiny Committee?

- 2.1 All councillors may be members of the Scrutiny Committee. However, no councillor may sit on a policy committee while also being a Member of the Scrutiny Committee. Also, no councillor may be involved in scrutinising a decision in which he/she has been directly involved.

3 Co-optees

- 3.1 The Scrutiny Committee will seek to co-opt other Councillors to constitute sub-committees, or panels, provided that no councillor may scrutinise a decision in which he/she has been involved.
- 3.2 The Scrutiny Committee shall be entitled to appoint to any sub-committee or panel a co-opted member who is not a councillor or an officer of this Council.

4 Meetings of the Scrutiny Committee

- 4.1 There shall be at least five Ordinary meetings of the Scrutiny Committee in each year. In addition, Special Meetings may be called from time to time as and when appropriate. A Special Committee meeting may be called by the Chairman, by any three members of the Committee or by the Scrutiny Officer if he/she considers it necessary or appropriate.

5 Quorum

- 5.1 The quorum for the Scrutiny Committee shall be as set out for committees in the Council Procedure Rules in Part 4 of this Constitution.

6 Chairmanship of the scrutiny committee

- 6.1 The Chairman of the Scrutiny Committee will be appointed by the Council from among the Councillors sitting on the Committee.

7 Work programme

- 7.1 The Scrutiny Committee will be responsible for setting its own work programmes and in doing so it shall take into account, along with other considerations, the wishes of Members on that Committee who are not members of the largest political group on the Council.

8 Agenda items

- 8.1 Any Members of the Council may give written notice to the Scrutiny Officer that they wish an item to be included on the agenda of the Scrutiny Committee or submit such an item. If the Scrutiny Officer receives such a notification or item, then he/she will include it on the first available agenda of the Committee for consideration by the Committee. However, where the notification or item is deemed to be a councillor call for action, the Councillor call for Action Protocol shall be implemented
- 8.2 The Scrutiny Committee shall also respond, as soon as its work programme permits, to requests from the Council, and if it considers it appropriate the policy committees, to review particular areas of Council activity. Where it does so, the Scrutiny Committee shall report its findings and recommendations back to the policy committee and/or the Council. The Council and/or the relevant policy committee shall consider the report of the Scrutiny Committee at its next available meeting.

9 Policy and development overview

- 9.1 The role of the Scrutiny Committee in relation to the development of the Council's Budget and Policy Framework is set out in detail in the Budget and Policy Framework Procedure Rules.

- 9.2 In relation to the development of the Council's approach to other matters not forming part of its Budget and Policy Framework, the Scrutiny Committee may make proposals to policy committees for such development in so far as it relates to matters within their terms of reference although it is recognised that in most cases policy committees will develop their own policy.
- 9.3 The Scrutiny Committees may hold enquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist them in this process. They may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask witnesses to attend to address them on any matter under consideration and may pay to any advisers, assessors and witnesses a reasonable fee and expenses for doing so.

10 Reports from the Scrutiny Committee

- 10.1 Once the Scrutiny Committee has completed its deliberations on any matter it will prepare a formal report and submit it via the Scrutiny Officer for consideration by the relevant policy committee (if the proposals are consistent with the existing Budgetary and Policy Framework), or to the Council as appropriate (e.g. if the recommendation would require a departure from or a change to the agreed Budget and Policy Framework).
- 10.2 If the Scrutiny Committee cannot agree on one single final report to the Council or the relevant policy committee, as appropriate, then up to one minority report may be prepared and submitted for consideration by the Council or policy committee with the majority report.
- 10.3 The Council or the relevant policy committee shall consider the report of the Scrutiny Committee at its next available meeting
- 10.4 When the Council meets to consider any referral from the Scrutiny Committee on a matter which would impact on the Budget and Policy Framework, it shall also consider the response of the relevant policy committee to the Scrutiny proposals, and shall if necessary defer consideration of those proposals until after the next meeting of the relevant policy committee.

11 Rights of scrutiny committee members to documents

- 11.1 All Members have the right to documents, and to notice of meetings as set out in the Access to Information Procedure Rules in Part 4 of this Constitution, and members of the Scrutiny Committee, and any sub-committees or panels (including any co-opted members), have all such rights in relation to any of the agreed work programme of the Committee.

12 Members and officers giving account

12.1 The Scrutiny Committee may scrutinise and review decisions made (other than quasi judicial decisions, e.g. planning and licensing applications) or actions taken in connection with the discharge of any of the Council's functions. As well as reviewing documentation, in fulfilling the scrutiny role, the Committee may require any member of a policy committee, the Chief Executive and/or any senior officer to attend before it to explain in relation to matters within its remit:-

- (a) any particular decision or series of decisions;
- (b) the extent to which the actions taken implement Council policy;

and

- (c) their performance.

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

[Note: Save in exceptional circumstances, and in agreement with the Chief Executive, no officer below Director or a Division Head shall be required to appear before the Scrutiny Committee.]

12.2 If any Member or Officer is required to attend the Scrutiny Committee under this provision, the Chairman of the Committee will inform the Scrutiny Officer. The Scrutiny Officer shall inform the Member or Officer in writing giving at least five working days' notice of the meeting at which he/she is required to attend. The notice will state the nature of the item on which he/she is required to attend to give account and whether any papers are required to be produced for the Committee. Where the account to be given to the Committee will require the production of a report, then the Member or Officer concerned will be given sufficient notice to allow for preparation of that documentation.

12.3 If, in exceptional circumstances, the Member or Officer is unable to attend on the required date, the Scrutiny Committee shall, in consultation with the Member or Officer, arrange an alternative date for attendance to take place within a maximum of ten working days from the date of the original request.

13 Attendance by others

13.1 The Scrutiny Committee may invite people other than those people referred to in paragraph 12 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders and Members and officers in other parts of the public sector and shall invite such people to attend, whether in relation to scrutiny of the Council's policies and activities or those of any other agency which affect the social, environmental or economic well-being of the residents of the Borough. Other committees or advisory panels may also, from time to time, scrutinise such other agencies.

14 Call-in

- 14.1 Call-in should only be used in exceptional circumstances. These are where Members of the Scrutiny Committee have evidence which suggests that a policy committee took a decision which was not in accordance with one or more of the principles set out in Article 12 (Decision Making).
- 14.2 In any event, call-in will not apply to quasi-judicial decisions e.g. development control and licensing.
- 14.3 The call-in procedure is as follows:-
- (a) When a decision is made by a policy committee or under joint arrangements, the decision shall be published electronically by Democratic Services to a group email address which includes the Scrutiny Officer and members of the Scrutiny Committee normally within two working days of being made and shall also be available on request in hard copy from the Town Hall. When all members of the Council are invited to speak and vote at a meeting of a committee, then the power of call-in does not apply.
 - (b) That notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of five working days after the publication of the decision, unless the Scrutiny Committee objects to it and calls it in. The Notice shall include the following statement: "The following represents a summary of the decisions taken by the Committee. It is not intended to represent the formal record of the meeting (for which reference should be made to the Minutes) but to facilitate the call-in process".
 - (c) During that period, the Scrutiny Officer or Monitoring Officer shall call-in a decision for scrutiny by the Scrutiny Committee if so requested in writing or by e-mail, both of which should include the reasons, by any three Members of the Scrutiny Committee, and shall then notify Members of the decision-making Committee of the call-in. He/she shall call a meeting of the Committee on such date as he/she may determine, where possible after consultation with the Chairman of the Committee, and in any case within ten working days of the decision to call-in.
 - (d) If, having considered the decision, the Scrutiny Committee is still concerned about it, then it may refer it back to the decision making Committee for reconsideration, setting out in writing the nature of its concerns or refer the matter to the Full Council. Following consideration of the decision by the Scrutiny Committee, the Scrutiny Officer or Monitoring Officer shall notify the members of the decision-making Committee of the outcome. Where the Scrutiny Committee refers the decision back to the decision-making committee, the notification will include details of when the written report will be published.
 - (e) If following an objection to the decision:
 - (i) the Scrutiny Committee does not meet in the period set out above or the expiry of the ten working day period; or

(ii) The Scrutiny Committee does meet but does not refer the matter back to the decision making Committee

the decision shall then take effect.

- (f) If the matter is referred to the Full Council, and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective from the date of the Council Meeting. However, if the Council does object, it may refer any decision to which it objects back to the decision-making committee, together with the Council's views on the decision or may itself determine the matter.

Note: Paragraph 14 should be read in conjunction with the Protocol on the Call-in procedure set out in Part 5 (Codes and Protocols) of the Constitution

15 Exceptions

- 15.1 In order to ensure that call-in is not abused, nor causes unreasonable delay, the Council may place certain limitations on its use. It will only seek to impose such limitations after consideration of a report from the Chief Executive.

16 Call-In and Urgency

- 16.1 The call-in procedure set out above shall not apply where the decision being taken by a policy committee is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interest. The record of the decision, and notice by which it is made public shall state whether in the opinion of the Chief Executive or his/her nominee, the decision is an urgent one, and therefore not subject to call-in. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.
- 16.2 The operation of the provisions relating to call-in and urgency shall be monitored annually by the Chief Executive or his/her nominee, and a report submitted to Council with proposals for review if necessary.

17 Procedure at Scrutiny Committee Meetings

- 17.1 The Scrutiny Committee shall consider the following business:-

- (a) minutes of the last meeting;
- (b) declarations of interest;
- (c) consideration of any matter referred to the Committee for a decision in relation to the calling in of a decision;
- (d) responses from the Council or a policy committee to reports of the Scrutiny Committee;

and

(e) the business otherwise set out on the agenda for the meeting.

17.2 Where the Scrutiny Committee asks people to attend to give evidence at Committee or Panel meetings they are to be conducted in accordance with the following principles:-

- (a) that the investigation be conducted fairly and all Members of the Committee be given the opportunity to ask questions of attendees, and to contribute and speak;
- (b) that those assisting the Committee by giving evidence be treated with respect and courtesy; and
- (c) that the investigation be conducted so as to maximise the efficiency of the investigation or analysis.

17.3 Following any investigation or review, the Committee shall prepare a report for submission to the relevant Committee and/or Council as appropriate and shall make its report and findings public.

SECTION E - Financial Regulations

Issued: July 2002; Revised December 2010

1 About Financial Regulations

What are Financial Regulations?

- 1.1 Financial Regulations are a set of rules that govern the financial affairs of the Council. They are approved by the Council and apply to every Member and officer of the Council and anyone acting on its behalf.
- 1.2 The Regulations identify the financial responsibilities of the full Council, Committees and Panels, the Head of Paid Service, the Monitoring Officer, the Director of Finance and other Directors, Service Heads and Budget Managers. Where decisions have been delegated or devolved to other responsible officers, references to the relevant Director in the regulations should be read as referring to those officers.
- 1.3 All Members and officers have a general responsibility for taking reasonable action to provide for the security of the assets under their control and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value. Compliance with Financial Regulations will help discharge this responsibility.

Finance Rule Book

- 1.4 The Finance Rule Book sets out in more detail some of the procedures to which staff who manage budgets or carry out financial transactions need to adhere, although we try to avoid detailed prescription wherever possible. All Members and officers **must** comply with Financial Regulations.
- 1.5 Financial Regulations and the Finance Rule Book cover all major financial systems and processes however the Council has other procedures covered by the Procurement Strategy, the Team Strategy and Capital Strategy. Managers must also be aware of the requirements of all these policies and procedures.

How does this relate to Standing Orders for Contracts?

- 1.6 Financial Regulations are complementary to the Council's Standing Orders for Contracts, which are about the systems and procedures for procuring goods and services. The Financial Regulations and the Finance Rule Book deal with the financial and control issues relating to the procurement of goods and services.

What do Financial Regulations cover?

- 1.7 The Financial Regulations set out the financial management policies of the Council. The list on the "Contents" page tells you the subjects included.

- 1.8 Financial Regulations are not detailed procedure notes. The Finance Rule Book provides greater detail, although will not necessarily cover all eventualities. Where appropriate Managers should maintain their own procedure notes to fit in with the needs of their own service.

What if something is not clear?

- 1.9 The Director of Finance is responsible for issuing advice and guidance to underpin the Financial Regulations that Members, Officers and others acting on behalf of the Council are required to follow.
- 1.10 If you are not clear what a regulation means to your work area, or how to apply it, please ask for guidance. You can ask the Director of Finance, Head of Financial Services, Head of Corporate Risk and Resource Management, your service accountant (a list is available on Money Matters in IRIS) or the Head of Internal Audit (Internal Audit Contract Manager).

What if I don't agree with the Regulations?

- 1.11 Please let us know. If the rules are stopping you providing a service in a business like manner we will ask the Council to change them. However, the rules are written to protect the Council, the public purse and you. You must have a good reason for suggesting a change..

What will happen if I don't comply?

- 1.12 If it is minor non-compliance then you may just be asked to amend your work practices accordingly and correct the situation as appropriate. A serious breach will be reported to the Directors or the Scrutiny Committee dependant upon the nature of the breach. The rules in the Council's Disciplinary Procedure may also come into play.

FINANCIAL MANAGEMENT

2 Financial Management – General

Status of Financial Regulations

- 2.1 The Financial Regulations are made by the Council pursuant to its Constitution and subject to the provisions of the Local Government Act 1972. They are the working arrangements whereby the Council's financial transactions are regulated in accordance with the powers and duties confirmed by the Council.
- 2.2 It is the responsibility of each Committee, Director and Budget Manager to ensure compliance with all the requirements of these Regulations.
- 2.3 The Regulations also apply to services carried out under agency arrangements for any other Authority or organisation except where it has been agreed in advance by the Director of Finance, to comply with another organisation's regulations. Agents acting for the Council will be expected to comply with these Regulations unless otherwise agreed by the Director of Finance.

- 2.4 These Regulations also apply to arrangements with any other Authority, partnership or organisation except where it is otherwise specifically agreed by the Director of Finance.
- 2.5 The Financial Regulations do not override any statutory provisions.

Roles and Responsibilities

- 2.6 The Articles of the Constitution of the Council include details of the roles and responsibilities of the Council, Committees, the Head of Paid Service, the Monitoring Officer and the Chief Financial Officer.
- 2.7 The Regulations must be read in conjunction with current schemes of delegation to Committees and Officers.

Responsibilities of the Director of Finance

- 2.8 The Director of Finance as the Council's Chief Finance Officer has statutory duties in relation to the financial administration and stewardship of the authority. This statutory responsibility cannot be overridden.
- 2.9 The statutory duties arise from:
- Section 151 of the Local Government Act 1972
 - The Local Government Finance Act 1988
 - The Local Government and Housing Act 1989
 - The Accounts and Audit Regulations 2003.
- 2.10 The Director of Finance is responsible for:
- the proper administration of the authority's financial affairs
 - setting and monitoring compliance with financial management standards
 - advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
 - providing financial information
 - preparing the revenue budget and capital programme
 - treasury management
 - determining the Council Tax Base
- 2.11 Section 114 of the Local Government Finance Act 1988 requires the Director of Finance to report to the full Council and the external auditor if the Authority or one of its Officers:

- (a) Has made or is about to make a decision which involves or would involve the Council incurring unlawful expenditure.
 - (b) Has taken, or is about to take, a course of action which if pursued to its conclusion would be unlawful and likely to cause a loss or deficiency; or
 - (c) Is about to enter an item of account, which is unlawful.
- 2.12 Section 114 of the 1988 Act also requires the Director of Finance to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally.
- 2.13 The Director of Finance is responsible for maintaining a regular review of the Financial Regulations and submitting any additions or changes necessary to the full Council for approval. The Director of Finance is also responsible for reporting, where appropriate, serious breaches of the Financial Regulations to the Scrutiny Committee.

Responsibilities of Directors

- 2.14 Directors are responsible for ensuring that Committee members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Director of Finance.
- 2.15 It is the responsibility of Directors to consult with the Director of Finance and seek approval on any matter liable to affect the authority's finances materially, before any commitments are incurred.
- 2.16 Heads of Service are responsible for ensuring that all staff in their division are aware of the existence and content of the Council's Financial Regulations and other internal regulatory documents and that they comply with them. A copy of the document will be available on the Council's Internet and intranet site (IRIS).
- 2.17 Directors shall control expenditure and income, monitor performance, and take the necessary action to avoid exceeding any budget. The Director of Finance shall provide appropriate financial information or the means by which budgets may be monitored effectively.
- 2.18 Where expenditure or income involves a contractual agreement with a third party, the Directors must follow procedures laid down in the Contracts Standing Orders.
- 2.19 Heads of Service shall establish sound arrangements for the planning, appraisal, authorisation and control of their operations to ensure that economy, efficiency and effectiveness are achieved.
- 2.20 Directors or Heads of Service may nominate staff – called Budget Managers - to manage budgets on their behalf. This delegation does not in any way reduce the overall responsibilities of the Director and Heads of Service. Budget Managers shall carry out their responsibilities in line with these Regulations and the Finance Rule Book.

Authorised Signatories

- 2.21 Directors shall determine who is authorised to sign official documents on their behalf, and shall provide the Director of Finance with up-to-date lists of specimen signatures of authorised Officers. The Director of Finance will refuse to accept any document submitted where the authorising signature does not correspond to that notified.

3 Accounting Arrangements

Accounting policies

- 3.1 The Director of Finance is responsible for selecting accounting policies and ensuring that they are applied consistently.

Accounting records and procedures

- 3.2 The Director of Finance is responsible for determining the accounting procedures and records for the Council. The Director of Finance will ensure that the accounting systems are observed and that the accounts of the Council and supporting records are kept up to date.

The Annual Statement of Accounts

- 3.3 The Director of Finance is responsible for ensuring that the annual statement of accounts is prepared in accordance with best practice as recommended from time to time by leading professional bodies.
- 3.4 The Strategy and Resources Committee is responsible for approving the Annual Statement of Accounts in accordance with the requirements of the Accounts and Audit Regulations 2003.

Allocation of Accounting Duties

- 3.5 The following principles shall be observed in the allocation of accounting duties:
- (a) The duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them;
 - (b) Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.

Subsidies and Grants Receivable

- 3.6 The Director of Finance will take such action and establish procedures to ensure that the Council's subsidy and grant entitlement are maximised.

FINANCIAL PLANNING

4 Financial Planning - General

Introduction

- 4.1 The full Council is responsible for agreeing the Council's policy framework and budget. In terms of financial planning, the key elements are:-
- The Corporate Plan and Key Priorities
 - The Four Year Financial Plan
 - The Annual Budget
 - The Capital Strategy and Capital Programme.
 - The Treasury Management Strategy

Policy Framework

- 4.2 The Council is responsible for approving the policy framework and budget which will be proposed by the Strategy and Resources Committee. The policy framework comprises the plans and strategies identified in the Constitution of the Council.
- 4.3 The Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework.

Maintenance of Reserves

- 4.4 It is the responsibility of the Director of Finance to advise the Strategy and Resources Committee and/or the full Council on prudent levels of reserves for the Authority.

Financial Plan

- 4.5 The Director of Finance shall maintain, in consultation with the other Directors, a forward Financial Plan. The Financial Plan will show the financial implications of changes in Council policy, legislation, service levels, activity and other factors for at least three years ahead. The Director of Finance will review financial projections annually. The Strategy will show, in summary, the estimated impact of future spending plans on the General Fund.
- 4.6 In order that the information requirements of the Financial Plan and Medium Term Financial Strategy are satisfied, reports to Committees with significant financial implications shall show the full year effect of the proposals and the implications for at least the next three financial years.
- 4.7 Budget Targets including updates of the financial projections should be presented to the Strategy and Resources Committee by the Director of Finance no later than October each year.

Review and Notification to the Director of Finance

- 4.8 Directors and Budget Managers must regularly review the financial implications of changes in policy and other factors, and must notify the Director of Finance promptly of the impact on current and future budgets.

5 Revenue Budget Preparation

Budget format

- 5.1 The general format of the budget will be approved by the Strategy and Resources Committee on the advice of the Director of Finance.
- 5.2 The detailed form of the revenue estimates shall be determined by the Director of Finance and must be consistent with the general directions of the Strategy and Resources Committee.

Budget preparation

- 5.3 Directors shall prepare estimates of income and expenditure reflecting agreed Key Service Priorities in consultation with the Director of Finance in accordance with guidelines issued by the Strategy and Resources Committee.
- 5.4 The Director of Finance shall report on the estimates to the appropriate policy committees. They shall in turn report the estimates to the Council with such recommendations as are deemed necessary.
- 5.5 The Director of Finance shall advise the Strategy and Resources Committee and other committees as necessary on budget matters.
- 5.6 The Directors shall supply the Director of Finance with such information as is necessary to support the estimates.

Budget Timetable

- 5.7 The Director of Finance will prepare a budget timetable each year. All budget submissions shall be made in accordance with the timetable.

6 Revenue Budget Control

Budget monitoring and control

- 6.1 It is the responsibility of each Director to manage and direct resources to achieve the objectives of the budget. This involves the monitoring of expenditure and income and the regular review of performance. Where budgets are delegated to Budget Managers they are charged with the same responsibility.
- 6.2 Once approved by the Council, the revenue budget will give authority for expenditure to be incurred in the appropriate year unless:
- (a) It would cause the appropriate budget head to be overspent,

- (b) It is a long-term financing agreement that will have implications for government capital controls in which case the Director of Finance must be consulted.
 - (c) It is a contingency sum requiring the approval of the relevant committee before expenditure is incurred.
- 6.3 The Director of Finance is responsible for providing appropriate financial information to enable budgets to be monitored effectively.
- 6.4 The Director of Finance must report to all Members on the overall budget position on a regular basis.

New Services and Extension of Service Provision

- 6.5 Any proposal to incur expenditure relating to the adoption of a new policy or extension of an existing policy not already sanctioned by the Council, must be accompanied by a report to the relevant policy committee with the financial implications agreed with the Director of Finance , prior to the report being submitted to the relevant policy committee.
- 6.6 Proposals which commit future budgets to a level of expenditure greater than that provided for in the current year shall be reported to the relevant policy committee and the Strategy and Resources Committee and clearly to show the total level of future annual commitment.

Supplementary Estimates

- 6.7 Policy Committees are required to manage services within the overall revenue and capital budget allocations. The Council will exceptionally consider supplementary estimates for significant added expenditure that cannot be managed within the total agreed budget. Where the expenditure exceeds the budget a report will be prepared for consideration by the relevant policy committee.
- 6.8 Where it is apparent that any budget for a service may be exceeded (or there will be a shortfall of income) the appropriate Director must prepare a written report setting out the reasons and proposing how the shortfall may be met, and submit it to the Director of Finance. The Director of Finance will advise on the action to be taken, which may include proposals for report to Committee, virement or exceptionally a request for supplementary estimate. The request for a supplementary estimate should also state that no acceptable virement has been identified.
- 6.9 Expenditure may be authorised in an emergency by the Director of Finance with the agreement of the Chairman of the relevant Committee and shall be reported to the next meeting of that Committee. This procedure will only be adopted if the emergency does not provide sufficient time to follow the urgent action procedure described in 5.22

Virement

- 6.10 The Financial Policy Panel is responsible for agreeing procedures for virement of expenditure between budget headings.

6.11 The delegated approvals are --

Value	Level of Responsibility
Up to £5,000 within Cost Centre	Budget Managers
Up to £5,000 within Service Group	Divisional Manager/ Head of Service
Up to £20,000 within Committee	Relevant Director or Director of Finance
Above £20,000	Committee Approval required

6.12 Virement between revenue and capital budgets will not be permitted due to the different sources of funding.

6.13 All virements must be completed on approved virement documentation.

6.14 Virements out of cost centre will be monitored in aggregate, based on the limits specified above, during the financial year by the relevant service accountant.

6.15 Virement between revenue income and expenditure will not be permitted, without committee approval.

6.16 Virements in or out of the salary budget must be within control totals maintained by the Directors.

6.17 The virement of training budgets for any purpose other than training requires the express permission of the Human Resources Panel.

6.18 Virements may not be made:-

(a) Between committees without the approval of the Strategy and Resources Committee and Council;

(b) In or out of the Epsom and Walton Downs Conservators and Nonsuch Park Joint Management Committee accounts.

6.19 Where the proposed virement involves a significant issue of principle, or a significant proportion of the original budget, the approval of the Strategy and Resources Committee is required.

Treatment of year-end balances

6.20 For Capital Schemes not completed by the 31st March a schedule of capital budgets carried forward will be presented to the Strategy and Resources Committee by June.

6.21 Underspends on the revenue account will not normally be carried forward. Exceptionally such requests to allow the fulfillment of commitments will require the approval of the Strategy and Resources Committee

Matters of Urgency (Procedures of the Council/Standing Order 45)

- 6.22 Where it is proposed to seek approval for expenditure under the “Matters of Urgency” rules in the Council’s Standing Orders or the “Matters of Urgency” proposal has any other financial implication, the appropriate Director must consult with the Director of Finance who will advise on the action to be taken. The consultation with the Director of Finance must take place prior to seeking the approval of the relevant Committee Chairman.
- 6.23 Further guidance on the Urgent Actions procedures to be followed is contained in the Finance Rule Book.

7 Capital Programme

Preparation of the capital programme

- 7.1 The Director of Finance is responsible for maintaining a rolling capital programme and this is reported annually for consideration by the Financial Policy Panel who will also advise the Strategy and Resources Committee on funding implications.
- 7.2 The programme will include spending plans for the ensuing three years. The detailed form of the programme shall be determined by the Director of Finance and must be consistent with the general directions of the Strategy and Resources committee.
- 7.3 Projects that are reliant on the receipt of government or other third party funding, including central government and other grants must follow the normal capital programme procedures.

Capital Member Group and Capital Officer Group

- 7.4 The Financial Policy Panel will advise Strategy and Resources Committee on the Capital Programme review and capital funding. The Capital Member Group has responsibility for advising on the development of the Capital Strategy for the capital programmed review in consultation with the Director of Finance.
- 7.5 The Officer Capital Management Group is responsible for the appraisal of all capital schemes submitted annually by budget managers, taking into account key strategies including the Key Priorities and Asset Management Plan and the available capital resources. (More detail is provided in the Finance Rule Book).

New capital schemes

- 7.6 New Schemes will be assessed based on the criteria within the Capital Strategy and recommended to the relevant committee within the capital funding released by the Strategy and Resources Committee, prior to approval from full Council . Each new scheme must have a capital project appraisal form completed and approved by the Capital Member Group.

Status of capital programme approval

- 7.7 Inclusion in the capital programme does not of itself confer authority to incur expenditure before:

- (a) The relevant Committee has approved a project appraisal in accordance with the procedures set out in the Capital Strategy and the Asset Management Plan;
- (b) A tender or quotation has been received which does not exceed the amount included in the programme and any other relevant cost limits;
- (c) All necessary statutory approvals have been received.
- (d) External funding has been secured where relevant.
- (e) Spend to Save Schemes have been appraised and demonstrated pay-back of investment

Variations to capital projects

7.8 The size, content or specification of a scheme shall not be significantly changed without the approval of the relevant service committee.

Virement

7.9 The guidance for virement of the capital programme is as follows:-

Value	Level of Responsibility
Within Cost Centre/ Capital Scheme	Relevant Budget Manager/ Project Manager
Moving budget from one scheme to another within committee up to £20,000	Director, relevant Committee Chairman and Chairman of Strategy and Resources
Moving budgets between committees	Relevant committee and full Council approval

7.10 All virements must be completed on the approved virement documentation

Monitoring of progress

7.11 The detailed monitoring is the responsibility of the Capital Officer Group. It is the Director of Finance's responsibility to report to Members on a quarterly basis and to submit any major variances of the Capital Programme to the Financial Policy Panel.

7.12 A Director who becomes aware that the estimated cost of a capital scheme for which he/she is responsible is likely to be exceeded in total by 10 per cent or £20,000, whichever is the less, shall report the likelihood to the next meeting of the relevant policy committee and the Strategy and Resources Committee stating the amount of the excess anticipated and the reason.

RISK MANAGEMENT AND CONTROL OF RESOURCES

8 Risk Management

Introduction

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

Risk management

- 8.2 The Strategy and Resources Committee is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management. The Director of Finance is responsible for ensuring that proper insurance exists where appropriate and advising the Strategy and Resources Committee on insurance arrangements.
- 8.3 The Chief Executive and all Directors are responsible for preparing the Council's risk management policy statement and for promoting it throughout the authority.

Internal control

- 8.4 The Director of Finance is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use. In addition, the Monitoring Officer has statutory responsibilities to report on prospective breaches of the law or maladministration.
- 8.5 The Accounts and Audit Regulations require every local authority to conduct a review at least once a year of the effectiveness of its system of internal control and shall include an Annual Governance Statement, prepared in accordance with proper practices. Heads of Service are responsible for ensuring effectiveness systems of internal control within their service.
- 8.6 It is the responsibility of Directors to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

Preventing fraud and corruption

- 8.7 The Director of Finance is responsible for the development and maintenance of a policy to prevent fraud and corruption and for submitting it for approval to the Strategy and Resources Committee, prior to obtaining approval from full Council.

8.8 It is the responsibility of Directors to make the relevant staff aware of the requirements of the protocol for addressing the issues raised by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003 and the Terrorism Act 2000.

Staffing

8.9 The Head of Paid Service is responsible for determining how officer support for committee roles within the authority will be organised.

8.10 The Head of Paid Service is responsible for providing overall management to staff. The Head of Paid Service is also responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration of a job.

8.11 Directors are responsible for controlling total staff numbers by:

- advising the Strategy and Resources Committee on the budget necessary in any given year to cover estimated staffing levels;
- adjusting the staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs;
- the proper use of appointment procedures.

Security of Assets and Information

8.12 Directors and Heads of Service should ensure that records and assets are properly maintained and securely held. They should also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place.

8.13 Directors and Heads of Service shall be responsible for maintaining proper security and privacy of information contained in the financial and other records under their control. This includes information held on the computer in accordance with the principles of the Data Protection Act and other relevant legislation.

9 Insurance

Review of Arrangements

9.1 The Council shall review its insurance arrangements at least every five years and submit its requirements to competitive tender. Details of insurance requirements are summarized below and provided in detail in the Finance Rule Book.

Review of Insurance Cover

9.2 The Director of Finance shall keep under review all insurance cover in consultation with other Directors as appropriate.

Records of Insurance Cover

- 9.3 The Director of Finance shall maintain records of all insurance placed by the Council, showing the property and/or risks covered.

Notification of Risks

- 9.4 Directors must give prompt notification to the Director of Finance of all new risks, properties or vehicles that require to be insured and of any alterations affecting existing insurance.
- 9.5 Directors shall give prompt notification in writing to the Director of Finance of any loss, liability, damage or any event which may result in a claim against the Council, or in a claim by the Council under a policy of insurance or otherwise.

Negotiation of Claims

- 9.6 The Director of Finance shall negotiate all claims in consultation with other officers as necessary.

Partnerships and 3rd Parties

- 9.7 Heads of Service must ensure that the correct insurance cover is in place for any arrangements with contractor, partners or 3rd parties prior to such arrangements being entered into.

Fidelity Guarantee Policy

- 9.8 All appropriate employees of the Council shall be included in a suitable fidelity guarantee policy.

10 Audit

Audit requirements

- 10.1 The Accounts and Audit Regulations 2003 (SI2003/533) require every local authority to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.
- 10.2 The Audit Commission is responsible for appointing external auditors to each local authority. The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, as amended by section 5 of the Audit Commission Act 1998.
- 10.3 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

Provision of Internal Audit

- 10.4 The Director of Finance shall maintain an adequate and effective system of internal audit to satisfy the Council's responsibilities under the Accounts and Audit Regulations 2003. The audit shall be performed, as far as practicable, to the standards set out in the "Statements on Internal Audit practice - Public Sector" published by the Chartered Institute of Public Finance and Accountancy and the Institute of Internal Auditors' guidelines.
- 10.5 Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Powers of Internal Auditors

- 10.6 To assist in complying with the requirements of Regulation 6 of the Accounts and Audit Regulations 2003, the Director of Finance or his authorised representative shall have authority to:
- (a) Enter at all reasonable times on any Council premises or land.
 - (b) Have access at all times to all records, documents and correspondence relating to any financial and other transactions of the Council, whether held by employees of the Council or by Consultants' employees under a contract for professional services.
 - (c) Require and receive such explanations as are necessary concerning any matter under examination.
 - (d) Require any employee of the Council to produce cash, stores or any other Council property under his control.

Reporting of Irregularities

- 10.7 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Council or any suspected irregularity in the exercise of the functions of the Council the relevant Director concerned shall immediately notify the Director of Finance. The Director of Finance shall take such steps as considered necessary by way of investigation and report. This regulation does not relieve any Director from giving similar notification to the Chief Executive who may consider any legal and/or disciplinary implications.

Annual Report on Internal Audit

- 10.8 At least once a year a report shall be presented to the Scrutiny Committee reviewing the internal audit coverage undertaken during the previous year and the audit plan for the forthcoming year.

Chief Internal Auditor

- 10.9 The post of Chief Internal Auditor, whether internally appointed or through a contract, shall be a fully qualified member of one of the following bodies: -
- (a) An Institute that is a member of the Consultative Committee of Accounting Bodies (CCAB);
 - (b) The Institute of Internal Auditors.

Internal Audit Protocol

- 10.10 The Director of Finance shall be responsible for approving the protocol of the Internal Audit Section. The purpose of this document is to:
- (a) Set out the role, responsibility, status and authority of Internal Audit within Epsom and Ewell Borough Council;
 - (b) Outline the scope of internal audit work; and
 - (c) Obtain corporate agreement on how internal audit should operate.

Whistleblowing

- 10.11 All officers must report any suspected cases of fraud or corruption and should have regard to the Council's Whistleblowing Policy. The purpose of this policy is to establish a means by which employees who either suspect or have identified cases of fraud, corruption or other malpractice may raise issues of concern and be confident that those issues are dealt with seriously and fairly without fear of harassment.

11 Control of Assets

Use of Council Property

- 11.1 The Council's property must only be used in accordance with the ordinary course of the Council's business. Any other use can only be made in accordance with specific directions issued by the Director concerned.

Property

- 11.2 The Property and Estates Manager will maintain an up to date register of all properties owned by the Council (except dwellings provided under the Housing Acts). The register shall record the purpose for which held, location, extent, purchase details, particulars of nature of interest and rents payable and particulars of tenancies granted.
- 11.3 The Head of Legal and Democratic Services shall have the custody of all title deeds under secure arrangements.

Inventories

- 11.4 Heads of Service shall maintain up to date inventories of the Council's furniture, fittings and equipment, and plant and machinery that has a significant value. The care and custody of such equipment shall be the responsibility of the Managers concerned.
- 11.5 The Head of ICT shall maintain a complete and up to date inventory of all information technology equipment.

Stocks and Stores

- 11.6 Heads of Service shall be responsible for the care and custody of the stocks and stores in their division. Stocks shall be kept at the optimum level sufficient to provide an effective service.

Responsibility for Security

- 11.7 Each Director is responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment cash, etc., under his control. The Director of Finance must be consulted where security is thought to be defective or where it is considered that special security arrangements may be needed.

Cash Holdings

- 11.8 Maximum limits for each cash holding shall be agreed with the Director of Finance and shall not be exceeded without his express permission (see Finance Rule Book).

Disposal of assets

- 11.9 Each Heads of Service shall be responsible for obtaining the best value for the Council when disposing of assets under their control. The Director of Finance shall be responsible for issuing guidance for the disposal of assets. (see Finance Rule Book).

12 Treasury Management and Trust Funds

Treasury Management Policy

- 12.1 The Council shall adopt the key recommendations contained in the CIPFA publication "Treasury Management in the Public Services; Code of Practice".
- 12.2 The Council will create and maintain, as the cornerstones for effective treasury management:
- (a) A treasury management policy statement, stating the policies and objectives of its treasury management activities
 - (b) Suitable treasury management practices, setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

- 12.3 The Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, and an annual report after its close, in the form prescribed in its treasury management practices.
- 12.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Strategy and Resources Committee, subject to the advice under the terms of reference of the Financial Policy Panel, and for the execution and administration of treasury management decisions to the Director of Finance, who will act in accordance with the Council's policy statement and treasury management practices and CIPFA's Standard of Professional Practice on Treasury Management.

Treasury Policy Statement

- 12.5 The content of Treasury Management Strategy will follow the recommendations contained in the Code, subject only to amendment where necessary to reflect the particular circumstances of the Council. Any such amendments will not result in the Council materially deviating from the Code's key recommendations.

Treasury Management Practices

- 12.6 The content of treasury management practices will follow the recommendations contained in the Code, subject only to amendment where necessary to reflect the particular circumstances of the Council. Any such amendments will not result in the Council materially deviating from the Code's key recommendations.

Reporting on Treasury Management Activities

- 12.7 At the start of the financial year the Director of Finance shall report to the Strategy and Resources Committee on the strategy for treasury management it is proposed to adopt for the forthcoming financial year.
- 12.8 The Director of Finance shall report to the Strategy and Resources Committee not less than twice in each financial year on the activities of the Treasury Management operation and on the exercise of Treasury Management powers delegated to him. One such report shall comprise an Annual Report on Treasury Management for presentation by the end of July of the succeeding financial year. Also an interim report on current performance shall also be presented in November to the Strategy and Resources Committee.

Trust Funds

- 12.9 All trust funds shall be in the name of the Council unless specifically approved by the Council otherwise. The Chief Executive is responsible for ensuring trust funds are operated within any relevant legislation and the specific requirements of each trust.

Investments and Borrowings Records

- 12.10 The Director of Finance shall make all borrowings and investments in the name of the Council, except where and to the extent the Council has authorised its investments to be invested by an outside agent.

- 12.11 The Director of Finance shall maintain a register of loans and investments and records of all borrowings and investments made by the Council.
- 12.12 All negotiable investments, financial bonds and securities held in the name of the Council or its nominees shall be held under secure arrangements.
- 12.13 The requirements of the Council's Treasury Management Policies and Treasury Management Schedules must be followed at all times.

SYSTEMS AND PROCEDURES

13 Systems and Procedures - General

Introduction

- 13.1 Sound systems and procedures are essential to an effective framework of accountability and control.

Responsibility

- 13.2 The Director of Finance is responsible for the operation of the Council's accounting systems, the form of accounts and the supporting financial records. Any changes made by Directors to the existing financial systems or the establishment of new systems must be approved by the Director of Finance. Directors are responsible for the proper operation of financial processes in their own departments.
- 13.3 Any changes to agreed procedures by Directors or Heads of Service to meet their own specific service needs should be agreed with the Director of Finance.

Training

- 13.4 Directors should ensure that their staff receive relevant financial training that has been approved by the Director of Finance.

Data Protection and Freedom of Information Legislation

- 13.5 Directors must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation in line with procedures agreed by the Head of Information Technology. Divisional Managers must ensure that staff are aware of their responsibilities under the freedom of information legislation.

Schemes of Delegation

- 13.6 It is the responsibility of Directors to ensure that a proper scheme of delegation has been established within their area and is operating effectively. The scheme of delegation should identify staff authorised to act on the Directors' behalf in respect of payments, income collection and placing orders, together with the limits of their authority.

14 Banking Arrangements and Cheques

Banking Arrangements

- 14.1 The Council shall review its banking arrangements at least every 5 years.
- 14.2 All arrangements with the Council's bankers must be made by or under arrangements approved by the Director of Finance who is authorised to operate such banking accounts as he may consider necessary. For the avoidance of doubt, the Director of Finance is also authorised to make such arrangements as are necessary with custodians for the purposes of holding investments, including cash balances, managed by external fund managers.
- 14.3 Unless otherwise agreed by the Director of Finance, all Council bank accounts shall stand in the name of the Epsom and Ewell Borough Council, but in any case not in the name or designation of any officer.

Bank Stationery

- 14.4 All cheques, and other debit and credit forms shall be ordered only on the authority of the Director of Finance, who shall make proper arrangements for their safe custody.

Signing of Cheques

- 14.5 Cheques on the Council's banking accounts shall bear the facsimile signature of the Director of Finance or be signed by the Director of Finance or other officer authorised to do so.

Electronic Payment Systems

- 14.6 Where payments are to be transmitted electronically, the Director of Finance shall approve the necessary arrangements to safeguard the Council against potential loss.

Authorisation of Payments

- 14.7 All payments, including BACs payments, in excess of £40,000 shall be countersigned by two authorised officers.
- 14.8 Only those Officers identified in the Council's Treasury Management Procedures are authorised to make payments from the Council's accounts or otherwise approve the transmission of funds. Treasury Management Procedures must be followed at all times.

15 Income

Income Policy

- 15.1 The Council's income policy shall be determined by the Strategy and Resources Committee as part of the Financial Plan. The Director of Finance is responsible for setting targets for fees and charges within the Financial Plan.
- 15.2 The charge to be made for any service, so far as not delegated as set out in the Constitution to an officer, must be approved by the relevant service committee.

Review of Fees and Charges

- 15.3 The Heads of Service shall review charges at least once a year. Such charges shall then be submitted to the relevant Committee for approval, except where delegated authority shall otherwise provide and then onto full Council. The financial implications of such reviews shall be reflected in the estimates for the forthcoming financial year.

Collection of Monies

- 15.4 The collection of all money due to the Council shall be under the supervision of the Director of Finance or under arrangements specifically approved by the Director of Finance.

Security and Controls

- 15.5 Each Divisional Manager is responsible for the regular review of their department's internal procedures for collecting and controlling income to ensure that the most effective controls are used.

Notification of Income Due

- 15.6 Each Director shall inform the Director of Finance promptly with such particulars of all amounts due as may be required by him to record correctly all sums due to the Council and to ensure the prompt rendering of accounts for the recovery of income due. This shall include details of all contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council. The Director of Finance shall have the right to inspect any documents or other evidence in this connection.

Money Laundering

- 15.7 The Council is required by law to establish procedures for money laundering as set out in the Anti Money Laundering Policy contained in the Finance Rule Book.
- 15.8 The Head of Corporate Risk and Resource Management is the designated Money Laundering Officer and is responsible for updating policies and procedures and providing advice to all staff. All staff must abide by the policy at all times and take prompt and proper action if they have any suspicions of money laundering.

Recovery of Debts

- 15.9 Directors shall ensure that debts due to the Council are referred to the Director of Finance for recovery without delay.
- 15.10 The Director of Finance shall take all reasonable steps to recover amounts due to the Council, including the appointment of Bailiffs or other collection agencies.
- 15.11 The Director of Finance is authorised to initiate County Court proceedings and sign the appropriate forms for the recovery of sundry debts.

15.12 With the exception of outstanding Council Tax and Business Rates, all outstanding debts which have been initiated in the County Court but which are being contested shall be referred to the Director of Finance who shall take all reasonable steps to recover them.

Writing Off Debts

15.13 A debt that is properly due to the Council shall only be reduced or written off as irrecoverable on the authority of: -

- (a) The Director of Finance for debts up to £5,000, and
- (b) Over £5,000, in consultation with the Chair of Strategy and Resources provided that they are satisfied that the debt is not recoverable at reasonable effort and expense.
- (c) Write off's in excess of £20,000 should be reported to the Strategy and Resources Committee.

15.14 A record of all amounts written off shall be maintained by the Director of Finance and shall be kept up to date at all times.

16 Orders for Work, Goods and Services

Key Controls

- 16.1 Orders shall only be issued for goods or services if the cost is covered by an approved revenue or capital budget.
- 16.2 All orders must comply with the Council's Standing Orders for Contracts and the guidelines set down in the Council's Procurement Strategy.
- 16.3 Official orders must be issued for all work, goods or services to be supplied to the Council except for instances listed in the Finance Rule Book and such other exceptions as the Director of Finance may approve.

Official Orders

- 16.4 Official orders shall be in a form approved by the Director of Finance and are to be signed only by staff approved by the appropriate Head of Service. They shall include any contractual requirements set out in Standing Orders for Contracts.
- 16.5 Each order shall conform to directions regarding purchasing and the standardisation of supplies and materials.
- 16.6 A copy of each order shall be retained by the responsible officer and shall show the cost or estimated cost of the work or goods and the relevant application. The copy may be kept in paper form or in an electronic form.
- 16.7 Telephone, facsimile transfer ("fax") or verbal orders shall be confirmed as soon as practicable, within 2 working days, by official orders that clearly show that they confirm instructions previously issued.

16.8 Official orders must only be used for legitimate Council business. They must not be used for the procurement of goods, materials or services for the personal or other use of an employee, nor must personal or private use be made of Council contracts.

Variation of Orders

16.9 Variations to Official Orders must be confirmed as soon as practicable in writing with a reference to the original Official Order.

Staff Benefits Scheme

16.10 Any procurement under the staff benefit package must be made in accordance with the regulations for that scheme.

Related Party Transactions

16.11 Any Officer who is in a position to influence the award of a contract or the placing of an order must inform their Director if a transaction will involve an individual or company with whom they have a relationship.

16.12 No-one employed by the Council should enter into a contract with the Council, either as an individual or as a company, other than through their employment contract unless otherwise approved by the Chief Executive.

17 Paying for Work, Goods and Services

Separation of Duties

17.1 The activity of ordering/receiving goods should be separate from the authorization of payment of the account.

Method of Payment

17.2 The normal method of payment of money due from the Council shall be by BACS drawn on the Council's banking accounts by the Director of Finance.

Certification of Invoices

17.3 All managers and authorised signatories are responsible for examining, verifying and certifying invoice(s) and any other payment vouchers arising from activities in their division. An authorized signatory must be satisfied that all works, goods or services received to which the account relates have been carried out, examined and approved, are within budget and are correctly coded. Such certification, by or on behalf of the Director, shall be in manuscript or by an electronic method approved by a Director. The names of officers authorised to sign such records shall be sent to the Director of Finance by each manager together with specimen signatures and shall be amended on the occasion of any change within agreed limits specified in the Finance Rule Book.

Examination of Invoices

- 17.4 Invoices and other payment vouchers shall be passed without delay to the Director of Finance who shall examine them to the extent that is considered necessary, for which purpose he shall be entitled to make such enquiries and to receive such information and explanations as may be required. Where the Director of Finance is satisfied that a certified account has not fully complied with the Council's Standing Orders for Contracts or Financial Regulations, it shall be returned to the certifying officer requesting an explanation. In the event that no satisfactory explanation is forthcoming, the Director of Finance shall report on the circumstances to the Corporate Board meeting and take action as necessary.

Payment Policy

- 17.5 Directors shall take all reasonable steps necessary to ensure that the payment is made within 30 days wherever possible.
- 17.6 Special payment terms may only be agreed with suppliers following the prior agreement of the Director of Finance.

Purchasing Cards

- 17.7 16.7 Nominated officers agreed by the Head of Financial Services can have purchasing cards for the purchase of low value and frequently supplied goods. The nominated officers are responsible for ensuring all payments are made timely and correctly with appropriate authorization and vouchers corresponding to payments. The nominated officers are responsible for ensuring their cards are held securely at all times. (further details are available in the Finance Rule Book and procedures)

18 Payments to Employees and Members

Responsibility

- 18.1 The Director of Human Resources and Communication is responsible for all payments of salaries and wages to all staff, including payments for overtime, and for payment of allowances to Members.

Payment of Salaries and Wages

- 18.2 The payment of all salaries, wages, pensions, compensations and other emoluments to all employees or former employees of the Council shall be made under arrangements approved and controlled by the Director of Finance.
- 18.3 The Director of Human Resources and Communication shall maintain effective records affecting the payment of salaries and wages, and in particular:
- (a) Appointments, (both permanent and temporary), resignations, dismissals, suspensions, secondments, and transfers;
 - (b) Absences from duty for sickness or other reason, apart from approved leave;
 - (c) Changes in remuneration;

- (d) Information necessary to maintain records of service for pensions, income tax and National Insurance.

Appointment of Staff

- 18.4 Appointments of all employees shall be made in accordance with the Human Resources Policies and Procedures of the Council and the approved establishments, grades and rates of pay.

Variations to the Establishment

- 18.5 Any proposal to vary the authorised establishment shall be made in accordance with the Human Resources Policies and Procedures approved by the Council.

Time Sheets and other Records

- 18.6 The format of all time records and other pay documents must be approved by the Director of HR and Communication.

Claims for Staff Expenses

- 18.7 All claims for payment of car allowances, training expenses, subsistence allowances, travelling and incidental expenses shall be submitted via the HR Self Service system and duly certified by the appropriate manager, by a specified date in each month.
- 18.8 The certification by the relevant manager shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council.
- 18.9 All officer must keep receipts for inspection by the Inland Revenue. These should be submitted to the appropriate manager and stored by HR

Payments to Members

- 18.10 Payment to Members shall be in accordance with the Council's Members' Allowances Scheme.
- 18.11 Payment to co-opted members entitled to claim travelling and/or other allowances will be made by the Director of Finance upon receipt of the prescribed form duly completed.

19 Taxation

Responsibility

- 19.1 The Director of Finance is responsible for advising Directors, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the authority.
- 19.2 The Director of Finance is responsible for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

- 19.3 The Director of Finance shall be responsible for all communications with HM Revenue and Customs for all matters relating to taxation. The Director of Finance shall maintain records and accounts sufficient to meet the obligations of the collection agencies.
- 19.4 The Director of Finance shall report any significant changes relating to the Council's tax affairs to Financial Policy Panel and/or Strategy and Resources Committee.
- 19.5 The Director of Finance shall be responsible for creating and maintaining an awareness of the importance of effective tax accounting across the whole organisation, and especially among those responsible for the processing of transactions.
- 19.6 The Director of Finance shall issue instructions and manuals as appropriate based on up to date legislation.

Appointment of Advisors

- 19.7 The Director of Finance shall appoint professional advisers where considered necessary to resolve any taxation issues.

Property Transactions

- 19.8 The Director of Finance and Property and Estates Manager shall be informed of all proposed acquisitions, disposals, rentals and leasing of property at the planning stage and shall advise on the taxation implications accordingly.

EXTERNAL ARRANGEMENTS

20 Partnerships, External Arrangements and Work for Third Parties

- 20.1 As part of its Community Strategy the Council provides a distinct leadership role for the community bringing together contributions from various stakeholders. The Council also has a role to play in championing needs and bidding for external funding.
- 20.2 The Director of Finance is responsible for issuing any required guidance on the financial aspects of contracts with third parties and external bodies.
- 20.3 Directors and managers must ensure that work for 3rd parties does not have an adverse impact on any of the Council's services before entering into agreements a risk management appraisal has been undertaken. Also that all guidance issued by the Director of Finance is complied with and that all agreements and arrangements are properly documented.
- 20.4 The Director of Finance must ensure that adequate insurance arrangements are in place for all partners, 3rd parties or external arrangements. Director of Finance is also responsible for advising on the tax implications of agreements with other parties.

- 20.5 The relevant Director is responsible for approving partnership arrangements and informing the Director of Finance of such arrangements. Where appropriate Directors should seek financial and legal advice prior to entering into a partnership arrangement and that risk assessments are undertaken.
- 20.6 Directors are also responsible for evaluating any long term implications of entering into such arrangements and informing the Director of Finance.
- 20.7 The Directors must also ensure that adequate records are maintained of any expenditure, grant or income including match funding.
- 20.8 The appropriate Director and manager is responsible for ensuring that all funding notified by external bodies is received and used for the intended purpose and properly recorded in the Council's accounts. It is also the responsibility of the appropriate Head of Service to inform the Director of Finance of bids for external funding with any implications such as match funding and or revenue budget implications.
- 20.9 Any contracts must comply with the Council's Contract Standing Orders.

Section F - Contract Standing Orders

Issued January 2004; Revised July 2007

1 Introduction

- 1.1 These contract standing orders (CSOs) outline the rules which govern the way the Council procures its goods and services. The objectives of these rules are to ensure that all contracts made by and on behalf of the Council shall:-
- obtain Best Value in the way we spend money;
 - comply with UK and EU laws that govern the spending of public money;
 - protect individuals from undue criticism or allegation of wrongdoing by ensuring that all officers act with independence and integrity.
- 1.2 Further advice on any respect of these CSOs or on procurement matters in general can be obtained from the Head of Procurement and Projects.

2 Scope and Interpretation

- 2.1 These CSOs generally apply to all supplies, services and works that the Council buys; those exceptions are listed at CSO 23.
- 2.2 If UK or EC Law is changed in a way that affects these CSOs then that change must be observed until the CSOs can be revised. If there is a conflict between UK or EC legislation and these CSOs then the legislation will take precedence.
- 2.3 Any reference in the Contract Standing Orders to a contract value means an amount exclusive of VAT.
- 2.4 All references to a contract value mean the overall contract sum payable over the life of a contract. A 3 year contract with an annual value of £10,000 will have a contract value of £30,000.
- 2.5 When estimating contract values, Officers shall include likely additional orders arising under the contract (e.g. through dayworks or supplementary activities) and shall take into account any provision for indexation of sums to be paid under the contract.
- 2.6 Requirements shall be aggregated into a single procurement wherever practicable to maximise the Council's buying power.
- 2.7 Any reference in these Contract Standing Orders to the "Council" shall be deemed to include reference to a committee or person acting in accordance with delegated authority on behalf of the Council.

- 2.8 All Council employees and contractors engaged to act in any capacity to manage or supervise a contract must comply with these Contract Standing Orders, related Code(s) of Practice and the Council's Financial Regulations, and each Director must ensure compliance in the department for which he is responsible. Failure to comply with these Contract Standing Orders or associated Code(s) of Practice may result in disciplinary action against the officers concerned.

3 The Procurement Toolkit

- 3.1 These CSOs set the rules that regulate how our Procurement should be undertaken at a broad level. More detailed advice on achieving best practice in procurement is contained within the Procurement Toolkit. This document covers the overall Procurement Process and supports these CSOs with more practical guidance notes. The Toolkit includes checklist sheets for tender issue and contract award stages as outlined in CSO 4. The Procurement Toolkit is available via the intranet and is issued and updated by the Head of Procurement and Projects.

4 The Procurement Process

- 4.1 This section outlines the main stages in any procurement process and it is important that Officers follow these steps to ensure that best practice is being followed. More detailed information and guidance on each stage of the process is available in the Procurement Toolkit.
- 4.2 **Step 1: Define the need:** Before starting on any procurement activity, officers should understand the whole Procurement Process to ensure that the need is identified and assessed in order to select the most appropriate method of tendering, contracting and ordering.
- 4.3 Officers must first ensure that in accordance with Financial Regulations regarding Capital & Revenue Expenditure an authorised budget has been made available for these supplies, services or works.
- 4.4 At the earliest stage, Officers must be able to document the size, scope and nature of the supplies, services or works required. This is to ensure that the right product (or service) at the right price is provided at the right time and to the right quality.
- 4.5 **Step 2: Procurement Strategy:** Once the requirement has been identified in more detail, the procurement strategy needs to be considered. Is this a single one-off requirement, a regular requirement that needs to be called off over a period of time or a long-term service provision? This will determine how you approach the market in terms of tendering and what type of contract will be required.
- 4.6 The overall estimated contract value of a requirement will determine what method of procurement is required and this is outlined in detail in CSOs 8-10.

- 4.7 For all contracts estimated at **over £25,000** in value, a procurement strategy must be approved by the Head of Procurement before any tenders are issued to the market. This process should be recorded on a “tendering checklist” that is available within the Procurement Toolkit. This checklist should be completed and passed with the relevant papers to the Head of Procurement for approval. However it is recommended that discussions with the Head of Procurement on the best method of procurement should commence at the earliest possible opportunity in the process.
- 4.8 **Step 3: Choose Method of Procurement:** If the works, supplies or services are **less than £5,000** Contract Value (low value transaction), procurement will be by official order and the rules set out in CSO 8 shall apply.
- 4.9 If the works, supplies or services are between £5,000 and £75,000 Contract Value (mid value transaction), procurement will be by competitive quotation and the rules set out in CSO 9 shall apply.
- 4.10 If the works, supplies or services are **over £75,000** Contract Value (full tender), procurement will be by competitive tender and the rules in CSO 10 shall apply.
- 4.11 If the works, supplies or services are over the following Contract Values, then these will be governed by EC Procurement Directives, which must be followed:
- | | |
|-----------------------|------------|
| Works | £4,348,350 |
| Supplies and Services | £173,934 |
- 4.12 These Directives are covered in more detail in CSO 16 under European Procurement.
- 4.13 **Step 4: Bid Evaluation:** Tenders and quotations should be assessed on the value for money they offer the Council defined as the optimum balance of whole life costs and benefits that meet our requirements. Officers must consider the whole life costs to the Council of acquiring, owning, maintaining and disposing of goods, services or works. The evaluation criteria to be used for each purchase needs to be clearly indicated in the invitation to quote or tender documents issued to the market.
- 4.14 **Step 5: Contract Award:** For all orders over £25,000 the bid evaluation must be formally recorded onto an “evaluation checklist” which is available from the Procurement Toolkit and passed to the Head of Procurement for approval before the order or contract is awarded.
- 4.15 **Step 6: Contract Management:** Effective contract management is essential to ensure that the goods, services or works ordered are delivered to the Council as specified. The main focus should be on ensuring that the benefits and outcomes identified by the Council are delivered by the chosen Contractor on an on-going basis.

5 Who Can Purchase?

- 5.1 The financial limits governing who can purchase goods and services are contained within the Officer's user profile on the Council's electronic purchasing system (authority purchasing). These define the financial limits within which Officers are authorised to raise orders and enter into Contracts on behalf of the Council.
- 5.2 These financial limits do not exempt Officers from seeking approval at Tender and Contract Award stage from the Head of Procurement as outlined in CSO 4.

6 Declaration of Interests

- 6.1 No officer shall take any personal or private benefit from any contract entered into by the Council or on its behalf with a third party.
- 6.2 The following must declare any interests that may affect the contract process:-
- (a) all staff, whether employed by the Council or otherwise, who play an influential role in any aspect of the tendering process;
 - (b) all staff listed on a scheme of delegation; and
 - (c) external consultants and representatives of bodies other than the Council whose work gives them influence over or information about any aspect of the contract.
- 6.3 Directors will ensure that staff, consultants and representatives of bodies other than the Council appointed or agreed by them, make declarations on appointment or on any change in circumstances; and will either certify them as acceptable or take necessary action in respect of potential conflicts of interest.
- 6.4 Directors will keep completed staff declarations on the individual's personnel file; and also maintain a central register of declarations indicating the names and grades of all those declaring and the nature of their declaration. Declarations of any consultants or other bodies' representatives will be retained on the contract file.

7 Electronic Procurement

- 7.1 Electronic procurement systems as approved by the Head of Procurement and Projects shall be used in preference to paper-based procurement.
- 7.2 Electronic Procurement may provide, for example, the use of purchasing cards and electronic quotations and tendering systems.
- 7.3 Provided that in relation to electronic quotations or tenders such a scheme shall provide that:-
- (a) evidence of the successful completion of the transmission of quotations or tenders shall be recorded;
 - (b) all quotations or tenders in a procurement are required to be submitted electronically;

- (c) each electronic quotation or tender shall be kept unopened in a single secure electronic mailbox that cannot be opened before the time specified for the close of quotations or tenders.

8 Low Value Transactions (less than £5,000)

8.1 Where the estimated amount or value of the contract does not exceed £5,000, the works, supplies or services should where possible be procured through a written quotation before any purchase order is issued provided that:-

- (a) more than one quotation has been obtained, where appropriate;
- (b) the product/service is not available through a corporate contract or call-off arrangement, which must be used if they exist;
- (c) the product/service is not available through a public sector framework agreement, which should be used if they exist and no corporate contract is available;
- (d) if a standing list of tenderers exists then that list must be used as the source of providing the names of contractors from whom quotations are sought;
- (e) the accepted offer is the lowest compliant price or is the most economically advantageous bid in accordance with documented evaluation criteria;
- (f) the official order has been authorised by an officer with the appropriate financial limit as contained in the procurement authority list;
- (g) the expenditure is within approved budgets.

9 Mid Value Transaction (£5,000 - £75,000)

9.1 Where the estimated value of the contract exceeds £5,000 but is less than £75,000, including nominated sub-contracts, the works, supplies or services should be procured by competitive quotation provided that:-

- (a) the actual contract value does not exceed £75,000 or is no more than 10% in excess of the estimated value;
- (b) at least three written quotes are sought;
- (c) where a standing list of tenderers exists then that list must be used as the source of providing the names of contractors from whom quotations are sought;
- (d) the accepted quotation is the lowest compliant price or is the most economically advantageous bid in accordance with documented evaluation criteria;
- (e) the contract is evidenced in writing by official order and has been authorised by an officer with the appropriate financial limit as contained in the procurement authority list;
- (f) the expenditure is within approved budgets.

- 9.2 If three quotations cannot be obtained because there are insufficient suitable suppliers in the market place prepared to quote, or where the appropriate Director feels that this is inappropriate in the interests of the efficient management of the service, then the appropriate Director must keep a record of the reasons for this.
- 9.3 Quotations for works shall be invited from suppliers selected using the Construction Procedure as per CSO 11.
- 9.4 The suppliers invited to quote shall be selected by the Head of the procuring Department. Subject to there being sufficient suitable suppliers available for selection, at least half the suppliers selected to quote on a procurement shall not in the previous 12 months have been invited to quote on a similar procurement.
- 9.5 No supplier shall be invited to quote, unless they have submitted satisfactory evidence regarding their technical competence, financial standing and ability to comply with all relevant legal requirements.
- 9.6 All invitations to quote shall be submitted using the standard forms available in the Procurement Toolkit.
- 9.7 Every quotation shall remain in the custody of the Head of the procuring Department until the time appointed for its opening. The officer who receives the quotation shall indicate on the envelope the date and time of its receipt. Handover of the quotation should be recorded and signed by two officers on the envelope.
- 9.8 A quotation received after the time specified for the close of quotations, or which does not comply with CSO 17 shall not be considered in any circumstances.
- 9.9 All quotations for the same procurement shall be opened at the same time after the time specified for the close of quotations. They shall be opened by the Head of the procuring Department, or by an officer authorised in writing by them, in the company of another officer.

10 Full Tender Procedures (over £75,000)

- 10.1 All contracts including nominated sub-contracts with an estimated contract value exceeding £75,000 should be procured by competitive tender. Officers must select one of the following 3 methods of tendering. Advice on how to select the most appropriate method should be sought from the Head of Procurement and Projects.
- 10.2 Suppliers shall not be selected to quote or tender without receiving from them a written (or where that is not practicable) telephone confirmation that they are willing to quote or tender. A written record shall be made of any telephone confirmation.

Open Procedure

- 10.3 This procedure shall apply where the Council, Committee or authorised officer has decided that tenders for a contract are to be by open competition.

10.4 The tender shall be advertised in one or more local newspapers and also in one or more newspapers or specialist journals or magazines. The advertisement should specify a time limit (minimum 14 days) within which interested parties must express their interest in tendering. After the expiry of this period, invitations to tender should be sent to all the interested parties, specifying a period of not less than three weeks for the return of tenders.

Restricted Procedure

10.5 This procedure shall apply where the Council or a Committee or an authorised officer have decided to pre-select those contractors that are interested in bidding.

10.6 The procedure is exactly the same as the Open Procedure detailed above except the advertisement should state that a restricted tendering procedure will be used.

10.7 The advertisement should either specify the information to be provided by interested parties for the short listing process or request them to apply for a pre-tender questionnaire. Bidders should be given a minimum of 14 days to supply this information. Invitations to tender should be sent to no less than four tenderers selected by means of pre-determined, selection criteria (or all of them where less than four entrants meet the criteria). The invitation to tender should specify a period of not less than three weeks for the return of tenders.

Negotiated Procedure

10.8 This tendering procedure may be used for contracts with estimated values of £75,000 or more if it is considered that this option will achieve the best contract value.

10.9 The procedure is essentially the same as the Restricted Procedure detailed above but allows for Post Tender Negotiations to take place.

10.10 The advert must clearly state that the Negotiated Procedure is being used and that the Council reserves the right to enter into Post Tender Negotiations.

10.11 All post tender negotiations must be conducted in a manner which allows all bidders the opportunity to negotiate and which maintains the highest standards of integrity.

10.12 All post tender negotiations must be approved by the Head of Procurement and relevant Director and be conducted by a Senior Officer.

10.13 The Negotiated Procedure should only be used in the following circumstances:-

- (i) either the Open or Restricted procedures have been used and resulted in unacceptable or irregular tenders or no tenders; or
- (ii) where the nature of the works, services or supplies being procured is such that a precise specification cannot be drawn up; or
- (iii) the procurement includes a design element.

Strategic Procurement

10.14 All contracts including nominated sub-contracts with an estimated contract value exceeding £750,000 will be classified as a Strategic Procurement and should be procured by competitive tender using one of the methods outlined above.

Guidance when insufficient expressions of interest are received

10.15 If there are:-

- (i) insufficient expressions of interest in an Open Procedure procurement;

or

- (ii) insufficient applicants satisfying the pre-qualification criteria in a Restricted or Negotiated Procedure procurement to meet the minimum number of suppliers under CSO 11,

tenders shall be invited from all those expressing an interest in the Open Procedure or all those satisfying the pre-qualification criteria in the Restricted or Negotiated Procedure.

11 Construction Procedure

11.1 The Construction Procedure shall be used for the procurement of works, except where the value exceeds the EU threshold limits under CSO 16.

11.2 The Council uses Constructionline to provide supplier accreditation services and all suppliers are selected from this database. For works with an estimated value of less than £75,000 a minimum of 3 suppliers should be chosen from the database and invited to provide tenders. For works with an estimated value of more than £75,000 a minimum of 4 suppliers should be chosen and invited to provide tenders.

11.3 If there are insufficient suitable contractors registered with Constructionline to comply with the above requirements, the works must be tendered in line with the procedures outlined in CSO 8-10 depending on the value involved.

12 Authorisation Levels for accepting quotes and tenders

12.1 A Head of Division may accept:-

- (a) a quotation on a Low Value Procurement (less than £5,000), which they have evaluated as the best in accordance with CSO 8, whether or not it is the lowest quotation received and regardless of the number of quotations received;
- (b) the lowest quotation received on an Intermediate Value Procurement (between £5,000 - £75,000), provided that:-
 - at least two quotations have been received; and
 - the contract value does not exceed the pre-quotation estimate by more than 15%; and

- they have evaluated the quotation as the best in accordance with CSO 8.

12.2 A Director may accept:-

- (a) a quotation on an Intermediate Value Procurement, which they have evaluated as the best in accordance with CSO 9, whether or not it is the lowest quotation received or exceeds the pre-quotation estimate by more than 15%, and regardless of the number of quotations received;
- (b) a tender on a full Tender procedure, which they have evaluated as the best in accordance with CSO 18, whether or not it is the lowest tender received or exceeds the pre-tender estimate by more than 15%, and regardless of the number of tenders received;

12.3 The appropriate Committee may accept:-

- (a) a tender on a Strategic Procurement, whether or not it is the lowest tender received or exceeds the pre-tender estimate by more than 15%, and regardless of the number of tenders received;

13 Disposal of Assets

13.1 Assets may be declared surplus to requirements by a Director, who shall then assess the value of the assets with such expert assistance as they consider prudent in the circumstances, and dispose of them in accordance with this CSO.

13.2 The value of an asset for the purposes of this CSO shall be the estimated price for which the asset might reasonably be expected to be sold by a willing seller to a willing purchaser in the open market. Similar assets declared surplus to requirements at or about the same time shall be valued in aggregate.

13.3 The value thresholds for procurement set out in CSO 4 shall apply for the purpose of determining the procedure to be adopted on the disposal of assets, subject to the provisions of this CSO.

13.4 Assets having no realisable value (or such little realisable value that the costs of disposal are likely to be equal to or greater than the price received) may be disposed of as waste, provided that the disposal shall be for recycling where this is reasonable in practical and financial terms:

- (a) Assets with a value of £1,000 or less may be donated to a charitable or similar purpose approved by a Director;
- (b) Low Value Assets may be sold without a competitive process;
- (c) In the case of Intermediate Value, and tender value assets, disposal shall be carried out by inviting bids for the assets through the Open Procedure or by auction;
- (d) The levels of authorisation to award contracts set out in CSO 12 shall also apply to the disposal of assets, provided that in no case (other than the sale of a business where the evaluation criteria include social benefits) shall any other than the highest quotation or tender be accepted.

13.5 Council staff are not eligible to purchase assets under this procedure.

14 Use of Framework Agreements

14.1 There are a number of Public Sector Framework Agreements that have been negotiated by Central Government agencies for use by all public authorities. These cover a wide variety of supplies and services and should provide value for money for the Council as the terms are negotiated on very high volumes. The use of these agreements is encouraged for low value transactions (less than £5,000) as they have already been competitively tendered and contracts can be awarded against these agreements without the need for advertising and tendering. Further advice on Public Sector Framework agreements including a list of current contracts available can be found in the procurement toolkit.

15 Consortium Contracts

15.1 The requirements in these CSOs for obtaining quotes or tenders shall not apply where:-

- (a) the Council is part of a consortium of Council's contracting with the same contractor in respect of the provision of a particular good or service and where the Council is not the lead authority in the Consortium, in which case the lead authority's CSOs will apply; or
- (b) where the Council uses a Local or Central Government procurement framework contract that has already been subject to a competitive tendering exercise as per CSO 14.

16 EC Procurement Directives

16.1 If the estimated total contract value is over the following financial thresholds then the EC Procurement Directives will apply to the procurement process.

Works	£4,348,350
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Services, and Supplies	£173,934
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16.2 Under EC Procurement Directives, contracts must be tendered under the Open, Restricted or in exceptional circumstances the Negotiated Procedure. Although these procedures are essentially the same as detailed in CSO 10, they must also be advertised in the Official Journal of the European Union (OJEU) and the timescales for bidders to respond to tenders are prescribed and must be strictly adhered to.

16.3 Advice must be sought from the Head of Procurement prior to commencing on any procurement that requires the use of EC Procurement Directives.

17 Receiving and Opening Tenders

- 17.1 Every invitation to tender shall state that all tenders shall be enclosed in a plain sealed envelope bearing the word "Tender" followed by the subject to which it relates, but with no other names or marks identifying the sender. Submissions by other means, e.g. by facsimile, are not acceptable.
- 17.2 Tenders shall be addressed impersonally to the Chief Executive and shall be kept securely in the custody of Democratic Services until the time and date specified for their opening (as stated in the invitations to tender).
- 17.3 No tender shall be accepted unless it complies with the above. Any tender received after the date and time indicated shall not be considered. Any quotation or tender disqualified above shall be returned to the sender but details of the quotation or tender must not be disclosed.
- 17.4 A tender received after the time fixed for receipt but before the other tenders have been opened may be considered, provided that there is evidence that it was posted or dispatched early enough to be received in due time by the normal course of post or dispatch.
- 17.5 Tenders shall be opened at one time and in the presence of:-
- (a) (for tenders with an estimated value over £100,000) a minimum of one Member of the Council and two Officers not directly involved with the tender;
 - (b) (for tenders with an estimated value under £100,000), one Officer not directly involved with the tender must be present.
- 17.6 The opened tenders must be fully recorded, detailing the names of each firm bidding and the amount of each tender. The Councillors and/or Officers present should sign and date the tender summary of each tender opened.
- 17.7 All tenders and quotations received must be kept securely for a period of at least 12 months after the award of the contract.

18 Evaluating Quotes and Tenders

- 18.1 Where competitive quotations are invited for contracts below £50,000 the bidder submitting the lowest price compliant bid should be awarded the contract, unless alternative pre-determined evaluation criteria are stated in the invitation documents.
- 18.2 For contracts valued over £50,000 and for all tenders subject to EU Procurement Directives a more complex evaluation framework must be used to establish that Best Value will be delivered from the Procurement Process. This evaluation process is based upon the Most Economically Advantageous Tender (MEAT) rather than just the lowest price. This method of evaluation must be stated in the tender documents clearly identifying the evaluation criteria and weighting them in importance.
- 18.3 All tenders received must then be evaluated against these criteria utilising a weighted scoring system. More detailed advice on evaluating tenders can be found in the Procurement Toolkit.

19 Awarding Contracts

- 19.1 The results of all quotation and tender evaluations should be recorded and for contracts valued over £25,000 must be approved by the Head of Procurement and Projects **before** any contract is awarded.
- 19.2 A contract or purchase order can only be awarded by an Officer authorised to do so and after ensuring that the necessary budget provision is available.
- 19.3 Where only one tender or quotation with a value over £5,000 is received it should not be awarded without the prior written approval of the relevant Director.
- 19.4 Before any tender or quotation exceeding the allowance provided for in the Council's budget for the said works, goods materials or services is accepted, the Council shall consider a report from the appropriate Director detailing the implications of accepting such a tender or estimate and shall consider what action to take having regard to Financial Regulations.

20 Contract Conditions

- 20.1 Contract terms and conditions set out the basic requirements that will be common to most procurements such as what will happen in the case of default by a supplier and when and how payments will be made.
- 20.2 Such terms and conditions should not be overly adversarial so that fair and trusting relationships can be developed with suppliers, however Officers need to ensure that the Council is protected against defaults and disputes. Suppliers' own terms and conditions are unlikely to be favourable to the Council or provide sufficient protection in the event of default by the supplier.
- 20.3 Further information on contract conditions, including details of specific clauses that are applicable for goods, services or works contracts is available in the Procurement Toolkit.
- 20.4 However as a general rule, every contract with a value over £5,000 should:-
 - (a) be in writing in a form approved by the Head of Legal and Democratic Services or be the subject of an official order generated by the Authority Purchasing System;
 - (b) be signed by the officer responsible for supervising the contract on behalf of the Council;
 - (c) specify the goods, materials, or services to be supplied and work to be executed;
 - (d) specify the price to be paid together with a statement as to the amount of any discount or other deduction;
 - (e) specify the time for performance of the contract;

- (f) for Contracts over £75,000 provide for liquidated damages to be paid by the contractor in case the terms of the contract are not duly performed if financial loss is likely to arise from delay;
- (g) contain a clause to ensure that should the contractor fail to deliver all or part of the goods or services within the time specified in the contract, the Council will be able to cancel the contract and purchase these goods or services from another contractor at no extra cost to the Council;
- (h) the clause shall further secure that the amount by which the cost of so purchasing other goods or materials exceed the amount which would have been payable to the contractor in respect of the goods or materials, shall be recoverable from the contractor. Such clause may be amended or waived at the discretion of the Director in consultation with the Head of Legal and Democratic Services and the Director of Finance;
- (i) for every contract that exceeds £100,000 in value or amount, or lower if deemed necessary by the Director concerned, sufficient security for the due performance of the contract of an appropriate amount of the contract sum shall be taken. A reasonable balance shall be retained to the end of the defects liability period on works contracts.
- (k) every contract shall contain a clause empowering the Council to cancel the contract and to recover any loss resulting from such cancellation if:-
 - the contractor (or an employee or person acting on his behalf) shall have offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for entering into the contract with the Council;

or

 - the contractor (or any person employed by him or acting on his behalf) shall have committed any offence under the Prevention of Corruption Acts 1889 to 1916;

or

 - the contractor (or any person employed by him or acting on his behalf) shall have given any fee or reward, the receipt of which is an offence under Section 117(2) of the Local Government Act 1972.

20.5 Any standard terms and conditions of contract submitted by prospective contractors shall not be accepted without advice from the Head of Legal and Democratic Services. Proposed payment arrangements under a contract must be discussed with and agreed with the Director of Finance or his representative in advance of the contract being entered into.

20.6 Any contract that requires the contractor to make payments or to collect income on behalf of the Council shall reserve the Director of Finance's rights of audit as if the contractor was an employee of the Council.

- 20.7 Every contract in a Tender Procedure shall provide that the supplier shall:-
- (a) comply in its performance of the contract with the provisions of the Human Rights Act 1998 in all respects as if it were a public body within the meaning of that Act; and
 - (b) indemnify and keep indemnified the Council against all actions, claims, demands, proceedings, damages, losses, costs, charges and expenses whatsoever in respect of any breach by the supplier of the obligation in complying with the Human Rights Act 1998.
- 20.8 Unless otherwise authorised by a Director, no procurement shall be made from a supplier who does not provide (in addition to a registered address in the case of a corporate body) an address from which the business operates and a land based telephone number. A PO Box (without specific address details) or a website address does not constitute a valid business address for these purposes.
- 20.9 Where it is appropriate, suppliers must provide certification of their Construction Industry Scheme tax status.
- 20.10 All contracts shall be governed by English law.

21 Contract Management

- 21.1 Contract management is the interface between the Council and the supplier and this relationship needs to be seen as part of the on-going procurement process. The main focus and benefit of good contract management is to ensure that the benefits identified in the contract are actually delivered.
- 21.2 For all major contracts over £75,000 and for all service contracts, clear objectives should be set at contract award stage, establishing what is expected from the supplier and more importantly how it will be measured. Key performance indicators should be agreed and formalised as the means of assessing performance. Contract managers need to be able to tackle under-performance by the contractor using these methods.

22 Engagement of Consultants

- 22.1 Persons engaged to supervise or arrange contracts shall be required:-
- (a) to comply with these Contract Standing Orders as though he were an employee of the Council, subject to the modification that the procedure to be followed inviting and opening tenders shall be approved in advance by the appropriate Director. No exception to this shall be made otherwise than by direction of the Council;
 - (b) at any time during the performance of the contract, to produce to the appropriate Director, on request, all records maintained by him in relation to the contract;
 - (c) to transmit, on completion of the contract all such records to the appropriate Director.

23 Exceptions

23.1 The following circumstances represent the only permitted exceptions from all or part of Contract Standing orders:

- (a) The goods, works or services are being purchased under a public sector framework agreement that has already been tendered as per CSO 14;
- (b) Goods or materials are proprietary articles or are sold only at a fixed price and no satisfactory alternative is available;
- (c) The price of the goods or materials is wholly controlled by trade organisations, government order or statutory undertakers where they have monopoly status and no satisfactory alternative is available;
- (d) The execution of works, or supply of services, are of a specialised nature that in the opinion of the appropriate Director are obtainable from fewer prospective contractors than required by Standing Orders. In this case, tenders or quotations shall be obtained from the sole or all available suppliers/persons who possess sufficient expertise or suitability;
- (e) The work to be executed or the goods or materials to be supplied consist of repairs to or the supply of parts for existing proprietary machinery or plant;
- (f) Where the Council is acting solely as an agent of another body in compliance with the contract standing orders of that other body;
- (g) Where the contract is one of employment;
- (h) Where the contract relates to a financial transaction;
- (i) Other reasons where there is no genuine competition;
- (j) The work to be executed or goods or materials to be supplied constitute an extension of an existing contract;
- (k) Where the contract is for the execution of work or the supply of goods or materials certified by the appropriate Director as being required so urgently as not to permit the invitation to tenders;
- (l) an extension to an existing contract which is within the terms of the contract provided that the decision is taken at the level (Head of Department/ Director/Committee) at which the original decision to award the contract was required to be taken by these CSOs and provided also that the decision-making person or body is satisfied that extension of the contract achieves best value;
- (m) Where the contract is for the disposal or acquisition of land or property.

23.2 Exceptions (a) to (h) inclusive may be invoked without further report or authorisation. Exceptions (i) to (l) inclusive may be invoked only after EITHER a report has been made to the appropriate committee requesting that Contract Standing Orders are waived and why, OR the approved Officer Action form for works of an urgent nature has been used and fully authorised. The Director concerned shall not proceed without having obtained authorisation where required.

SECTION G - Officer Employment Procedure Rules

1 Recruitment and Appointment

1.1 Declarations

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

1.2 Seeking support for appointment

- (a) The Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor or Officer for any appointment with the Council. The content of this paragraph will be included in any recruitment information.
- (b) No Councillor or Officer will seek support for any person for any appointment with the Council.

2 Recruitment of Directors

2.1 Where the Council proposes to appoint a Director, the Chief Executive, in consultation with the Panel referred to in 2.2 below, will: -

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

2.2 The Chief Executive and Director of Human Resources and Communication will, after consultation with the Panel, interview and select candidates for final interview by that Panel, consisting of the Chairman of the Strategy and Resources Committee, three other Councillors trained in interview techniques (to include appropriate minority group representation) together with the Chairman or Vice-Chairman of any other Committee concerned.

- 2.3 A panel of five members, composed of the Chairman of the Strategy and Resources Committee and four other members appointed by that Committee (to include appropriate minority group representation) will make all necessary arrangements for the recruitment and selection of the Chief Executive in accordance with the arrangements set out in 2.1 above.

3 Appointment of Directors

- 3.1 The panel referred to in 2.2 above will have power to appoint Directors.

4 Appointment of Chief Executive

- 4.1 The Full Council will approve the appointment of the Chief Executive following the recommendation of the panel referred to in 2.3 above.

5 Officers below Directors

- 5.1 Appointment of Officers below Directors is the responsibility of the Chief Executive or his/her nominee and may not be made by Councillors (except that in the case of Division Heads, provision will be made for consultation with the appropriate Committee Chairman).

6 Disciplinary Action for Alleged Misconduct (including Dismissal)

- 6.1 **Suspension:** The Chief Executive, Director of Finance and Monitoring Officer may be suspended by a decision of the Full Council whilst an investigation takes place into alleged misconduct. The suspension will be on full pay and last no longer than two months.
- 6.2 **Independent person:** No other disciplinary action may be taken in respect of any of those officers, except in accordance with a recommendation in a report made by a designated independent person under Regulation 7 of the Local Authorities (Standing Orders) Regulations 2001.
- 6.3 **Involvement of Councillors:** Councillors will not be involved in any disciplinary action against any officer below Director except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related appeals procedures, as adopted from time to time.